

Court of Justice EU, 9 juli 2015, Pera-Grave v BHIM



TRADEMARK LAW

The General Court cannot be criticized for not having applied the case-law arising out of the judgment in T.I.M.E. ART v OHIM, because of the inconsistency in the appellant's arguments

- In paragraph 52 of that judgment, the General Court pointed out an inconsistency in the appellant's arguments as regards the meaning of the word 'peramanca'. It stated that the appellant submitted, on the one hand, that that word had a meaning because it referred to a region of Portugal which is well known for the quality of the wine produced there and, on the other hand, that that word was devoid of any meaning and had only an average degree of distinctiveness.

In those circumstances, the General Court cannot be criticised for not having applied the case-law arising out of the judgment in T.I.M.E. ART v OHIM (C-171/06 P, EU:C:2007:171) in the judgment under appeal.

- It must be pointed out at the outset that the third part of the single ground of appeal is ineffective inasmuch as the General Court, in carrying out its definitive assessment of the facts, found, in paragraph 52 of the judgment under appeal, that the appellant's arguments relating to the meaning of the word 'peramanca' were inconsistent. As the appellant has not disputed that point in its appeal, the arguments that it has set out in support of the third part of the ground of appeal cannot succeed.

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ECJ, 9 juli 2015

(S. Rodin, A. Borg Barthet and M. Berger)
JUDGMENT OF THE COURT (Sixth Chamber)
9 July 2015 (*)

(Appeal — Community trade mark — Community figurative mark QTA S. JOSÉ DE PERAMANCA — Application for registration — Opposition by the proprietor of the earlier national figurative marks

VINHO PÊRAMANCA TINTO, VINHO PÊRAMANCA BRANCO and PÊRAMANCA — Relative grounds for refusal — Likelihood of confusion)

In Case C-249/14 P,

APPEAL under Article 56 of the Statute of the Court of Justice of the European Union, brought on 22 May 2014,

Pêra-Grave — Sociedade Agrícola, Unipessoal Lda, established in Evora (Portugal), represented by J. de Oliveira Vaz Miranda de Sousa, advogado, appellant,

the other parties to the proceedings being:

Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM), represented by J. Crespo Carrillo, acting as Agent,

defendant at first instance,

Fundação Eugénio de Almeida, established in Evora, represented by B. Braga da Cruz and J.M. Pimenta, advogados,

intervener at first instance,

THE COURT (Sixth Chamber),

composed of S. Rodin, President of the Chamber, A. Borg Barthet (Rapporteur) and M. Berger, Judges,

Advocate General: P. Mengozzi,

Registrar: A. Calot Escobar,

having regard to the written procedure,

having decided, after hearing the Advocate General, to proceed to judgment without an Opinion,

gives the following

Judgment

1. By its appeal, Pêra-Grave — Sociedade Agrícola, Unipessoal Lda seeks to have set aside the judgment of the General Court of the European Union in Pêra-Grave v OHIM — Fundação Eugénio de Almeida (QTA S. JOSÉ DE PERAMANCA), T-602/11, EU:T:2014:97 ('the judgment under appeal'), by which that Court dismissed its action seeking annulment of the decision of the Second Board of Appeal of the Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM) of 19 September 2011 (Case R 1797/2010-2), relating to opposition proceedings between Fundação Eugénio de Almeida and the appellant ('the contested decision').

Legal context

2. Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark (OJ 1994 L 11, p. 1) was repealed and replaced by Council Regulation (EC) No 207/2009 of 26 February 2009 on the Community trade mark (OJ 2009 L 78, p. 1), which entered into force on 13 April 2009. However, in view of the filing date of the application for registration of the mark at issue, the present dispute remains governed by Regulation No 40/94, as amended by Council Regulation (EC) No 422/2004 of 19 February 2004 (OJ 2004 L 70, p. 1) ('Regulation No 40/94').

3. Article 8(1)(b) of Regulation No 40/94, entitled 'Relative grounds for refusal', provides:

'Upon opposition by the proprietor of an earlier trade mark, the trade mark applied for shall not be registered.'

...
 (b) if because of its identity with or similarity to the earlier trade mark and the identity or similarity of the goods or services covered by the trade marks there exists a likelihood of confusion on the part of the public in the territory in which the earlier trade mark is protected; the likelihood of confusion includes the likelihood of association with the earlier trade mark.'

Background to the dispute

4. On 6 October 2008, the appellant filed an application for registration of a Community trade mark with OHIM pursuant to Regulation No 40/94.

5. Registration as a mark was sought for the following figurative sign:



6. The goods in respect of which registration was sought are in Class 33 of the Nice Agreement concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, as revised and amended ('the Nice Agreement'), and correspond to the description 'Alcoholic beverages (except beers)'.

7. The Community trade mark application was published in *Community Trade Marks Bulletin* No 50/2008 of 15 December 2008.

8. On 10 March 2009, Fundação Eugénio de Almeida filed a notice of opposition pursuant to Article 42 of Regulation No 40/94 to registration of the mark at issue in respect of the goods referred to in paragraph 6 of the present judgment.

9. The opposition was based on the following earlier rights:

– the Portuguese figurative mark, registered on 7 June 1994 (incorrectly stated in the judgment under appeal as being 7 June 1992) under the number 283 684 for goods in Class 33 of the Nice Agreement corresponding to the description 'White or red wines' ('the first earlier mark'), reproduced below:



– the Portuguese figurative mark, registered on 1 April 1996 under the number 308 864 for goods in Class 33 of the Nice Agreement corresponding to the description 'White wines' ('the second earlier mark'), reproduced below:



– application number 405 797 of 31 August 2006 for a Portuguese figurative mark in respect of goods in Class 33 of the Nice Agreement corresponding to the description 'Alcoholic beverages (except beers)'. That mark, which was registered on 27 January 2010 ('the third earlier mark?'), is reproduced below:



10. The grounds relied on in support of the opposition were those set out in Article 8(1)(b) and Article 8(5) of Regulation No 40/94.

11. By decision of 2 August 2010, the Opposition Division rejected the opposition. It found, first, that, having regard to the belated submission of the evidence, Fundação Eugénio de Almeida had not established that the earlier marks had a ‘reputation’ within the meaning of Article 8(5) of Regulation No 40/94. Secondly, it found that there was no likelihood of confusion between the marks at issue inasmuch as the identity of the goods covered was offset by the very low degree of similarity between the signs at issue.

12. On 16 September 2010, Fundação Eugénio de Almeida filed a notice of appeal with OHIM, pursuant to Articles 57 to 62 of Regulation No 40/94, against the decision of the Opposition Division.

13. By the contested decision, the Second Board of Appeal of OHIM (‘the Board of Appeal’) annulled the Opposition Division’s decision and rejected the application for registration of the mark at issue in respect of all the goods concerned. It found that there was no need to take the evidence of the reputation and enhanced distinctiveness of the earlier marks into account since it had been submitted too late. On the other hand, it found, in contrast to the Opposition Division, that a likelihood of confusion could not be excluded inasmuch as the low degree of similarity between the signs at issue was compensated for by the identity of the goods covered. According to the Board of Appeal, given that the only element common to the signs at issue, the element ‘pêra-manca’ or ‘peramanca’, was the most important element in the relevant public’s perception of those signs and had an average degree of distinctiveness, the signs exhibited some similarities. Those similarities were categorised as very slight as regards the visual comparison, inasmuch as the figurative elements of the signs at issue were not capable of prevailing in the imperfect recollection which the relevant public has of those signs, and as slight as regards the phonetic comparison. As regards the conceptual comparison, the element ‘pêra-manca’ or ‘peramanca’ could, according to the Board of Appeal, be perceived as referring to a place name and therefore give rise to a conceptual ‘overlap’ between the signs at issue.

The procedure before the General Court and the judgment under appeal

14. By application lodged at the Registry of the General Court on 22 November 2011, the appellant brought an action for annulment of the contested decision.

15. In support of its action, it put forward a single plea in law, alleging infringement of Article 8(1)(b) of Regulation No 40/94.

16. Inasmuch as it is sufficient, in order for OHIM to refuse an application for registration of a mark, to establish that there is a likelihood of confusion as regards one earlier mark, the General Court examined, first, whether there was such a likelihood of confusion with the third earlier mark, which, in its view, *prima*

facie, had the greatest similarity with the mark in respect of which registration is sought.

17. The General Court held that there was a very low degree of visual similarity and a low degree of phonetic similarity between the signs at issue and that there could be some overlap between them conceptually. It held that the degree of similarity between those signs was sufficient for a likelihood of confusion between them not to be capable of being ruled out and, consequently, rejected the single plea in law and therefore the action, without it being necessary, *inter alia*, to assess whether there was a likelihood of confusion between the mark in respect of which registration is sought and the first and second earlier marks.

Forms of order sought

18. By its appeal, the appellant claims that the Court should:

- allow the appeal and set aside the judgment under appeal;
- in the alternative, refer the case back to the General Court, and
- order OHIM to pay the costs incurred both in the proceedings before the General Court and in the appeal proceedings.

19. OHIM contends that the Court should:

- dismiss the appeal as inadmissible;
- in the alternative, dismiss the appeal as unfounded, and
- order the appellant to pay the costs.

The appeal

20. In support of its appeal, the appellant puts forward a single ground of appeal alleging infringement of Article 8(1)(b) of Regulation No 40/94, which is divided into three parts.

The first part of the single ground of appeal

Arguments of the parties

21. By the first part of its single ground of appeal, the appellant submits that the General Court failed to properly substantiate the existence of a likelihood of confusion between the signs at issue. It takes the view that by holding, in paragraphs 60 and 61 of the judgment under appeal, that the ‘*degree of similarity is sufficient for a likelihood of confusion between the marks at issue not to be capable of being ruled out*’ and that ‘*it cannot be ruled out that the relevant consumer may perceive the mark applied for as relating to a range of goods originating from the undertaking which is the proprietor of the third earlier mark*’, the General Court unduly extends the scope of protection conferred on trade marks by EU law. It thus ends up unjustifiably reversing the burden of proof, which puts trade mark applicants in the position of having to prove a negative fact, namely that there is no likelihood of confusion.

22. OHIM submits that the first part of the single ground of appeal must be rejected as manifestly inadmissible. It states, in that regard, that the Board of Appeal concluded in the contested decision that ‘*a likelihood of confusion in the sense of Article 8(1)(b) [of Regulation No 40/94] cannot be excluded*’ and that the General Court endorsed that analysis by repeating

the same wording in paragraph 61 of the judgment under appeal. It states that, however, in its action before the General Court, the appellant did not challenge the Board of Appeal's reasoning by submitting that it resulted in a reversal of the burden of proof. Consequently, OHIM takes the view that the first part of the single ground of appeal was not part of the subject-matter of the proceedings before the General Court, which may not, pursuant to Article 170(1) of the Rules of Procedure of the Court of Justice, be changed in the appeal.

23. In the alternative, OHIM submits that the first part of the single ground of appeal is unfounded inasmuch as the wording *'it cannot be ruled out'* in the judgment under appeal cannot be interpreted against the substance of the decision, which does not presume a likelihood of confusion.

Findings of the Court

24. As regards, in the first place, the admissibility of the first part of the single ground of appeal, it must be borne in mind that, according to the case-law, to allow a party to put forward for the first time before the Court of Justice a plea in law which it did not raise before the General Court would in effect allow that party to bring before the Court a wider case than that heard by the General Court. In an appeal, the Court's jurisdiction is, as a general rule, confined to a review of the General Court's assessment of the pleas argued before it. However, an argument which was not raised at first instance does not constitute a new plea that is inadmissible at the appeal stage if it is simply an amplification of an argument already developed in the context of a plea set out in the application before the General Court (judgment in *Areva and Others v Commission*, C-247/11 P and C-253/11 P, EU:C:2014:257, paragraphs 113 and 114 and the case-law cited).

25. In the present case, the appellant had, in its application at first instance, put forward a single plea in law alleging infringement of Article 8(1)(b) of Regulation No 40/94, by which it claimed, inter alia, that the degree of overall similarity between the signs at issue was not sufficient to conclude that there is a likelihood of confusion, as is apparent from paragraphs 14 and 55 of the judgment under appeal. Accordingly, although the appellant did not expressly submit, at first instance, that the reasoning of the Board of Appeal constituted a reversal of the burden of proof, the fact remains that it disputed the assessment which the Board of Appeal carried out when appraising whether there was a likelihood of confusion between the marks at issue. The argument alleging that the General Court failed to properly substantiate the existence of such a likelihood of confusion, which the appellant puts forward in the appeal, must therefore be held to be an elaboration of that plea.

26. The first part of the single ground of appeal must therefore be held to be admissible.

27. As regards, in the second place, the merits of the first part of the single ground of appeal, it must be stated that the General Court held, in paragraph 60 of

the judgment under appeal, that the *'degree of similarity is sufficient for a likelihood of confusion between the marks at issue not to be capable of being ruled out'* and, in paragraph 61 of that judgment, that *'it cannot be ruled out that the relevant consumer may perceive the mark applied for as relating to a range of goods originating from the undertaking which is the proprietor of the third earlier mark'*.

28. As OHIM submits in that regard, the use of the expressions *'is not capable of being ruled out'* or *'it cannot be ruled out'* cannot be interpreted independently of the substance of the judgment under appeal. In paragraph 19 of that judgment, the General Court, first of all, stated that inasmuch as it is sufficient, in order for OHIM to refuse an application for registration of a mark, to establish that there is a likelihood of confusion as regards one earlier mark, that Court had decided to examine first the likelihood of confusion with the third earlier mark. Next, it carried out an examination of the comparison of the signs at issue, in paragraphs 23 to 52 of the judgment under appeal, and carried out a global assessment of the likelihood of confusion, in paragraphs 53 to 61 of that judgment, referring to the relevant case-law in that regard. Lastly, in paragraph 62 of that judgment, the General Court rejected the single plea in law and consequently dismissed the action, holding that there was no need, inter alia, to examine the intervener's argument to the effect that the earlier marks have a certain reputation in Portugal, given that it had upheld the assessment of the Board of Appeal which had concluded that there was a likelihood of confusion without taking such a reputation into consideration.

29. It follows that, although the use, by way of conclusion, of those expressions in the judgment under appeal is not unambiguous, it is nevertheless clear from the General Court's reasoning that that Court carried out a global assessment of whether there was a likelihood of confusion between the signs at issue and established that a likelihood of confusion existed.

30. In the light of the foregoing, the first part of the single ground of appeal put forward by the appellant in support of its appeal must be rejected.

The second part of the single ground of appeal

Arguments of the parties

31. By the second part of its single ground of appeal, the appellant complains that the General Court failed to take into account the impact and weight of the conceptual dissimilarities between the signs in the global assessment of the likelihood of confusion between the marks at issue. It relies, in that regard, on the case-law according to which the conceptual differences between two marks may be such as to counteract to a large extent the visual and phonetic similarities that may exist between them, provided that at least one of the signs has a clear and specific meaning for the relevant public, so that that public is capable of grasping it immediately (judgment in *T.I.M.E. ART v OHIM*, C-171/06 P, EU:C:2007:171, paragraph 49).

32. The appellant submits that since the General Court took the view, in paragraph 47 of the judgment under appeal, that the relevant public perceives the expression ‘qta s. José de peramanca’ as a logical and conceptual whole referring to an estate with the name of San José de Peramanca, the conceptual content of the mark in respect of which registration is sought should suffice to counteract the very low degree of visual similarity and the low degree of phonetic similarity.

33. OHIM submits that the appellant invokes such case-law for the first time before the Court. It takes the view that as that line of argument was not part of the subject-matter of the proceedings before the General Court, it is therefore manifestly inadmissible. It maintains that the second part of the appellant’s single ground of appeal is also inadmissible to the extent that it seeks to have the Court reassess the facts.

34. In the alternative, OHIM submits that that part of the ground of appeal is unfounded because the appellant misinterprets the judgment under appeal, since the General Court did not find that there was a conceptual difference between the signs.

Findings of the Court

35. As regards, in the first place, the admissibility of the second part of the ground of appeal, it must be pointed out, first, that the appellant had, in its application at first instance, put forward a single plea in law alleging infringement of Article 8(1)(b) of Regulation No 40/94, by which it claimed, inter alia, that the Board of Appeal had erred in minimising the overall importance of the numerous visual, phonetic and conceptual differences between the signs at issue, as is apparent from paragraphs 14 and 22 of the judgment under appeal.

36. Although the appellant did not refer expressly at first instance to the case-law arising out of the judgment in *T.I.M.E. ART v OHIM* (C-171/06 P, EU:C:2007:171), the fact remains that it disputed the Board of Appeal’s assessment as regards the weight of the conceptual differences. Consequently, the arguments which the appellant puts forward concerning that judgment are simply an amplification of an argument already developed in the context of a plea set out in the application at first instance, in accordance with the case-law referred to in paragraph 24 of the present judgment.

37. Secondly, by submitting that the General Court should have held that the conceptual content of the mark in respect of which registration is sought sufficed to counteract the slight visual and phonetic similarities between the marks at issue since it had held that the relevant public perceived the expression ‘qta s. José de peramanca’ as a logical and conceptual whole, the appellant is claiming that the General Court erred in law in not applying the case-law arising out of the judgment in *T.I.M.E. ART v OHIM* (C-171/06 P, EU:C:2007:171). What is involved here is therefore a point of law which may be reviewed by the Court of Justice on appeal, in accordance with Article 256 TFEU and the first paragraph of Article 58 of the Statute of the Court of Justice of the European Union.

38. Consequently, the second part of the single ground of appeal must be held to be admissible.

39. As regards, in the second place, the merits of the second part of the ground of appeal, it must be borne in mind that, according to settled case-law, the global assessment of the likelihood of confusion implies that conceptual differences between two signs can counteract visual and phonetic similarities between them, provided that at least one of those signs has a clear and specific meaning for the relevant public, so that that public is capable of grasping it immediately (see, to that effect, judgments in *Ruiz-Picasso and Others v OHIM*, C-361/04 P, EU:C:2006:25, paragraph 20; *Mülhens v OHIM*, C-206/04 P, EU:C:2006:194, paragraph 35; and *T.I.M.E. ART v OHIM*, C-171/06 P, EU:C:2007:171, paragraph 49).

40. It follows that, in order to be able to apply that case-law, the General Court has to hold that at least one of the signs at issue has a clear and specific meaning for the relevant public.

41. It must be pointed out that such a finding is not apparent from the judgment under appeal.

42. In paragraph 47 of that judgment, the General Court did not admit that the relevant public perceived the expression ‘qta s. José de peramanca’ as a logical and conceptual whole referring to an estate with the name of San José de Peramanca, but, on the contrary, rejected the appellant’s argument that the fact that the relevant public perceived that expression as a logical and conceptual whole, referring to an estate with the name of San José de Peramanca, prevented the attention of that public from being attracted in particular by the element ‘peramanca’.

43. In paragraph 52 of that judgment, the General Court pointed out an inconsistency in the appellant’s arguments as regards the meaning of the word ‘peramanca’. It stated that the appellant submitted, on the one hand, that that word had a meaning because it referred to a region of Portugal which is well known for the quality of the wine produced there and, on the other hand, that that word was devoid of any meaning and had only an average degree of distinctiveness.

44. In those circumstances, the General Court cannot be criticised for not having applied the case-law arising out of the judgment in *T.I.M.E. ART v OHIM* (C-171/06 P, EU:C:2007:171) in the judgment under appeal.

45. Consequently, the second part of the single ground of appeal must be rejected as unfounded.

The third part of the single ground of appeal Arguments of the parties

46. By the third part of its single ground of appeal, the appellant complains that the General Court did not examine, in the context of the global assessment of a likelihood of confusion between the signs at issue, whether it was reasonable to assume that the relevant consumers might, in the future, make a link between the geographical name ‘peramanca’ and the goods at issue. The appellant refers in that regard to the

judgment in *Windsurfing Chiemsee* (C-108/97 and C-109/97, EU:C:1999:230).

47. OHIM takes the view that the line of argument put forward by the appellant in support of that part of the ground of appeal is inadmissible inasmuch as it was not part of the subject-matter of the proceedings before the General Court. Moreover, OHIM submits that the appellant fails to challenge the General Court's assessment in paragraph 52 of the judgment under appeal, in which that Court pointed out that the arguments that the appellant had put forward as regards the meaning of the word 'peramanca' were inconsistent.

48. OHIM submits that, in any event, the third part of the single ground of appeal put forward by the appellant is manifestly unfounded inasmuch as the General Court did not err in law.

Findings of the Court

49. It must be pointed out at the outset that the third part of the single ground of appeal is ineffective inasmuch as the General Court, in carrying out its definitive assessment of the facts, found, in paragraph 52 of the judgment under appeal, that the appellant's arguments relating to the meaning of the word 'peramanca' were inconsistent. As the appellant has not disputed that point in its appeal, the arguments that it has set out in support of the third part of the ground of appeal cannot succeed.

50. It follows that the third part of the single ground of appeal must be rejected.

51. It follows from the foregoing that the single ground of appeal put forward by the appellant in support of its appeal must be rejected and, consequently, that the appeal must be dismissed in its entirety.

Costs

52. Under Article 138(1) of the Rules of Procedure of the Court, which applies to appeal proceedings pursuant to Article 184(1) thereof, the unsuccessful party is to be ordered to pay the costs if they have been applied for in the successful party's pleadings. Since OHIM has applied for costs to be awarded against Pêra-Grave and the latter has been unsuccessful, it must be ordered to pay the costs.

On those grounds, the Court (Sixth Chamber) hereby:

1. Dismisses the appeal;
2. Orders Pêra-Grave — Sociedade Agrícola, Unipessoal Lda to pay the costs.]

* Language of the case: English