Court of Justice EU, 8 June 2023, LM v KP

"MULTISELECT"

TRADE MARK LAW - LITIGATION

The jurisdiction of an EU trademark court regarding a counterclaim for invalidity on the basis of <u>article 124(d) EUTMR</u>

- <u>is not limited to the scope of the dispute as defined</u> by the action for infringement
- 54. Thus, having regard to the system of division of jurisdiction described in paragraphs 51 to 53 above, it should be observed that, in the context of the scheme established by Regulation 2017/1001, which, in accordance with recital 4 and Article 1(2) thereof, enshrines the unitary character of the EU trade mark, the EU legislature intended to confer jurisdiction to review the validity of EU trade marks both on EUIPO and, in respect of their decisions on counterclaims, on EU trade mark courts (judgment of 13 October 2022, Gemeinde Bodman-Ludwigshafen, C-256/21, EU:C:2022:786, paragraph 47).

Source: ECLI:EU:C:2023:462

Court of Justice EU, 8 June 2023

(D. Gratsias (Rapporteur), M. Ilešič and Z. Csehi) JUDGMENT OF THE COURT (Tenth Chamber) 8 June 2023 (1)

(Reference for a preliminary ruling – EU trade mark – Dispute before the national court – Jurisdiction of EU trade mark courts – Regulation (EU) 2017/1001 – Article 124 – Action for infringement – Article 128 – Counterclaim for a declaration of invalidity – Subject matter of that counterclaim – Article 129(3) – Rules of procedure governing the same type of action relating to a national trade mark – Principle of procedural autonomy)

In Case C-654/21,

REQUEST for a preliminary ruling under Article 267 TFEU from the Sąd Okręgowy w Warszawie (Regional Court, Warsaw, Poland), made by decision of 7 October 2021, received at the Court on 28 October 2021, in the proceedings

LM

V

KP,

THE COURT (Tenth Chamber),

composed of D. Gratsias (Rapporteur), President of the Chamber, M. Ilešič and Z. Csehi, Judges,

Advocate General: G. Pitruzzella,

Registrar: A. Calot Escobar,

having regard to the written procedure,

after considering the observations submitted on behalf of:

- LM, by R. Ratajczak, adwokat,
- KP, by E. Jaroszyńska-Kozłowska, radca prawny, and Z. Słupicka, radca prawny,

- the Polish Government, by B. Majczyna, acting as Agent,
- the European Commission, by S.L. Kalėda and P. Němečková, acting as Agents,

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

Judgment

- 1. This request for a preliminary ruling concerns the interpretation of Article 124(d) of Regulation (EU) 2017/1001 of the European Parliament and of the Council of 14 June 2017 on the European Union trade mark (OJ 2017 L 154, p. 1), read in conjunction with Article 128(1) and Article 129(3) thereof.
- 2. The request has been made in proceedings between LM and KP concerning an action for infringement of an EU word mark and a counterclaim for a declaration of invalidity of that mark.

Legal context

European Union law

- 3. Recitals 4 and 32 of Regulation 2017/1001 state:
- '(4) ... It would appear necessary to provide for Union arrangements for trade marks whereby undertakings can by means of one procedural system obtain EU trade marks to which uniform protection is given and which produce their effects throughout the entire area of the [European] Union. The principle of the unitary character of the EU trade mark thus stated should apply unless otherwise provided for in this Regulation.
- (32) It is essential that decisions regarding the validity and infringement of EU trade marks have effect and cover the entire area of the Union, as this is the only way of preventing inconsistent decisions on the part of the courts and the [European Union Intellectual Property] Office [(EUIPO)] and of ensuring that the unitary character of EU trade marks is not undermined. The provisions of Regulation (EU) No 1215/2012 of the European Parliament and of the Council [of 12 December 2012 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters (OJ 2012 L 351, p. 1)] should apply to all actions at law relating to EU trade marks, save where this Regulation derogates from those rules.'
- 4. Article 1 of Regulation 2017/1001, entitled '*EU trade mark*', provides, in paragraph 2 thereof:
- 'An EU trade mark shall have a unitary character. It shall have equal effect throughout the Union: it shall not be registered, transferred or surrendered or be the subject of a decision revoking the rights of the proprietor or declaring it invalid, nor shall its use be prohibited, save in respect of the whole Union. This principle shall apply unless otherwise provided for in this Regulation.' 5. In accordance with Article 6 of that regulation, entitled 'Means whereby an EU trade mark is obtained',
- an EU trade mark is to be obtained by registration. 6. Article 7 of that regulation, entitled '*Absolute grounds for refusal*', provides, in paragraphs 1 and 2 thereof:
- '1. The following shall not be registered:

¹ Language of the case: Polish.

...

- (b) trade marks which are devoid of any distinctive character:
- (c) trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin or the time of production of the goods or of rendering of the service, or other characteristics of the goods or service;
- (d) trade marks which consist exclusively of signs or indications which have become customary in the current language or in the bona fide and established practices of the trade;
- (e) signs which consist exclusively of:
- (i) the shape, or another characteristic, which results from the nature of the goods themselves;
- (ii) the shape, or another characteristic, of goods which is necessary to obtain a technical result;
- (iii) the shape, or another characteristic, which gives substantial value to the goods;
- (f) trade marks which are contrary to public policy or to accepted principles of morality;
- (g) trade marks which are of such a nature as to deceive the public, for instance as to the nature, quality or geographical origin of the goods or service;

•••

- (j) trade marks which are excluded from registration, pursuant to Union legislation or national law or to international agreements to which the Union or the Member State concerned is party, providing for protection of designations of origin and geographical indications;
- (k) trade marks which are excluded from registration pursuant to Union legislation or international agreements to which the Union is party, providing for protection of traditional terms for wine;
- (l) trade marks which are excluded from registration pursuant to Union legislation or international agreements to which the Union is party, providing for protection of traditional specialities guaranteed;
- (m) trade marks which consist of, or reproduce in their essential elements, an earlier plant variety denomination registered in accordance with Union legislation or national law, or international agreements to which the Union or the Member State concerned is a party, providing for protection of plant variety rights, and which are in respect of plant varieties of the same or closely related species.
- 2. Paragraph 1 shall apply notwithstanding that the grounds of non-registrability obtain in only part of the Union.'
- 7. Article 59 of Regulation 2017/1001, entitled 'Absolute grounds for invalidity', provides:
- '1. 'An EU trade mark shall be declared invalid on application to [EUIPO] or on the basis of a counterclaim in infringement proceedings:
- (a) where the EU trade mark has been registered contrary to the provisions of Article 7;
- (b) where the applicant was acting in bad faith when he filed the application for the trade mark.

- 2. Where the EU trade mark has been registered in breach of the provisions of Article 7(1)(b), (c) or (d), it may nevertheless not be declared invalid if, in consequence of the use which has been made of it, it has after registration acquired a distinctive character in relation to the goods or services for which it is registered.
- 3. Where the ground for invalidity exists in respect of only some of the goods or services for which the EU trade mark is registered, the trade mark shall be declared invalid as regards those goods or services only.'
- 8. Article 63 of that regulation, entitled 'Application for revocation or for a declaration of invalidity', provides, in paragraphs 1 and 3 thereof:
- '1. An application for revocation of the rights of the proprietor of an EU trade mark or for a declaration that the trade mark is invalid may be submitted to [EUIPO]: (a) where Articles 58 and 59 apply, by any natural or legal person and any group or body set up for the purpose of representing the interests of manufacturers, producers, suppliers of services, traders or consumers, which, under the terms of the law governing it, has the capacity in its own name to sue and be sued;

...

- 3. An application for revocation or for a declaration of invalidity shall be inadmissible where an application relating to the same subject matter and cause of action, and involving the same parties, has been adjudicated on its merits, either by [EUIPO] or by an EU trade mark court as referred to in Article 123, and the decision of [EUIPO] or that court on that application has acquired the authority of a final decision.'
- 9. Article 123 of that regulation, entitled '*EU trade mark courts*', provides, in paragraph 1 thereof:
- 'The Member States shall designate in their territories as limited a number as possible of national courts and tribunals of first and second instance, which shall perform the functions assigned to them by this Regulation.'
- 10. Article 124 of that regulation, entitled '*Jurisdiction* over infringement and validity', is worded as follows:
- 'The EU trade mark courts shall have exclusive jurisdiction:
- (a) for all infringement actions and if they are permitted under national law actions in respect of threatened infringement relating to EU trade marks;

•••

- (d) for counterclaims for revocation or for a declaration of invalidity of the EU trade mark pursuant to Article 128.'
- 11. Article 127 of Regulation 2017/1001, entitled 'Presumption of validity Defence as to the merits', provides, in paragraph 1 thereof:
- 'The EU trade mark courts shall treat the EU trade mark as valid unless its validity is put in issue by the defendant with a counterclaim for revocation or for a declaration of invalidity.'
- 12. Article 128 of that regulation, entitled 'Counterclaims', provides:

- '1. A counterclaim for revocation or for a declaration of invalidity may only be based on the grounds for revocation or invalidity mentioned in this Regulation.
- 2. An EU trade mark court shall reject a counterclaim for revocation or for a declaration of invalidity if a decision taken by [EUIPO] relating to the same subject matter and cause of action and involving the same parties has already become final.

...

4. The EU trade mark court with which a counterclaim for revocation or for a declaration of invalidity of the EU trade mark has been filed shall not proceed with the examination of the counterclaim, until either the interested party or the court has informed [EUIPO] of the date on which the counterclaim was filed. [EUIPO] shall record that information in the Register. If an application for revocation or for a declaration of invalidity of the EU trade mark had already been filed before [EUIPO] before the counterclaim was filed, the court shall be informed thereof by [EUIPO] and stay the proceedings in accordance with Article 132(1) until the decision on the application is final or the application is withdrawn.

...

- 6. Where an EU trade mark court has given a judgment which has become final on a counterclaim for revocation or for a declaration of invalidity of an EU trade mark, a copy of the judgment shall be sent to [EUIPO] without delay, either by the court or by any of the parties to the national proceedings. [EUIPO] or any other interested party may request information about such transmission. [EUIPO] shall mention the judgment in the Register and shall take the necessary measures to comply with its operative part.
- 7. The EU trade mark court hearing a counterclaim for revocation or for a declaration of invalidity may stay the proceedings on application by the proprietor of the EU trade mark and after hearing the other parties and may request the defendant to submit an application for revocation or for a declaration of invalidity to [EUIPO] within a time limit which it shall determine. If the application is not made within the time limit, the proceedings shall continue; the counterclaim shall be deemed withdrawn. Article 132(3) shall apply.'
- 13. Article 129 of that regulation, entitled 'Applicable law', provides:
- '1. The EU trade mark courts shall apply the provisions of this Regulation.
- 2. On all trade mark matters not covered by this Regulation, the relevant EU trade mark court shall apply the applicable national law.
- 3. Unless otherwise provided for in this Regulation, an EU trade mark court shall apply the rules of procedure governing the same type of action relating to a national trade mark in the Member State in which the court is located?
- 14. Article 132 of that regulation, entitled 'Specific rules on related actions', provides, in paragraph 1 thereof:
- 'An EU trade mark court hearing an action referred to in Article 124 other than an action for a declaration of non-infringement shall, unless there are special grounds

for continuing the hearing, of its own motion after hearing the parties or at the request of one of the parties and after hearing the other parties, stay the proceedings where the validity of the EU trade mark is already in issue before another EU trade mark court on account of a counterclaim or where an application for revocation or for a declaration of invalidity has already been filed at [EUIPO].'

Polish law

- 15. Article 204 of the ustawa Kodeks postępowania cywilnego (Law on the Code of Civil Procedure) of 17 November 1964 (Dz. U. of 1964, No 43, item 296), in the version applicable to the main proceedings ('the Code of Civil Procedure'), provides:
- '§1. A counterclaim shall be admissible if the counterclaim is connected with the claimant's claim or can be deducted. A counterclaim may be filed no later than in the response to the statement of claim or, where no such response is filed, in the objection to the judgment by default or at the commencement of the first hearing of which the [defendant] is notified or to which the defendant is summoned.
- §2. A statement of counterclaim shall be filed in the court before which the main claim was brought. If, however, the statement of counterclaim is subject to the jurisdiction of a regional court but the case was initiated in a district court, the latter court shall refer the entire case to the court having jurisdiction to hear the counterclaim.
- §3. The provisions relating to the statement of claim shall apply mutatis mutandis to the statement of counterclaim.'
- 16. Article 479122 of the Code of Civil Procedure was inserted therein by the ustawa o zmianie ustawy Kodeks postępowania cywilnego oraz niektórych innych ustaw (Law amending the Code of Civil Procedure and certain other laws) of 13 February 2020 (Dz. U. of 2020, item 288), which entered into forced on 1 July 2020. That article provides:
- '§1. A counterclaim in cases concerning trade mark or industrial design infringement shall be admissible if it includes a claim for a declaration of invalidity of a trade mark or for a declaration that the protected right conferred by a trade mark has expired, or if it includes a claim for a declaration of invalidity of a registered industrial design. The provisions of Article 204 shall apply mutatis mutandis.
- §2. The provisions of paragraph 1 shall apply mutatis mutandis to claims for a declaration of invalidity of a collective mark, of the collective protected right conferred by a trade mark, or of a guarantee mark, claims for a declaration that the protected right conferred by a collective mark, the collective protected right conferred by a trade mark, or the protected right conferred by a guarantee mark has expired, claims for recognition in the territory of the Republic of Poland of the protection conferred by an international trade mark, and claims for a declaration of invalidity of the recognition in the territory of the Republic of Poland of the protection conferred by an international industrial design.'

17. Article 22(2) of that law, however, provided as follows:

'The provisions on proceedings in intellectual property cases shall not apply to cases initiated and not concluded in a given instance or before the Sqd Najwyższy [(Supreme Court, Poland)] before the date of entry into force of this Law that would otherwise be subject to those proceedings. The court which had jurisdiction to hear such cases under the provisions in force to date shall continue to have jurisdiction to hear them.'

The dispute in the main proceedings and the questions referred for a preliminary ruling

18. LM is the proprietor of the EU word mark Multiselect ('the contested mark'), registered on 5 June 2018 in respect of goods and services in Classes 9, 41 and 42 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. Those goods and services include, inter alia, vocational guidance (education or training advice), education information, installation of computer software, maintenance of computer software, publication of texts and providing online electronic publications.

19. Since 2009, KP has offered as part of his business activities a guide for prospective police officers, in both printed and digital format, which aims to prepare them for the psychological tests covered by the contested mark, which constitute one of the stages of that recruitment procedure. KP promotes his guide on various websites.

20. On 26 February 2020, LM brought an action for infringement of the contested mark before the Sąd Okręgowy w Warszawie (Regional Court, Warsaw, Poland), the referring court, seeking an order requiring KP to cease marking the goods and services he is marketing with the contested mark and to cease placing that mark on all materials connected with the marketing of those goods and services.

- 21. In the course of those proceedings, on 30 July 2020, KP filed a counterclaim for a declaration of invalidity of the contested mark in respect of some of the goods and services for which it had been registered, pursuant to Article 59(1) of Regulation 2017/1001, read in conjunction with Article 7(1)(b) to (d) and Article 7(2) of that regulation.
- 22. By judgment of 7 October 2021, the referring court dismissed the action for infringement in its entirety.
- 23. As regards the counterclaim, the referring court has doubts as to the scope of the examination which it must carry out where, as in the case in the main proceedings, the subject matter of a counterclaim goes beyond a 'defence' put forward in response to the action for infringement.

24. In the present case, while the claims in the main action concerned only the services and goods marketed by KP, the scope of the counterclaim is substantially broader, since KP claims that the contested mark should be declared invalid in so far as it covers not only the

goods and services concerned in the main action, but also other goods and services.

25. Thus, the referring court raises the question whether all claims for a declaration of invalidity of the contested mark, irrespective of their actual connection with the infringement proceedings, fall within the concept of 'counterclaim for ... a declaration of invalidity' within the meaning of Article 124(d) and Article 128(1) of Regulation 2017/1001, or whether that concept must be interpreted as covering only those claims which have an 'actual connection' with the infringement proceedings, namely those which fall within 'the scope of the infringement proceedings'.

26. According to the referring court, to accept that a counterclaim may have no 'actual connection' with the infringement proceedings would result in the risk that the main proceedings would be 'dominated' by the counterclaim and that the counterclaim would lose its character as a defence to the claims set out in the main action. It favours interpreting the concept of 'counterclaim' as meaning that it can refer only to claims having an actual connection with the action for infringement, a connection which is 'determined not by the content of the [contested] trade mark right; nor is it determined by the scope of the defendant's activities, but rather by the content of the claims set out in the [action for infringement]'.

27. In the view of the referring court, such an interpretation is supported, first, by the principle of procedural autonomy of the Member States and Article 129(3) of Regulation 2017/1001 and, secondly, by the rules governing the jurisdiction of EUIPO and that of the EU trade mark courts, from which it is apparent that the jurisdiction of those courts constitutes an exception in relation to the invalidity of an EU trade mark.

28. Lastly, the referring court explains that, on the date on which the action for infringement at issue in the main proceedings was brought, Polish law did not provide for the possibility for defendants in infringement proceedings brought by proprietors of trade marks registered in Poland to file a counterclaim for a declaration of invalidity, since Article 479122 of the Code of Civil Procedure, inserted by the Law of 13 February 2020, had not yet entered into force on that date. It therefore has doubts as to whether, for the purposes of the case in the main proceedings, those provisions may be regarded as 'rules of procedure governing the same type of action relating to a national trade mark' within the meaning of Article 129(3) of Regulation 2017/1001.

29. In those circumstances, the Sąd Okręgowy w Warszawie (Regional Court, Warsaw) decided to stay the proceedings and to refer the following questions to the Court of Justice for a preliminary ruling:

'(1) Must Article 124(d) of Regulation [2017/1001], read in conjunction with Article 128(1) thereof, be interpreted as meaning that the term "counterclaim for ... a declaration of invalidity" contained in those provisions may mean a [counter] claim for a declaration of invalidity only to the extent that that counterclaim is connected with the claimant's EU trade mark

infringement claim, thus allowing a national court not to hear a counterclaim for a declaration of invalidity the scope of which is broader than that connected with the claimant's infringement claim?

(2) Must Article 129(3) of Regulation [2017/1001] be interpreted as meaning that the provision in question, which concerns "the rules of procedure governing the same type of action relating to a national trade mark", refers to the national rules of procedure which would be applicable to specific proceedings concerning infringement of an EU trade mark (and to proceedings resulting from a statement of counterclaim seeking a declaration of invalidity), or does it refer generally to the national rules of procedure present in the legal order of a Member State, this being relevant in cases where, on account of the date on which the specific proceedings concerning infringement of an EU trade mark were initiated, the rules of procedure governing a counterclaim for a declaration of invalidity of a trade mark relating to national trade marks were not present in the legal order of a given Member State?'

Consideration of the questions referred The first question

30. By its first question, the referring court asks, in essence, whether Article 124(d) of Regulation 2017/1001, read in conjunction with Article 128(1) thereof, must be interpreted as meaning that a counterclaim for a declaration of invalidity of an EU trade mark may relate to all the rights which the proprietor of that mark derives from its registration and that the subject matter of that counterclaim is not restricted by the scope of the dispute as defined by the action for infringement.

31. In the absence of a definition of the concept of 'counterclaim' in Regulation 2017/1001, it should be noted that that concept is usually understood as referring to a cross-action brought by the defendant in proceedings brought against him or her by the applicant before the same court (see, to that effect, judgment of 13 October 2022, Gemeinde Bodman-Ludwigshafen, C-256/21, EU:C:2022:786, paragraph 36).

32. It follows, in that regard, from the case-law that a counterclaim is not indissociable from a mere defence. Although brought in proceedings initiated by means of another legal remedy, it is a separate and self-standing claim the procedural treatment of which is independent of the main claim and which can thus be proceeded with even if the claim of the principal claimant is dismissed (judgment of 13 October 2022, Gemeinde Bodman-Ludwigshafen, C-256/21, EU:C:2022:786, paragraph 38 and the case-law cited).

33. Thus, although the concept of 'counterclaim', within the meaning of Regulation 2017/1001, must be understood as a legal remedy which remains conditional on the bringing of an action for infringement and which is, consequently, linked to that action, such a legal remedy is intended to extend the subject matter of the dispute and to obtain recognition of a claim which is separate and independent from the main claim, inter alia in order to have the mark concerned declared invalid (judgment of 13 October 2022, Gemeinde Bodman-

<u>Ludwigshafen, C-256/21, EU:C:2022:786</u>, paragraph 39).

34. Accordingly, by involving the extension of the subject matter of the dispute and notwithstanding the link between the main action and the counterclaim, the counterclaim becomes independent. The counterclaim can therefore be distinguished from a mere defence and its outcome does not depend on that of the action for infringement on the occasion of which it was brought (judgment of 13 October 2022, Gemeinde Bodman-Ludwigshafen, C-256/21, EU:C:2022:786, paragraph 40).

35. Thus, given the independent nature of the counterclaim provided for in Article 128 of Regulation 2017/1001, the subject matter of that counterclaim cannot be restricted by that of the action for infringement in connection with which that counterclaim is brought.

36. That conclusion is supported, in the first place, by the provisions of that regulation relating to the grounds for invalidity which may be relied on in support of a counterclaim for a declaration of invalidity brought under Article 128 thereof.

37. It is true that the counterclaim can be distinguished from an application for a declaration of invalidity filed with EUIPO in terms of the persons who may file the former and submit the latter. In accordance with Article 63(1) of Regulation 2017/1001, an application for a declaration of invalidity may, where Articles 58 and 59 of that regulation apply, be submitted 'by any natural or legal person' and any group or body set up for the purpose of representing the interests of manufacturers, producers, suppliers of services, traders or consumers, which, under the terms of the law governing it, has the capacity in its own name to sue and be sued. By contrast, the only natural or legal person who may file a counterclaim within the meaning of Article 128 of Regulation 2017/1001 is the defendant in the infringement proceedings concerned. However, that restriction as to the persons who may file a counterclaim in no way means that the subject matter of that counterclaim must be restricted so as to cover only what falls within the scope of the claimant's own interests.

38. It should be recalled in that regard that, under Article 128(1) of Regulation 2017/1001, 'a counterclaim for revocation or for a declaration of invalidity may only be based on the grounds for revocation or invalidity mentioned in this Regulation'. It follows from that provision that, although a counterclaim for a declaration of invalidity for the purposes of that regulation may be based only on the grounds for invalidity expressly referred to in that regulation, it may nevertheless be based on any of the grounds provided for therein.

39. Article 59 of Regulation 2017/1001, entitled 'Absolute grounds for invalidity', provides, in point (a) of paragraph 1 thereof, that an EU trade mark is to be declared invalid on application to EUIPO or on the basis of a counterclaim in infringement proceedings 'where [that mark] has been registered contrary to the provisions of Article 7 [of that regulation]'. Thus, in terms of their scope, Regulation 2017/1001 equates the application for a declaration of invalidity submitted to

- EUIPO with the counterclaim for a declaration of invalidity filed in connection with infringement proceedings pending before an EU trade mark court.
- 40. In accordance with the case-law, the absolute grounds for refusal of registration aim to protect the general interest underlying them and cannot, therefore, necessarily be linked to actual or potential economic interests in having the contested mark declared invalid (see, to that effect, judgment of 25 February 2010, Lancôme v OHIM, C-408/08 P, EU:C:2010:92, paragraphs 40 and 43).
- 41. Moreover, it is apparent from the wording of Article 7(1) of Regulation 2017/1001 that some of the grounds for invalidity referred to in points (a) to (m) of that provision on which a main claim for a declaration of invalidity or a counterclaim for a declaration of invalidity of an EU trade mark may be based are liable, by their nature, to relate to all the goods or services covered by the registration of that mark.
- 42. That is the case, in particular, of the ground for invalidity set out in point (f), which refers to 'trade marks which are contrary to public policy or to accepted principles of morality', the ground for invalidity set out in point (g), which refers to 'trade marks which are of such a nature as to deceive the public, for instance as to the nature, quality or geographical origin of the goods or service', or the grounds for invalidity set out in points (j), (k), (l) and (m), which relate to the protection, respectively, of designations of origin and geographical indications, traditional terms for wine, traditional specialities guaranteed, and plant variety rights.
- 43. Similarly, the absolute ground for invalidity referred to in Article 59(1)(b) of Regulation 2017/1001, namely bad faith on the part of the applicant when filing the application for the trade mark, is also liable to relate to all the rights which the proprietor of an EU trade mark derives from the registration of that mark.
- 44. It would run counter to the principle of procedural economy, which is one of the objectives pursued by the counterclaim (see, to that effect, judgment of 13 October 2022, Gemeinde Bodman-Ludwigshafen, C-256/21, EU:C:2022:786, paragraph 56), to hold that such a counterclaim based on one of the grounds for invalidity referred to in paragraphs 42 and 43 of the present judgment may lead only to a declaration of partial invalidity of the trade mark on which the infringement proceedings concerned are based.
- 45. Article 59(3) of Regulation 2017/1001, which provides that an EU trade mark is to be declared invalid only as regards the goods or services in respect of which the ground for invalidity relied on exists, constitutes the only restriction laid down in that regulation concerning the scope and outcome of an application for a declaration of invalidity and, accordingly, of a counterclaim for a declaration of invalidity.
- 46. It follows that a counterclaim for a declaration of invalidity of an EU trade mark filed pursuant to Article 128 of Regulation 2017/1001 may, due to its nature, relate to all the rights which the proprietor of that mark derives from its registration.

- 47. In the second place, the rules governing the effects of a counterclaim confirm the conclusion set out in paragraph 35 of the present judgment, since those effects are the same as the effects reserved for the revocation or declaration of invalidity of an EU trade mark following proceedings brought before EUIPO.
- 48. In that regard, as is apparent from recital 32 of Regulation 2017/1001, decisions on the validity of an EU trade mark have erga omnes effect in the entire area of the European Union, both where they come from EUIPO and where they are made on a counterclaim brought before an EU trade mark court (judgment of 13 October 2022, Gemeinde Bodman-Ludwigshafen, C-256/21, EU:C:2022:786, paragraph 48 and the case-law cited).
- 49. That erga omnes effect is confirmed in Article 128(6) of that regulation, which provides that an EU trade mark court must send a copy of the decision which has become final on a counterclaim for revocation or for a declaration of invalidity of an EU trade mark to EUIPO, which must enter that decision in the Register and take the measures necessary to comply with its operative part (judgment of 13 October 2022, Gemeinde Bodman-Ludwigshafen, C-256/21, EU:C:2022:786, paragraph 49 and the case-law cited).
- 50. Lastly, the considerations set out above cannot be called into question by the system of the division of jurisdiction between EUIPO and the EU trade mark courts established by that regulation.
- 51. It is true that Regulation 2017/1001 reserves exclusive jurisdiction to EUIPO over registration of EU trade marks and opposition to such registration. However, that is not the case as far as concerns the validity of those marks. Although Regulation 2017/1001 provides, as a rule, for the centralised treatment of applications for a declaration of invalidity or for revocation by EUIPO, that rule is nevertheless tempered, since jurisdiction to declare an EU trade mark invalid or to revoke an EU trade mark is shared, pursuant to Articles 63 and 124 of that regulation, between the EU trade mark courts designated by the Member States, in accordance with Article 123(1) thereof, and EUIPO (see, to that effect, judgment of 13 October 2022, Gemeinde Bodman-Ludwigshafen, C-256/21, EU:C:2022:786, paragraph 42 and the case-law cited).
- 52. The jurisdiction thus conferred on those courts constitutes the direct application of a rule conferring jurisdiction laid down by Regulation 2017/1001 and cannot be considered to constitute an 'exception' to EUIPO's jurisdiction in the matter (judgment of 13 October 2022, Gemeinde Bodman-Ludwigshafen, C-256/21, EU:C:2022:786, paragraph 43).
- 53. Furthermore, the jurisdictions in question are exercised in accordance with the principle of the priority of the body seised. According to Article 132(1) of Regulation 20171001 and the first sentence of paragraph 2 thereof, 'unless there are special grounds for continuing the hearing', it is the body first seised of a dispute concerning the validity of an EU trade mark which has jurisdiction in the matter (judgment of 13

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October 2022, Gemeinde Bodman-Ludwigshafen, C-256/21, EU:C:2022:786, paragraph 44).

54. Thus, having regard to the system of division of jurisdiction described in paragraphs 51 to 53 above, it should be observed that, in the context of the scheme established by Regulation 2017/1001, which, in accordance with recital 4 and Article 1(2) thereof, enshrines the unitary character of the EU trade mark, the EU legislature intended to confer jurisdiction to review the validity of EU trade marks both on EUIPO and, in respect of their decisions on counterclaims, on EU trade mark courts (judgment of 13 October 2022, Gemeinde Bodman-Ludwigshafen, C-256/21, EU:C:2022:786, paragraph 47).

55. In the light of the foregoing considerations, the answer to the first question is that Article 124(d) of Regulation 2017/1001, read in conjunction with Article 128(1) thereof, must be interpreted as meaning that a counterclaim for a declaration of invalidity of an EU trade mark may relate to all the rights which the proprietor of that mark derives from its registration and that the subject matter of that counterclaim is not restricted by the scope of the dispute as defined by the action for infringement.

The second question

56. It should be noted, as the European Commission observed, that the second question is based on the premiss that the question of the scope of a counterclaim such as that at issue in the main proceedings is not governed by EU law. Thus, in the absence of specific national rules on counterclaims for a declaration of invalidity of national trade marks, the referring court seeks to ascertain whether national procedural rules of general application which specify the scope of counterclaims in other areas of litigation may be deemed to be 'rules of procedure governing the same type of action', within the meaning of Article 129(3) of Regulation 2017/1001.

57. In the light of the answer given to the first question, there is no need to answer the second question.

Costs

58. Since these proceedings are, for the parties to the main proceedings, a step in the action pending before the referring court, the decision on costs is a matter for that court. Costs incurred in submitting observations to the Court, other than the costs of those parties, are not recoverable.

On those grounds, the Court (Tenth Chamber) hereby rules:

Article 124(d) of Regulation (EU) 2017/1001 of the European Parliament and of the Council of 14 June 2017 on the European Union trade mark, read in conjunction with Article 128(1) thereof,

must be interpreted as meaning that a counterclaim for a declaration of invalidity of an EU trade mark may relate to all the rights which the proprietor of that mark derives from its registration and that the subject matter of that counterclaim is not restricted by the scope of the dispute as defined by the action for infringement.