

European Court of Justice, 11 May 2006, Vitafruit**TRADEMARK LAW****Proof of consent of the proprietor for the use of the earlier trade mark**

- OHIM had correctly relied on the presumption that the opposing party had consented to the alleged use of the earlier trade mark.

After noting, in paragraph 23 of the judgment under appeal, that the name of the company Industrias Espadafor SA, which made use of the earlier trade mark, reproduced part of the name of the proprietor of that trade mark and having held, in paragraphs 24 and 25 of the judgment, that it was unlikely that Mr Es-padafor Caba would have been in a position to submit the proof of use of the trade mark which he did produce before the Opposition Division and the OHIM Board of Appeal if that use had taken place against his wishes, the Court of First Instance found that OHIM had correctly relied on the presumption that the opposing party had consented to the alleged use of the earlier trade mark.

Genuine use

- It is not possible to determine a priori, and in the abstract, what quantitative threshold should be chosen in order to determine whether use is genuine or not.

On the basis of invoices produced by the opposing party, that the value of the goods sold under the earlier trade mark between May 1996 and May 1997 to a single customer in Spain amounted to no more than EUR 4 800, corresponding to the sale of 293 cases of 12 items each.

The question whether use is sufficient to maintain or create market share for the goods or services protected by the mark thus depends on several factors and on a case-by-case assessment. The characteristics of those goods and services, the frequency or regularity of the use of the trade mark, whether the mark is used for the purpose of marketing all the identical goods or services of the proprietor or merely some of them, or evidence of use which the proprietor is able to provide, are among the factors which may be taken into account (see, to that effect, order in La Mer Technology, paragraph 22).

It follows that it is not possible to determine a priori, and in the abstract, what quantitative threshold should be chosen in order to determine whether use is genuine or not. A de minimis rule, which would not allow OHIM or, on appeal, the Court of First Instance, to appraise all the circumstances of the dispute before it, cannot therefore be laid down (see, to that effect, order in La Mer Technology, paragraph 25). Thus, when it serves a real commercial purpose, in the circumstances referred to in paragraph 70 of this judgment, even minimal use of the trade mark can be sufficient to establish genuine use (order in La Mer Technology, paragraph 27).

- First, under Rule 22(2) of Regulation No 2868/95, it analysed, (...), the place, time, extent and nature of that use.

- Second, in accordance with the case-law referred to in paragraphs 70 to 72 of this judgment, it sought to determine whether the earlier trade mark had been used in order to create or preserve an outlet for the goods ‘concentrated fruit juices’, for which the alleged use was established, or whether, on the contrary, that use had been for the sole purpose of preserving the rights conferred by the mark and had to be regarded as token.

- Third, contrary to the appellant’s assertions, the fact that in the present case the proof of use of the earlier trade mark was established only for the sale of products intended for a single customer does not a priori preclude the use being genuine (see, to that effect, order in La Mer Technology, paragraph 24), even though it follows from that situation that the mark was not present in a substantial part of the territory of Spain, in which it is protected. As OHIM has maintained, the territorial scope of the use is only one of several factors to be taken into account in the determination of whether it is genuine or not.

Similarity

- Factors: their nature, their intended purpose, their method of use and whether they are in competition with each other or are complementary.

In order to assess the similarity of the products or services concerned, all the relevant features of the relationship between those products or services should be taken into account. Those factors include, in particular, their nature, their intended purpose, their method of use and whether they are in competition with each other or are complementary (...)

- share the same purpose - have the same nature and method of use – and are interchangeable.

That the goods ‘herbal and vitamin beverages’, for which registration is sought, and the goods ‘concentrated fruit juices’, for which genuine use of the earlier trade mark has been established, are intended for end-consumers. Likewise, it held, in paragraph 67 of the judgment under appeal, that those goods share the same purpose, that of quenching thirst, are to a large extent in competition, have the same nature and method of use – both are non-alcoholic beverages normally drunk cold

– and that the fact that their ingredients differ does not affect the finding that they are interchangeable because they are intended to meet an identical need.

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European Court of Justice, 11 May 2006

(P. Jann, K. Schiemann, K. Lenaerts, E. Juhász and M. Ilešič)

JUDGMENT OF THE COURT (First Chamber)

11 May 2006 (*)

(Appeal – Community trade mark – Articles 8(1)(b), 15(3) and 43(2) and (3) of Regulation (EC) No 40/94 – Likelihood of confusion – Application for Community word mark VITAFRUIT – Opposition by the proprietor of the national word mark VITAFRUT – Genuine use of the earlier trade mark – Proof of consent of the proprietor for the use of the earlier trade mark – Similarity of goods)

In Case C-416/04 P,

APPEAL under Article 56 of the Statute of the Court of Justice brought on 27 September 2004,

The Sunrider Corp., established in Torrance, California (United States), represented by A. Kockläuner, Rechtsanwalt, appellant,

the other party to the proceedings being:

Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM), represented by S. Laitinen and A. Folliard-Monguiral, acting as Agents, defendant at first instance,

THE COURT (First Chamber),

composed of P. Jann, President of the Chamber, K. Schiemann, K. Lenaerts, E. Juhász and M. Ilešič (Rapporteur), Judges,

Advocate General: F.G. Jacobs,

Registrar: B. Fülöp, Administrator,

having regard to the written procedure and further to the hearing on 17 November 2005,

after hearing the [Opinion of the Advocate General at the sitting on 15 December 2005](#),

gives the following

Judgment

1 By its appeal, The Sunrider Corp. seeks to have set aside the judgment of the Court of First Instance of the European Communities of 8 July 2004 in Case T-203/02 Sunrider v OHIM – Espadafor Caba (VITAFRUIT) [2004] ECR II-0000 ('the judgment under appeal') dismissing its action for annulment of the decision of the First Board of Appeal of the Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM) of 8 April 2002 (Case R 1046/2000-1) rejecting the application for registration of the word mark VITAFRUIT ('the contested decision').

Legal framework

2 Article 8 of Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark (OJ 1994 L 11, p. 1), entitled 'Relative grounds for refusal', provides as follows:

'1. 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.

2. For the purposes of paragraph 1, "earlier trade marks" means:

(a) trade marks of the following kinds with a date of application for registration which is earlier than the date of application for registration of the Community trade mark, taking account, where appropriate, of the priorities claimed in respect of those trade marks:

...

(ii) trade marks registered in a Member State ...'

3 According to Article 15 of Regulation No 40/94, entitled 'Use of Community trade marks':

'1. If, within a period of five years following registration, the proprietor has not put the Community trade mark to genuine use in the Community in connection with the goods or services in respect of which it is registered, or if such use has been suspended during an uninterrupted period of five years, the Community trade mark shall be subject to the sanctions provided for in this Regulation, unless there are proper reasons for non-use.

...

3. Use of the Community trade mark with the consent of the proprietor shall be deemed to constitute use by the proprietor.'

4 Article 43 of Regulation No 40/94, entitled 'Examination of opposition', provides in paragraphs 2 and 3:

'2. If the applicant so requests, the proprietor of an earlier Community trade mark who has given notice of opposition shall furnish proof that, during the period of five years preceding the date of publication of the Community trade mark application, the earlier Community trade mark has been put to genuine use in the Community in connection with the goods or services in respect of which it is registered and which he cites as justification for his opposition ..., provided the earlier Community trade mark has at that date been registered for not less than five years. In the absence of proof to this effect, the opposition shall be rejected. If the earlier Community trade mark has been used in relation to part only of the goods or services for which it is registered it shall, for the purposes of the examination of the opposition, be deemed to be registered in respect only of that part of the goods or services.

3. Paragraph 2 shall apply to earlier national trade marks referred to in Article 8(2)(a), by substituting use in the Member State in which the earlier national trade mark is protected for use in the Community.'

5 Rule 22(2) of Commission Regulation (EC) No 2868/95 of 13 December 1995 implementing Council

Regulation No 40/94 on the Community trade mark (OJ 1995 L 303, p. 1) provides: '[t]he indications and evidence for the furnishing of proof of use shall consist of indications concerning the place, time, extent and nature of use of the opposing trade mark for the goods and services in respect of which it is registered and on which the opposition is based ...'

Background to the dispute

6 On 1 April 1996, the appellant applied to OHIM for registration of the word mark VITAFRUIT as a Community trade mark, pursuant to Regulation No 40/94.

7 The goods in respect of which registration was sought are in Classes 5, 29 and 32 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. Class 32 covers '[b]eers; mineral and aerated waters and other non-alcoholic drinks; fruit and vegetable drinks, fruit juices; syrups and other preparations for making beverages; herbal and vitamin beverages'.

8 On 1 April 1998, Mr Espadafor Caba filed notice of opposition to registration of the trade mark for all the goods covered by the application, pursuant to Article 42(1) of Regulation No 40/94.

9 The earlier trade mark of which Mr Espadafor Caba is the proprietor is the national word mark VITAFRUT, registered in Spain for '[n]on-alcoholic and non-therapeutic carbonic drinks, non-therapeutical cold beverages of all kind[s], gaseous, granulated effervescent; fruit and vegetable juices without fermentation (except must), lemonades, orangeades, cold beverages (except orgeat), soda water, Seidlitz water and artificial ice', falling within Classes 30 and 32.

10 At the request of the appellant and pursuant to Article 43(2) and (3) of Regulation No 40/94, the Opposition Division of OHIM asked Mr Espadafor Caba to furnish proof that the earlier trade mark had been put to genuine use in Spain in the five years preceding the publication of the Community trade mark application.

11 Mr Espadafor Caba provided OHIM with six bottle labels on which the earlier trade mark was displayed and 14 invoices and orders, 10 of which dated from before that publication.

12 By decision of 23 August 2000, the Opposition Division rejected the application for a Community trade mark in respect of goods falling within Class 32 other than beers, referred to in the trade mark application. It held, first, that the evidence produced by Mr Espadafor Caba showed that the earlier trade mark had been put to genuine use within the meaning of Article 43(2) and (3) of Regulation No 40/94 in respect of 'fruit and vegetable juices without fermentation, lemonades, orangeades'. It held, second, that those goods and the goods falling within Class 32 other than beer, referred to in the Community trade mark application, were in part similar and in part identical, and that there was a likelihood of confusion within the meaning of Article 8(1)(b) of that same regulation between the earlier trade mark and the mark in respect of which registration was sought.

13 The appeal brought by the appellant against that decision was dismissed by the contested decision. The OHIM First Board of Appeal essentially upheld the findings contained in the Opposition Division's decision, pointing out, however, that use of the earlier trade mark had been proven only for goods identified as 'juice concentrates'.

The procedure before the Court of First Instance and the judgment under appeal

14 By application lodged at the Registry of the Court of First Instance on 2 July 2002, the appellant brought an action for annulment of the contested decision on grounds of infringement, first, of Article 43(2) of Regulation No 40/94 and, second, of Article 8(1)(b) of the same regulation.

15 By the first part of its first plea in law, it argued that the Board of Appeal had wrongly taken into account the use of the trade mark by a third party. It maintained essentially that the opposing party had not demonstrated that the alleged use of the earlier trade mark had been with its consent.

16 In paragraph 23 of the judgment under appeal, the Court of First Instance found that the alleged use of the earlier trade mark had been by the company Industrias Espadafor SA and not by Mr Espadafor Caba, the proprietor of that trade mark, although his name also featured in the name of the company in question. It nevertheless found, in paragraphs 24 to 28 of the same judgment, that the Board of Appeal had been entitled to rely on the presumption that the use of the earlier trade mark had taken place with the consent of the proprietor, and that the appellant had not disputed this point before it.

17 Accordingly, the Court of First Instance rejected the first part of the first plea in law.

18 By the second part of the first plea, the appellant alleged that the Board of Appeal had interpreted the concept of 'genuine use' incorrectly. It maintained, in essence, that the evidence adduced by Mr Espadafor Caba did not establish the time, place, nature or even sufficiency of the alleged use of the trade mark in order to qualify it as genuine.

19 After referring, in paragraphs 36 to 42 of the judgment under appeal, to the case-law of the Court of Justice ([Case C-40/01 Ansul](#) [2003] ECR I-2439) and to its own case-law and having examined, in paragraphs 43 to 53 of the same judgment, the evidence adduced by the opposing party, the Court of First Instance, in paragraph 54 of that judgment, concluded its analysis as follows:

'It follows that the other party to the proceedings before the Board of Appeal furnished proof that sales were made, with its consent, to a Spanish customer during the period from May 1996 to May 1997 of around 300 [cases] of 12 items each of concentrated juices of various fruits, representing sales of approximately EUR 4 800. Although the scale of the use to which the earlier trade mark was put is limited and although it might be preferable to have more evidence relating to the nature of the use during the relevant period, the facts and evidence put forward by the other party to the proceedings

are sufficient for a finding of genuine use. Consequently, OHIM was right to find, in the contested decision, that the earlier trade mark was put to genuine use in respect of some of the products for which it was registered, namely for fruit juices.’

20 Accordingly, the Court of First Instance dismissed the second part of the first plea.

21 By its second plea, the appellant stated that the Board of Appeal had infringed Article 8(1)(b) of Regulation No 40/94 in finding that the goods ‘herbal and vitamin beverages’ referred to in the Community trade mark application and the goods ‘juice concentrates’, in respect of which the earlier trade mark had been put to genuine use, were similar. In its view, there was, at best, only a remote similarity between the goods.

22 In paragraph 66 of the judgment under appeal, the Court of First Instance found that the earlier trade mark had been used for various concentrated fruit juices, intended for end-consumers, and not for juice concentrates, intended for manufacturers producing fruit juices. It therefore rejected the appellant’s argument that herbal and vitamin beverages and the goods in respect of which the earlier trade mark had been put to genuine use were intended for different purchasers.

23 In paragraph 67 of the same judgment, the Court of First Instance found that herbal and vitamin beverages and concentrated fruit juices shared the same purpose, that of quenching thirst, that in both cases the goods concerned were non-alcoholic beverages normally drunk cold and that to a large extent they were in competition. It found that the fact that their ingredients differed did not, however, affect the finding that they are interchangeable because they are intended to meet an identical need.

24 The Court of First Instance thus dismissed the second plea and the appellant’s action in its entirety.

The appeal

25 The appellant advances three grounds of appeal and claims that the Court of Justice should:

- set aside the judgment under appeal;
- in the alternative, set aside the judgment under appeal in so far as it upheld the refusal to register the mark in respect of which registration was sought for the goods ‘herbal and vitamin beverages’;
- annul the contested decision;
- order OHIM to pay the costs, including those incurred before the OHIM adjudicating bodies and before the Court of First Instance.

26 OHIM requests the Court to dismiss the appeal and order the appellant to pay the costs.

The admissibility of OHIM’s response

27 In its reply, the appellant submits that OHIM’s response is inadmissible on the ground that the latter did not seek the same form of order, in whole or in part, as that sought at first instance, as required by Article 116 of the Rules of Procedure of the Court of Justice.

28 Article 116(1) provides:

‘A response may seek:

- to dismiss, in whole or in part, the appeal or to set aside, in whole or in part, the decision of the Court of First Instance;

- the same form of order, in whole or in part, as that sought at first instance and shall not seek a different form of order.’

29 That provision states for which purposes the parties to the proceedings other than the appellant may lodge a response.

30 For the response to serve a purpose, those other parties must, in principle, state therein their position as to the appeal, and request that it be dismissed in whole or in part, or express total or partial support for it, or even lodge a cross-appeal, all of which are forms of order provided for in the first indent of Article 116(1) of the Rules of Procedure.

31 The other parties to the proceedings cannot, however, be required, in order for their responses to be valid, to seek the form of order provided for in the second indent of that provision. Each party is free to make before a court the claims which it considers appropriate. Thus, when the Court of First Instance does not grant the form of order sought by a party, or grants it only in part, the party may choose not to seek that form of order from the Court of Justice when the latter hears an appeal against the judgment of the Court of First Instance.

32 A fortiori, when, as in the present case, a party has obtained full satisfaction before the Court of First Instance and, in its response before the Court of Justice, seeks to have the appeal dismissed in its entirety, it is not necessary for it to seek the same form of order as that sought at first instance. Moreover, if the Court of Justice allows the appeal and, exercising the option open to it under Article 61 of the Statute of the Court of Justice, decides to give final judgment in the matter itself, it will be required to take account of that form of order, either to grant it again, in whole or in part, or to dismiss it, but cannot justify that dismissal on the ground that the party concerned did not seek the same form of order before it.

33 Accordingly, the objection of inadmissibility raised against OHIM’s response must be rejected.

The first ground of appeal

Arguments of the parties

34 By its first ground of appeal, the appellant claims that the Court of First Instance infringed Article 43(2) and (3) of Regulation No 40/94, read together with Article 15(1) and (3) of the same regulation, by taking account of a third party’s use of the earlier trade mark.

35 By the first part of this ground of appeal, the appellant criticises the Court of First Instance for having misinterpreted the apportionment of the burden of proof, having taken into account inconclusive evidence provided by the opposing party and having relied on presumptions rather than firm evidence.

36 According to the appellant, it is settled case-law of the Court of First Instance that genuine use of a trade mark cannot be proved by means of probabilities or presumptions, but must be demonstrated by solid and objective evidence of effective and sufficient use of the trade mark on the market concerned.

37 In the present case, it was for the opposing party to prove that the use of the earlier trade mark by the

company Industrias Espadafor SA had taken place with its consent. The opposing party has, however, adduced no evidence that it consented to that use. In order to find that the opposing party had consented to that use, the Board of Appeal and the Court of First Instance therefore incorrectly relied on probabilities and presumptions.

38 By the second part of the first ground of appeal, the appellant alleges that the Court of First Instance committed an error of law by failing to consider, in the course of the examination of the first part of the first plea at first instance, whether, at the time it gave its ruling, it could lawfully adopt a new decision with the same operative part as the contested decision, as required by its own case-law (Case T-308/01 Henkel v OHIM – LHS (UK) (KLEENCARE) [2003] ECR II-3253, paragraph 29).

39 Paragraphs 25 and 26 of the judgment under appeal indicate that the Court of First Instance in fact confined itself to examining the issue of whether the Board of Appeal could, at the time it adopted the contested decision, rely on the presumption that the opposing party had consented to the use of the earlier trade mark by Industrias Espadafor SA.

40 Regarding the first part of the first ground of appeal, OHIM states that, in the present case, the presumption that the opposing party had consented to the use of the earlier trade mark by Industrias Espadafor SA, a presumption which the Court of First Instance accepted, is completely justified for the reasons set out in paragraphs 24 to 29 of the judgment under appeal. Accordingly, the assessment of the facts by the Court of First Instance, on completion of which it acknowledged that the opposing party had consented to the use of the earlier trade mark, does not contain any error of assessment or any distortions which would justify the Court of Justice's interfering in the findings made by the Court of First Instance.

41 As to the second part of the first ground of appeal, OHIM states that, according to settled case-law, the purpose of the action before the Court of First Instance is to ensure judicial review of the Board of Appeal's decision for the purposes of Article 63 of Regulation No 40/94, so that the Court of First Instance was in no way required to consider whether or not a new decision with the same operative part as the contested decision could lawfully be adopted at the time it gave its ruling.

Findings of the Court

42 First of all, under Article 43(2) and (3) of Regulation No 40/94, at the request of the applicant for a Community trade mark, the proprietor of an earlier trade mark who has given notice of opposition must furnish proof that his trade mark has been put to genuine use.

43 Moreover, Article 15(3) of Regulation No 40/94 provides that the genuine use of a trade mark is the use made of that mark by the proprietor or with his consent.

44 It follows that it is for the proprietor of the earlier trade mark who has given notice of opposition to fur-

nish proof that he consented to the alleged use of that trade mark by a third party.

45 In the present case, first, in so far as it complains that the Court of First Instance misinterpreted the apportionment of the burden of proof, the first part of the first ground of appeal is unfounded.

46 After noting, in paragraph 23 of the judgment under appeal, that the name of the company Industrias Espadafor SA, which made use of the earlier trade mark, reproduced part of the name of the proprietor of that trade mark and having held, in paragraphs 24 and 25 of the judgment, that it was unlikely that Mr Espadafor Caba would have been in a position to submit the proof of use of the trade mark which he did produce before the Opposition Division and the OHIM Board of Appeal if that use had taken place against his wishes, the Court of First Instance found that OHIM had correctly relied on the presumption that the opposing party had consented to the alleged use of the earlier trade mark.

47 In so doing, the Court of First Instance did not require the appellant to prove the lack of consent, but relied on the material adduced by the opposing party and found that his consent to the alleged use had been proved. It did not, therefore, reverse the burden of proof.

48 Second, in so far as it complains that the Court of First Instance held that the evidence adduced by the opposing party proved his consent to the alleged use, that part of the argument essentially asks the Court of Justice to substitute its own assessment of the facts for that of the Court of First Instance and is, accordingly, inadmissible.

49 In addition, under Article 225(1) EC and the first paragraph of Article 58 of the Statute of the Court of Justice, an appeal lies on a point of law only. The Court of First Instance thus has exclusive jurisdiction to find and appraise the relevant facts and to assess the evidence. The appraisal of those facts and the assessment of that evidence thus do not, save where the facts and evidence are distorted, constitute a point of law which is subject, as such, to review by the Court of Justice on appeal (see, inter alia, Case C-37/03 P BioID v OHIM [2005] ECR I-7975, paragraph 43 and case-law cited).

50 Moreover, it does not appear that, in paragraphs 23 to 25 of the judgment under appeal, the Court of First Instance distorted the facts and evidence submitted to it.

51 For the sake of completeness, the Court of First Instance, in paragraphs 26 and 27 of the judgment under appeal, found that '[t]here was all the more reason for OHIM to rely on [the] presumption [that the opposing party had consented to the alleged use] given that the applicant did not dispute that the earlier trade mark had been put to use by Industrias Espadafor SA'.

52 The first part of the first ground of appeal must therefore be rejected as being partly unfounded and partly inadmissible.

53 Second, contrary to the appellant's assertions, it does not follow from the Court of First Instance's case-law that it is required to ascertain whether, at the time it

rules on an action against a decision of the OHIM Board of Appeal, it may lawfully adopt a new decision with the same operative part as the decision appealed against. In paragraphs 25 and 26 of its judgment in *Henkel v OHIM – LHS (UK) (KLEENCARE)*, the Court of First Instance merely stated that that obligation applies to the OHIM Boards of Appeal because of the principle of continuity, in terms of their functions, as between the OHIM adjudicating bodies deciding on the application at first instance – such as the examiners, the Opposition Division and the Cancellation Division – and those boards.

54 Under Article 63 of Regulation No 40/94, the Court of First Instance may annul or alter a decision of an OHIM Board of Appeal only ‘on grounds of lack of competence, infringement of an essential procedural requirement, infringement of the Treaty, of Regulation [No 40/94] or of any rule of law relating to [its] application or misuse of power’.

55 It follows that the Court of First Instance may annul or alter a decision against which an action has been brought only if, at the time the decision was adopted, it was vitiated by one of those grounds for annulment or alteration. The Court of First Instance may not, however, annul or alter that decision on grounds which come into existence subsequent to its adoption.

56 The second part of the first ground of appeal is thus unfounded and this ground of appeal must accordingly be rejected in its entirety.

The second ground of appeal

Arguments of the parties

57 By the first part of its second ground of appeal, the appellant states that the labels produced by the opposing party do not bear dates and therefore do not amount to proof of use of the earlier trade mark during the relevant period; nor do they support the other evidence adduced during the procedure.

58 By the second part of the same ground of appeal, the appellant maintains that the Court of First Instance infringed Article 43(2) of Regulation No 40/94 by misinterpreting the concept of ‘genuine use’ within the meaning of that provision: *inter alia* it applied incorrectly the conditions according to which the use of a trade mark may be held to be genuine.

59 According to the appellant, it follows from the Opinion of Advocate General Ruiz-Jarabo Colomer and the judgment of the Court of Justice in *Ansul*, as well as from the Court of First Instance’s case-law, that genuine use does not include use that is not merely token, serving solely to preserve the rights conferred by the trade mark, that the point beyond which commercial use of the trade mark may be held to be appropriate and genuine is directly related to the nature of the product or the type of service, that, regardless of the volume of transactions carried out under the trade mark and their frequency, the use must be continuous and in no way sporadic or occasional, and genuine use requires that the trade mark be present in a substantial part of the territory in which it is protected.

60 The appellant states that, in the present case, the goods sold are everyday manufacturing and consump-

tion goods, intended for daily use by the end-consumer at low cost and, therefore, easy to sell. In the light of the nature of those goods, sales volumes such as have been established in this case cannot be considered to be sufficient for the purposes of Article 43(2) of Regulation No 40/94. Moreover, the opposing party, who provided evidence of a mere five transactions over a period of 11 months, established at most only sporadic and occasional use of the earlier trade mark. In any event, such use cannot be regarded as being continuous, actual and stable. Furthermore, since the invoices produced were all addressed to the same customer, it has not been proven that the earlier trade mark was present in a substantial part of the territory in which it is protected.

61 It adds that its submission that the Court of First Instance misinterpreted the concept of ‘genuine use’ for the purposes of Article 43(2) of Regulation No 40/94 is supported by the fact that the Bundesgerichtshof (Federal Court of Justice, Germany) held, in another case, that monthly sales of EUR 4 400 indicate merely token use.

62 According to the appellant, it does not in any way call into question the findings of fact and assessment of the evidence carried out by the Court of First Instance, but complains that it disregarded the concept of ‘genuine use’. This is a point of law which may be raised on appeal.

63 OHIM states that, in paragraphs 32 to 42 of the judgment under appeal, the Court of First Instance correctly set out the principles developed by it and the Court of Justice regarding the concept of ‘genuine use’ and notes that the appellant does not contest those principles but considers that the facts of this case do not provide proof of such use.

64 It infers from that that the second ground of appeal seeks a re-examination by the Court of Justice of the facts and evidence; this ground of appeal is therefore inadmissible.

65 OHIM submits, in the alternative, that the Court of First Instance was right in holding that genuine use of the earlier trade mark was established, which means that this ground of appeal is unfounded. It admits that the use proven is on a rather small scale and appears to relate to a single customer, but states that the overall amount of the transactions was achieved over a fairly brief period. It adds that, in accordance with the Court of Justice’s case-law, there is no *de minimis* rule and that the Court of First Instance was correct in holding that small-scale use may be compatible with actual market presence.

66 Regarding the appellant’s assertion that a trade mark must be present in a substantial part of the territory in which it is protected in order for its use to be found to be genuine, OHIM submits that that requirement is not valid in the light of *Ansul* and the order in [Case C-259/02 La Mer Technology \[2004\] ECR I-1159](#), and that the extent of the territorial coverage is only one of the factors to be taken into account in the determination of whether or not the use is genuine.

67 As to the argument drawn from the Bundesgerichtshof's judgment, OHIM contends that judgments of national courts are not binding in these proceedings and that, in addition, since the assessment of whether use has been genuine must be on a case-by-case basis, it is practically impossible to draw general conclusions from other cases.

Findings of the Court

68 The Court notes, first, that the appellant does not call into question the finding made by the Court of First Instance, in paragraphs 46 to 48 of the judgment under appeal, on the basis of invoices produced by the opposing party, that the value of the goods sold under the earlier trade mark between May 1996 and May 1997 to a single customer in Spain amounted to no more than EUR 4 800, corresponding to the sale of 293 cases of 12 items each.

69 In those circumstances, the first part of the second ground of appeal, alleging that the labels produced by the opposing party cannot in themselves prove use of the earlier trade mark during the relevant period nor support the other evidence, is not such as to justify setting aside the judgment under appeal and must therefore be rejected as ineffective.

70 Second, as is apparent from the case-law of the Court of Justice, there is genuine use of a trade mark where the mark is used in accordance with its essential function, which is to guarantee the identity of the origin of the goods or services for which it is registered, in order to create or preserve an outlet for those goods or services; genuine use does not include token use for the sole purpose of preserving the rights conferred by the mark. When assessing whether use of the trade mark is genuine, regard must be had to all the facts and circumstances relevant to establishing whether the commercial exploitation of the mark in the course of trade is real, particularly whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods or services protected by the mark, the nature of those goods or services, the characteristics of the market and the scale and frequency of use of the mark (see, regarding Article 10(1) of First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks (OJ 1989 L 40, p. 1), a provision which is identical to Article 15(1) of Regulation No 40/94, Ansul, paragraph 43, and order in La Mer Technology, paragraph 27).

71 The question whether use is sufficient to maintain or create market share for the goods or services protected by the mark thus depends on several factors and on a case-by-case assessment. The characteristics of those goods and services, the frequency or regularity of the use of the trade mark, whether the mark is used for the purpose of marketing all the identical goods or services of the proprietor or merely some of them, or evidence of use which the proprietor is able to provide, are among the factors which may be taken into account (see, to that effect, order in La Mer Technology, paragraph 22).

72 It follows that it is not possible to determine a priori, and in the abstract, what quantitative threshold should be chosen in order to determine whether use is genuine or not. A de minimis rule, which would not allow OHIM or, on appeal, the Court of First Instance, to appraise all the circumstances of the dispute before it, cannot therefore be laid down (see, to that effect, order in La Mer Technology, paragraph 25). Thus, when it serves a real commercial purpose, in the circumstances referred to in paragraph 70 of this judgment, even minimal use of the trade mark can be sufficient to establish genuine use (order in La Mer Technology, paragraph 27).

73 In the present case, the Court of First Instance did not commit any error of law in its assessment of the genuine use of the earlier trade mark.

74 First, under Rule 22(2) of Regulation No 2868/95, it analysed, in paragraphs 46 to 54 of the judgment under appeal, the place, time, extent and nature of that use.

75 Second, in accordance with the case-law referred to in paragraphs 70 to 72 of this judgment, it sought to determine whether the earlier trade mark had been used in order to create or preserve an outlet for the goods 'concentrated fruit juices', for which the alleged use was established, or whether, on the contrary, that use had been for the sole purpose of preserving the rights conferred by the mark and had to be regarded as token.

76 Third, contrary to the appellant's assertions, the fact that in the present case the proof of use of the earlier trade mark was established only for the sale of products intended for a single customer does not a priori preclude the use being genuine (see, to that effect, order in La Mer Technology, paragraph 24), even though it follows from that situation that the mark was not present in a substantial part of the territory of Spain, in which it is protected. As OHIM has maintained, the territorial scope of the use is only one of several factors to be taken into account in the determination of whether it is genuine or not.

77 Lastly and fourthly, regarding the appellant's argument that a judgment delivered by the Bundesgerichtshof in a case concerning a trade mark other than the trade mark VITAFRUT, it is clear from the case-law referred to in paragraphs 70 to 72 of this judgment that, when assessing whether use of the mark is genuine, regard must be had to all the circumstances of the case and it is not possible to determine a priori, and in the abstract, what quantitative threshold should be chosen in order to determine whether use is genuine or not. It follows that courts ruling in two different cases may assess differently the genuine nature of the use alleged before them, even when instances of that use may have generated comparable sales volumes.

78 Moreover, the appellant's line of argument that, in the light of inter alia the nature of the goods marketed under the earlier trade mark, the quantitative scope of the use of that mark was insufficient for it to be found to be genuine within the meaning of Article 43(2) of Regulation No 40/94, essentially asks the Court of Justice to substitute its own assessment of the

facts and evidence for that of the Court of First Instance. Unless the facts or evidence have been distorted, which has not been alleged here, such a line of argument does not constitute a point of law which is subject, as such, to review by the Court of Justice, for the reasons given in paragraph 49 of this judgment.

79 Accordingly, the second part of the second ground of appeal, alleging misinterpretation of the concept of ‘genuine use’ within the meaning of Article 43(2) of Regulation No 40/94, is partly inadmissible and partly unfounded and this ground of appeal must therefore be rejected in its entirety.

The third ground of appeal

Arguments of the parties

80 By its third ground of appeal, relied on in support of its alternative claim for the judgment under appeal to be set aside in part, the appellant maintains that the Court of First Instance infringed Article 8(1)(b) of Regulation No 40/94 in finding that ‘herbal and vitamin beverages’ for which registration is sought, and the goods ‘concentrated fruit juices’, for which genuine use of the earlier trade mark has been established, are goods bearing a similarity within the meaning of that provision.

81 First, the appellant alleges that the Court of First Instance did not take account of the nature of the respective goods, which, according to the case-law of the Court of Justice, is a relevant factor which must be taken into account for determining whether goods or services are similar.

82 Second, it states that those goods are very different in terms of how they are manufactured, the manner in which they are used, their intended purpose and the places where they are marketed, and that those differences, taken as a whole, are more important than the one feature they have in common, namely that they are aimed at the same potential consumers.

83 The appellant maintains that, by this ground of appeal, it does not call into question the findings of fact and the assessment of the evidence carried out by the Court of First Instance, but complains that it disregarded the concept of ‘similarity of the goods’. It is, in its view, a point of law which may be raised on appeal.

84 OHIM submits, by way of principal argument, that the third ground of appeal is inadmissible because the appellant merely criticises the assessment of the facts carried out by the Court of First Instance. It submits, in the alternative, that the goods in question are similar.

Findings of the Court

85 As the Court of First Instance rightly held, in paragraph 65 of the judgment under appeal, in order to assess the similarity of the products or services concerned, all the relevant features of the relationship between those products or services should be taken into account. Those factors include, in particular, their nature, their intended purpose, their method of use and whether they are in competition with each other or are complementary (see, regarding Article 4(1)(b) of Directive 89/104, a provision which is substantively identical to Article 8(1)(b) of Regulation No 40/94,

Case C-39/97 Canon [1998] ECR I-5507, paragraph 23).

86 In accordance with that case-law, the Court of First Instance found, in paragraph 66 of the judgment under appeal, that the goods ‘herbal and vitamin beverages’, for which registration is sought, and the goods ‘concentrated fruit juices’, for which genuine use of the earlier trade mark has been established, are intended for end-consumers. Likewise, it held, in paragraph 67 of the judgment under appeal, that those goods share the same purpose, that of quenching thirst, are to a large extent in competition, have the same nature and method of use – both are non-alcoholic beverages normally drunk cold – and that the fact that their ingredients differ does not affect the finding that they are interchangeable because they are intended to meet an identical need.

87 In complaining that the Court of First Instance did not take into account the nature of the goods in question in order to assess the similarities between them, the appellant relies on an incorrect interpretation of the judgment under appeal. In paragraph 67 of the judgment under appeal, the Court of First Instance indeed considered whether or not the goods were similar, examining, *inter alia*, their respective natures.

88 In complaining that the Court of First Instance did not hold that the differences between the goods in question were more important than the one characteristic they shared, namely that they are aimed at the same potential end-consumers, the appellant is, in reality, asking the Court of Justice to substitute its own assessment of the facts for that of the Court of First Instance, contained in paragraphs 66 and 67 of the judgment under appeal (see, by analogy, regarding the assessment of the similarities between two trade marks, Case C-361/04 P Ruiz-Picasso and Others v OHIM [2006] ECR I-0000, paragraph 23, and Case C-206/04 P Muelhens v OHIM [2006] ECR I-0000, paragraph 41). Unless there has been distortion, which has not been alleged here, such an argument is not a point of law which is subject, as such, to review by the Court of Justice, for the reasons given in paragraph 49 of this judgment.

89 The third ground of appeal must accordingly be rejected as being partly unfounded and partly inadmissible and, therefore, the appeal in its entirety must be dismissed.

Costs

90 Under Article 69(2) of the Rules of Procedure, which applies to appeal proceedings by virtue of Article 118 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 and the appellant has been unsuccessful, the latter must be ordered to pay the costs.

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

1. Dismisses the appeal;
2. Orders The Sunrider Corp. to pay the costs.

OPINION OF ADVOCATE GENERAL

JACOBS

delivered on 15 December 2005 (1)

Case C-416/04 P

The Sunrider Corp.

1. The present case is an appeal against a judgment of the Court of First Instance (2) upholding a decision of the First Board of Appeal of the Office for Harmonisation in the Internal Market (Trade Marks and Designs) ('OHIM') dismissing an appeal from a decision of the Opposition Division of OHIM.

2. That decision found that a trade mark had been put to genuine use within the meaning of Article 43 of Regulation No 40/94 on the Community trade mark (3) and that the products covered by that mark and a proposed Community trade mark were similar within the meaning of Article 8(1)(b) of that regulation.

Community legislation

3. Article 8(1) of Regulation No 40/94 provides in so far as relevant:

'Upon opposition by the proprietor of an earlier trade mark, the [Community] 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 ...'

4. Article 8(2)(a) states that 'earlier trade mark' includes trade marks registered in a Member State.

5. Article 42 of Regulation No 40/94 provides that notice of opposition to the registration of a Community trade mark based on Article 8 of the regulation may be given within three months of publication of an application for the mark.

6. Article 43 of Regulation No 40/94 provides in so far as relevant:

'2. If the applicant so requests, the proprietor of an earlier Community trade mark who has given notice of opposition shall furnish proof that, during the period of five years preceding the date of publication of the Community trade mark application, the earlier Community trade mark has been put to genuine use in the Community in connection with the goods or services in respect of which it is registered and which he cites as justification for his opposition, or that there are proper reasons for non-use, provided the earlier Community trade mark has at that date been registered for not less than five years. In the absence of proof to this effect, the opposition shall be rejected. ...

3. Paragraph 2 shall apply to earlier national trade marks referred to in Article 8(2)(a), by substituting use in the Member State in which the earlier national trade mark is protected for use in the Community.'

7. It is common ground in the present case that use of an earlier trade mark with the consent of the proprietor constitutes use by the proprietor. (4)

8. Rule 22 of the Commission Regulation implementing the Community Trade Mark Regulation (5) provides in so far as relevant:

'2. The indications and evidence for the furnishing of proof of use shall consist of indications concerning the place, time, extent and nature of use of the opposing trade mark for the goods and services in respect of which it is registered and on which the opposition is based, and evidence in support of these indications in accordance with paragraph 3.

3. The evidence shall, in principle, be confined to the submission of supporting documents and items such as packages, labels, price lists, catalogues, invoices, photographs, newspaper advertisements, and statements in writing as referred to in Article 76(1)(f) of the Regulation.'

Background to the judgment of the Court of First Instance

9. On 1 April 1996, The Sunrider Corporation ('the applicant') filed an application for a Community trade mark at OHIM. The mark for which registration was sought is the word mark VITAFRUIT. The products in respect of which registration was sought include 'mineral and aerated waters and other non-alcoholic drinks; fruit and vegetable drinks, fruit juices; syrups and other preparations for making beverages; herbal and vitamin beverages'. The application was published on 5 January 1998.

10. On 1 April 1998, Juan Espadafor Caba ('the opposing party') filed a notice of opposition under Article 42 of Regulation No 40/94 against registration of the trade mark. The opposition was based on the fact that an earlier trade mark, the word mark VITAFRUT, had already been registered in Spain in respect of 'Non-alcoholic and non-therapeutic carbonic drinks, non-therapeutical cold beverages of all kind[s], gaseous, granulated effervescent; fruit and vegetable juices without fermentation (except must), lemonades, orangeades, cold beverages (except orgeat), soda water, Seidlitz water and artificial ice'.

11. In support of its opposition, the opposing party relied on Article 8(1)(b) of Regulation No 40/94.

12. In October 1998, the applicant requested that the opposing party should furnish proof, in accordance with Article 43(2) and (3) of Regulation No 40/94, that, during the five years preceding publication of the Community trade-mark application, the earlier trade mark had been put to genuine use in Spain. The Opposition Division of OHIM called upon the opposing party to furnish such proof. The opposing party provided OHIM with (i) six bottle labels on which the earlier trade mark was displayed and (ii) 14 invoices and orders, 10 of which dated from before 5 January 1998. It was apparent from the invoices that sales of the products under the earlier trade mark had been made by Industrias Espadafor SA rather than by the proprietor of the trade mark (the opposing party Juan Espadafor Caba).

13. By decision of 23 August 2000, the Opposition Division rejected the trade-mark application in respect of 'mineral and aerated waters and other non-alcoholic

drinks; fruit and vegetable drinks, fruit juices; syrups and other preparations for making beverages; herbal and vitamin beverages'. It held, first, that the evidence produced by the opposing party showed that the earlier trade mark had been put to genuine use under Article 43(2) and (3) of Regulation No 40/94 in respect of 'fruit and vegetable juices without fermentation, lemonades, orangeades'. Second, the Opposition Division took the view that those products were in part identical with, and in part similar to, the products identified as 'mineral and aerated waters and other non-alcoholic drinks; fruit and vegetable drinks, fruit juices; syrups and other preparations for making beverages; herbal and vitamin beverages', referred to in the trade-mark application, and that there was a likelihood of confusion for the purposes of Article 8(1)(b) of Regulation No 40/94 between the signs in question.

14. On 23 October 2000, the applicant filed a notice of appeal against the decision of the Opposition Division. By decision of 8 April 2002, the OHIM First Board of Appeal ('the Board of Appeal') dismissed the appeal. In substance, it upheld the findings made by the Opposition Division in its decision, pointing out, however, that use of the earlier trade mark had been proven only for products identified as 'juice concentrates'.

15. The applicant appealed to the Court of First Instance.

Judgment of the Court of First Instance

16. Before the Court of First Instance, the applicant raised two pleas in law. The first alleged infringement of Article 43(2) of Regulation No 40/94. That plea was divided into two parts, the first alleging that OHIM took into account as genuine use of the earlier trade mark the use made thereof by a third party without its having been proved that the consent of the proprietor of the trade mark had been obtained and the second alleging that OHIM misinterpreted the notion of genuine use. The second plea alleged infringement of Article 8(1)(b) of Regulation No 40/94.

17. With regard to the first part of the first plea the Court of First Instance ruled as follows:

'19. Under Article 43(2) and (3) and Article 15(1) of Regulation No 40/94, opposition to registration of a Community trade mark is rejected if the proprietor of the earlier trade mark at issue does not furnish proof that the earlier mark has been put to genuine use by its proprietor during the period of five years preceding the date of publication of the Community trade-mark application. However, if the proprietor of the earlier trade mark successfully furnishes that proof, OHIM will examine the grounds for refusal advanced by the opposing party.

20. Pursuant to Article 15(3) of Regulation No 40/94, in conjunction with Article 43(3) thereof, use of an earlier national trade mark by a third party with the consent of the proprietor is deemed to constitute use by the proprietor.

21. It must be stated at the outset that the Court of First Instance has already held that the extent of the examination which the Board of Appeal is required to

conduct with regard to the decision under appeal (in this instance the Opposition Division's decision) does not depend upon whether or not the party bringing the appeal has raised a specific ground of appeal with regard to that decision, criticising the interpretation or application of a provision by the department at OHIM which heard the application at first instance, or upon that department's assessment of a piece of evidence (see, to that effect, Case T-308/01 Henkel v OHIM – LHS (UK) (KLEENCARE) [2003] ECR II-3253, paragraph 32). Therefore, even if the party bringing the appeal before the Board of Appeal of OHIM has not raised a specific plea, the Board of Appeal is none the less bound to examine whether or not, in the light of all the relevant matters of fact and of law, a new decision with the same operative part as the decision under appeal may be lawfully adopted at the time of the appeal ruling (KLEENCARE, paragraph 29). That examination must include consideration of whether, in the light of the facts and evidence put forward by the other party to the proceedings before the Board of Appeal, that party has furnished proof of genuine use, either by the proprietor of the earlier trade mark or by an authorised third party, for the purposes of Article 43(2) and (3) and Article 15(3) of Regulation No 40/94. It follows that the first part of this plea is admissible.

22. However, the relevance of the contention that the applicant did not dispute, before either the Opposition Division or the Board of Appeal, that consent had been granted by the proprietor of the earlier mark pertains to the examination of the merits.

23. As is apparent from the invoices submitted by the other party to the proceedings before the Board of Appeal, sales of products under the earlier trade mark were made by Industrias Espadafor SA rather than by the proprietor of the trade mark, although the latter's name also features in the name of the company in question.

24. Where an opposing party maintains that the use of an earlier trade mark by a third party constitutes genuine use for the purposes of Article 43(2) and (3) of Regulation No 40/94, he claims, by implication, that he consented to that use.

25. As to the truth of what that implies, it is evident that, if the use of the earlier trade mark, as shown by the invoices produced to OHIM, was without the proprietor's consent and consequently in breach of the proprietor's trade-mark right, it would have been in Industrias Espadafor SA's interests, in the normal course of events, not to disclose evidence of such use to the proprietor of the trade mark in question. Consequently, it seems unlikely that the proprietor of a trade mark would be in a position to submit proof that the mark had been used against his wishes.

26. There was all the more reason for OHIM to rely on that presumption given that the applicant did not dispute that the earlier trade mark had been put to use by Industrias Espadafor SA with the opposing party's consent. It is not sufficient that the applicant argued generally in the course of the proceedings before

OHIM that the evidence produced by the opposing party was not adequate to establish genuine use by the latter.

27. It is apparent from the documents before the Court that the applicant made very specific criticism of the alleged fact that the volume of sales entailed by the use shown was too low and of the quality of the evidence adduced. However, nothing in the documents submitted by the applicant during the proceedings before OHIM allows the inference to be drawn that the applicant drew OHIM's attention to the fact that the trade mark had been used by a third party or that it expressed doubts as to whether the proprietor of the trade mark had consented to that use.

28. Those factors formed a sufficiently firm basis to allow the Board of Appeal to conclude that the earlier trade mark had been used with its proprietor's consent.

29. It follows that the first part of the plea alleging infringement of Article 43(2) and (3) of Regulation No 40/94 must be rejected as unfounded.'

18. With regard to the second part of the first plea, namely that OHIM misinterpreted the notion of genuine use, the Court of First Instance ruled as follows:

'36. As is clear from the ninth recital in the preamble to Regulation No 40/94, the legislature considered there to be no justification for protecting an earlier trade mark except where the mark has actually been used. In keeping with that recital, Article 43(2) and (3) of Regulation No 40/94 provides that an applicant for a Community trade mark may request proof that the earlier mark has been put to genuine use in the territory where it is protected during the five years preceding the date of publication of the Community trade-mark application against which an opposition has been filed (Case T-39/01 *Kabushiki Kaisha Fernandes v OHIM – Harrison (HIWATT)* [2002] ECR II-5233, paragraph 34).

37. Under Rule 22(2) of Commission Regulation (EC) No 2868/95 of 13 December 1995 implementing Council Regulation (EC) No 40/94 on the Community trade mark (OJ 1995 L 303, p. 1), evidence of use must concern the place, time, extent and nature of use of the earlier trade mark. However, the opposing party is not obliged to submit an affidavit concerning the sales made under the earlier trade mark. Articles 43(2) and 76 of Regulation No 40/94 and Rule 22(3) of Regulation No 2868/95 leave it to the opposing party to select the form of evidence which he considers suitable for the purpose of establishing that the earlier trade mark was put to genuine use during the relevant period. Therefore, the applicant's complaint about the failure to submit an affidavit concerning the total turnover resulting from sales of the products made under the earlier trade mark must be rejected.

38. In interpreting the notion of "genuine use", account must be taken of the fact that the ratio legis of the provision requiring that the earlier mark must have been put to genuine use if it is to be capable of being used in opposition to a trade-mark application is to restrict the number of conflicts between two marks, where there is no good commercial justification deriving from active functioning of the mark on the market

(Case T-174/01 *Goulbourn v OHIM – Redcats (Silk Cocoon)* [2003] ECR II-789, paragraph 38). However, the purpose of the provision is not to assess commercial success or to review the economic strategy of an undertaking, nor is it intended to restrict trade-mark protection to the case where large-scale commercial use has been made of the marks.

39. As is apparent from the judgment of the Court of Justice in Case C-40/01 *Ansul* [2003] ECR I-2439 concerning the interpretation of Article 12(1) of Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks (OJ 1989 L 40, p. 1), the provisions of which correspond in essence to those of Article 43(2) of Regulation No 40/94, there is genuine use of a trade mark where the mark is used in accordance with its essential function, which is to guarantee the identity of the origin of the goods or services for which it is registered, in order to create or preserve an outlet for those goods or services; genuine use does not include token use for the sole purpose of preserving the rights conferred by the mark (*Ansul*, paragraph 43). In that regard, the condition relating to genuine use of the trade mark requires that the mark, as protected on the relevant territory, be used publicly and outwardly (*Ansul*, paragraph 37, and *Silk Cocoon*, paragraph 39).

40. When assessing whether use of the trade mark is genuine, regard must be had to all the facts and circumstances relevant to establishing whether the commercial exploitation of the mark is real, particularly whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the products or services protected by the mark, the nature of those products or services, the characteristics of the market and the scale and frequency of use of the mark (*Ansul*, paragraph 43).

41. As to the extent of the use to which the earlier trade mark has been put, account must be taken, in particular, of the commercial volume of the overall use, as well as of the length of the period during which the mark was used and the frequency of use.

42. To examine, in a particular case, whether an earlier trade mark has been put to genuine use, an overall assessment must be carried out, which takes into account all the relevant factors of the particular case. That assessment entails a degree of interdependence between the factors taken into account. Thus, the fact that commercial volume achieved under the mark was not high may be offset by the fact that use of the mark was extensive or very regular, and vice versa. In addition, the turnover and the volume of sales of the product under the earlier trade mark cannot be assessed in absolute terms but must be looked at in relation to other relevant factors, such as the volume of business, production or marketing capacity or the degree of diversification of the undertaking using the trade mark and the characteristics of the products or services on the relevant market. As a result, the Court has stated that use of the earlier mark need not always be quantitatively significant in order to be deemed genuine (*Ansul*, paragraph 39).

43. In the light of the foregoing, it is appropriate to consider whether OHIM was right to find that the evidence produced by the other party to the proceedings before it established that the earlier trade mark had been put to genuine use.

44. Since the application for a Community trade mark filed by the applicant was published on 5 January 1998, the period of five years referred to in Article 43(2) of Regulation No 40/94 runs from 5 January 1993 to 4 January 1998 (“the relevant period”).

45. As is clear from Article 15(1) of Regulation No 40/94, only trade marks genuine use of which has been suspended during an uninterrupted period of five years are subject to the sanctions provided for by the regulation. Accordingly, it is sufficient that a trade mark should have been put to genuine use during a part of the relevant period for it not to be subject to the sanctions.

46. The invoices submitted by the other party to the proceedings before OHIM establish that the trade mark was put to use between the end of May 1996 and the middle of May 1997, a period of eleven and a half months.

47. They also show that the deliveries were made to a customer in Spain and that they were invoiced in Spanish pesetas. It follows that the products were intended for the Spanish market, which was the relevant market.

48. The value of the volume of sales of the product amounts to no more than EUR 4 800, corresponding to the sale of 293 units, identified as “cajas” (cases) in the invoices, of 12 items each, or 3 516 items in total, the price per unit without value added tax being ESP 227 (EUR 1.36). Although the volume of sales is relatively low, the invoices submitted suggest that the products to which they refer were marketed relatively regularly throughout a period of over 11 months, a period which is neither particularly short nor particularly close to the publication of the Community trade-mark application filed by the applicant.

49. The sales in question constitute use which objectively is such as to create or preserve an outlet for the products concerned and which entails a volume of sales which, in relation to the period and frequency of use, is not so low that it may be concluded that the use is merely token, minimal or notional for the sole purpose of preserving the rights conferred by the mark.

50. The same is true of the fact that the invoices were made out to a single customer. It is sufficient that the trade mark is used publicly and outwardly and not solely within the undertaking which owns the earlier trade mark or within a distribution network owned or controlled by that undertaking. In this instance, the applicant has not maintained that the addressee of the invoices belongs to the other party to the proceedings before OHIM and none of the circumstances of the case suggests that that is so. Therefore, there is no need to rely on the argument advanced by OHIM at the hearing that the customer is a major supplier of Spanish supermarkets.

51. As to the nature of the use to which the earlier trade mark was put, the products to which the invoices refer are identified as “concentrado” (concentrate), followed, first, by a description of the flavour (“kiwi”, “menta” (mint), “granadina” (grenadine), “maracuya” (passion fruit), “lima” (lime) and “azul trop”) and, second, by the word “vitafruit” in inverted commas. That name suggests that the products concerned are concentrated fruit juices or juice concentrates of various fruits.

52. Furthermore, it can be seen from the labels produced by the other party to the proceedings that what is at issue are concentrated juices of various fruits, intended for end consumers, and not juice concentrates intended for manufacturers producing fruit juices. Thus, the labels include a description “bebida concentrada para diluir 1 + 3” (“concentrated drink to be diluted 1 + 3”), the drink being evidently intended for the end consumer.

53. As the applicant has stated, the labels bear no date. Therefore, the issue as to whether labels usually bear dates, a proposition advanced by the applicant and challenged by OHIM, is irrelevant. However, although the labels alone are not decisive, they are capable of supporting other evidence produced in the course of the proceedings before OHIM.

54. It follows that the other party to the proceedings before the Board of Appeal furnished proof that sales were made, with its consent, to a Spanish customer during the period from May 1996 to May 1997 of around 300 units of 12 items each of concentrated juices of various fruits, representing sales of approximately EUR 4 800. Although the scale of the use to which the earlier trade mark was put is limited and although it might be preferable to have more evidence relating to the nature of the use during the relevant period, the facts and evidence put forward by the other party to the proceedings are sufficient for a finding of genuine use. Consequently, OHIM was right to find, in the contested decision, that the earlier trade mark was put to genuine use in respect of some of the products for which it was registered, namely for fruit juices.

55. As regards the alleged inconsistency between the contested decision and the decision of the Fourth Board of Appeal of OHIM in Case R 578/2000-4 (HIPOVITON/HIPPOVIT), it should be noted that that decision has been annulled by the judgment of this Court of 8 July 2004 in Case T-334/01 MFE Marienfelde v OHIM – Vétoquinol (HIPOVITON) [2004] ECR II-0000.

56. In the light of the foregoing, the second part of this plea is unfounded. ...’

19. With regard to the second plea alleging infringement of Article 8(1)(b) of Regulation No 40/94 the Court of First Instance ruled as follows:

‘63. Upon opposition by the proprietor of an earlier trade mark, a trade mark is not to be registered, pursuant to Article 8(1)(b) of Regulation No 40/94, if the products or services for which registration is sought are identical with or similar to those for which an earlier trade mark is registered and if the degree of similarity between the marks concerned is sufficient for it to be considered that there is a likelihood of confusion on the

part of the public in the territory in which the earlier trade mark is protected. Furthermore, under Article 8(2)(a)(ii) of Regulation No 40/94, “earlier trade marks” means trade marks registered in a Member State, with a date of application for registration which is earlier than the date of application for registration of the Community trade mark.

64. In this instance, the applicant is challenging the findings of the Board of Appeal only in relation to the question as to whether the products described in the trade-mark application as “herbal and vitamin beverages” are identical with or similar to the products in respect of which the earlier trade mark was put to use, namely “fruit juices” (paragraphs 19 and 20 of the contested decision).

65. It has been held that in order to assess the similarity of the products or services concerned, all the relevant features of the relationship between those products or services should be taken into account, including their nature, their end users, their method of use and whether they are in competition with each other or are complementary (Case C-39/97 Canon [1998] ECR I-5507, paragraph 23).

66. In this instance, as stated in paragraph 52 above, the earlier trade mark was used for concentrated fruit juices, intended for end consumers, and not for fruit juice concentrates, intended for manufacturers producing fruit juices. Therefore, the applicant’s argument that the products concerned are intended for different purchasers, namely manufacturers in the case of juice concentrates and end consumers in the case of herbal and vitamin beverages, must be rejected.

67. Next, the Board of Appeal rightly stated that the products concerned share the same purpose, that of quenching thirst, and that to a large extent they are in competition. As to the nature and use of the products at issue, in both cases the products concerned are non-alcoholic beverages normally drunk cold, the ingredients being admittedly different in most cases. The fact that their ingredients differ does not, however, affect the finding that they are interchangeable because they are intended to meet an identical need.

68. It follows that the Board of Appeal did not make an error of assessment in finding that the products concerned are similar. This plea is therefore unfounded ...’

20. The Court of First Instance accordingly dismissed the applicant’s appeal.

The appeal to the Court of Justice

21. The applicant has appealed to the Court of Justice. It has put forward three grounds of appeal, corresponding exactly to the three issues it raised before the Court of First Instance.

The first ground of appeal

22. The applicant submits first that the Court of First Instance misinterpreted Article 43(2) and (3) of Regulation No 40/94 in conjunction with Article 15(3) thereof when taking into account use of the VITA-FRUT mark by a third party. In particular, the applicant contends that the Court of First Instance misinterpreted the apportionment of the burden of proof provided for in Article 15(1) and (3), took into account non-

conclusive (implicit) statements and evidence produced by the opposing party and relied on presumptions instead of solid evidence.

23. Article 15(1) is not relevant to the present case since it is limited to sanctions for non-use of a Community trade mark. I shall assume that the applicant intended to refer to Article 43(2), applicable by virtue of Article 43(3). It is however correct that Article 15(3) is applicable by analogy to opposition proceedings based on an earlier trade mark. That provision states that use of the mark ‘with the consent of the proprietor shall be deemed to constitute use by the proprietor’.

24. In essence the applicant’s complaint is that the Court of First Instance did not properly examine whether use of the mark by a third party constituted use by the opposing party within the meaning of Article 15(3).

25. I consider that the Court of First Instance correctly examined that question.

26. The Court of First Instance stated that where an opposing party maintains that use by a third party constitutes genuine use ‘he claims, by implication, that he consented to that use’. (6)

27. It went on to make two specific points. First, if the use by the third party was without the proprietor’s consent, the use would have infringed the proprietor’s trade mark right and it would therefore evidently have been in the third party’s interest not to disclose evidence thereof to the proprietor. It consequently seems unlikely that the proprietor would be in a position to submit evidence of such use. (7)

28. That approach seems eminently sensible. It would be pointless and contrary to the principles of sound administration and procedural economy for OHIM as a matter of course to require a trade mark proprietor to adduce evidence of consent in such circumstances.

29. The matter would of course be different if the applicant had raised before OHIM the issue of the lack of consent. That however is the Court of First Instance’s second point: there was nothing in the documents before it suggesting that the applicant in the present case had done so. (8)

30. The Court of First Instance accordingly concluded that the above factors ‘formed a sufficiently firm basis to allow the Board of Appeal to conclude that the earlier trade mark had been used with its proprietor’s consent’. (9) I agree with that conclusion and consider that the Court of First Instance did not err with regard to the burden of proof.

31. The applicant makes a further point under its first ground of appeal which I confess to finding some difficulty in following.

32. The applicant states that, according to KLEEN-CARE, (10) the Court of First Instance should have decided itself whether, at the time of its ruling, a new decision with the same operative part as the decision of the Board of Appeal of OHIM could have been lawfully adopted. That court therefore erred in law when stating that OHIM could rely at the time of adopting the decision of the Board of Appeal on the presumption

that the proprietor of the VITAFRUT trademark consented to the use of that mark by a third party.

33. Paragraphs 25, 26 and 29 of KLEENCARE read as follows:

‘The case-law shows that there is continuity, in terms of their functions, between the examiner and the Boards of Appeal (Case T-163/98 Procter & Gamble v OHIM (BABY-DRY) [1999] ECR II-2383, paragraphs 38 to 44; Case T-63/01 Procter & Gamble v OHIM (Soap bar shape) [2002] ECR II-5255, paragraph 21). That case-law may also be applied appropriately to the relationship between the other departments of the Office deciding on the application at first instance, such as the Opposition Divisions, Cancellation Divisions, and the Boards of Appeal.

Accordingly, the powers of the Office’s Boards of Appeal imply that they are to re-examine the decisions taken by the Office’s departments at first instance. In the context of that re-examination, the outcome of the appeal depends on whether or not a new decision with the same operative part as the decision under appeal may be lawfully adopted at the time of the appeal ruling. Thus, the Boards of Appeal may, subject only to Article 74(2) of Regulation No 40/94, allow the appeal on the basis of new facts relied on by the party who has brought the appeal or on the basis of new evidence adduced by that party.

...

In the light of the considerations set out in paragraphs 25 and 26 above, the Court finds that, contrary to what the Office maintains, the extent of the examination which the Board of Appeal must conduct is not, in principle, determined by the grounds relied on by the party who has brought the appeal. Accordingly, even if the party who has brought the appeal has not raised a specific ground of appeal, the Board of Appeal is none the less bound to examine whether or not, in the light of all the relevant matters of fact and of law, a new decision with the same operative part as the decision under appeal may be lawfully adopted at the time of the appeal ruling.’

34. Those paragraphs essentially concern the powers of the Boards of Appeal to rule on the basis of new facts or evidence which were not before the examiner or other departments of OHIM deciding on the application at first instance. In that context they were explicitly considered and applied by the Court of First Instance in its determination that the first part of the applicant’s first plea was admissible. I do not however see how those powers of the Boards of Appeal are relevant to the powers of the Court of First Instance when hearing an appeal from a decision of a Board of Appeal, where there is clearly no continuity of function.

35. I would accordingly dismiss the applicant’s first ground of appeal as unfounded.

The second ground of appeal

36. The applicant submits second that the Court of First Instance misinterpreted the notion of genuine use within the meaning of Article 43(2) of Regulation No 40/94. It refers in particular to that Court’s ‘findings’ in paragraphs 48 and 49 of the judgment.

37. On the face of it, and as OHIM submits, those paragraphs contain findings of fact based on the assessment by the Court of First Instance of the evidence before it. It is settled case-law that the Court of First Instance has exclusive jurisdiction to find and appraise the relevant facts and to assess the evidence. The appraisal of those facts and the assessment of that evidence thus does not, save where they distort the evidence, constitute a point of law which is subject, as such, to review by the Court of Justice on appeal. (11)

38. It must also, in my view, be borne in mind that in general, on a trade mark appeal to the Court of Justice, the issues of fact and law will already have been considered in three previous instances: first by the relevant division of OHIM, second by the Board of Appeal, and third by the Court of First Instance.

39. In any event, all the evidence to which the applicant refers in the present appeal (12) was specifically mentioned and evaluated by the Court of First Instance in paragraphs 46 to 50 of its judgment.

40. Only one of the applicant’s arguments seems to me possibly to involve a genuine point of law, namely its claim (13) that the undated labels could not be capable of supporting other evidence as mentioned in paragraph 53 of the judgment. However, it appears from paragraph 52 that the Court of First Instance simply meant that the labels corroborated the evidence from the invoices that the products at issue were concentrated juices of various fruits intended for end consumers rather than juice concentrates intended for manufacturers. Since the applicant does not take issue with that finding of fact – and indeed could not in principle challenge it on appeal – and since moreover the applicant states in its appeal that ‘the goods in question are ... designated for daily use of end consumers’, (14) I consider that the applicant’s submission concerning the undated labels is inadmissible or in the alternative unfounded.

41. Finally, I would say that even if the remaining submissions in the applicant’s second ground of appeal were regarded as raising points of law and hence as admissible, it seems to me that, in reaching its conclusion that the Board of Appeal correctly interpreted the notion of genuine use, the Court of First Instance carefully analysed (15) and conscientiously applied (16) the purpose of the requirement of genuine use and the principles concerning that notion laid down by the Court of Justice in *Ansul*. (17) Those principles have been further explained by the Court in its order in *La Mer Technology Inc*, (18) referred to at the hearing by both parties, but they have not been altered; indeed the order in *La Mer* was made in accordance with Article 104(3) of the Court’s Rules of Procedure precisely because the Court took the view that the answer to the questions referred in that case could be clearly deduced from the judgment in *Ansul*. (19)

42. I am accordingly of the view that the second ground of appeal is inadmissible or in the alternative unfounded.

The third ground of appeal

43. The applicant submits third that the Court of First Instance incorrectly applied Article 8(1)(b) of Regulation No 40/94 in concluding (20) that the Board of Appeal had not made an error of assessment in finding that the products concerned were similar.

44. In particular the applicant argues that the Court of First Instance, having ‘correctly pointed out that, in order to assess the similarity of the products or services concerned, all the relevant features of the relationship between those products or services should be taken into account, including their nature, their end users, their method of use and whether they are in competition with each other or are complementary ... only took a few of these relevant factors of the goods in question into account, namely their end users, their methods of use and whether they are in competition with each other’.

45. The only factor mentioned in the first of those lists and missing from the second is the nature of the products, which the Court of First Instance did in fact take into account. (21)

46. The applicant states that the assessment of the Court of First Instance in paragraphs 66 and 67 of the judgment ‘is not convincing’ and makes a number of assertions which it considers to support its view that the products concerned are not similar. Most of those assertions replicate verbatim, or very nearly so, its assertions to the same effect before the Court of First Instance, (22) although several others are raised for the first time before this Court. They are all statements of fact.

47. In my view, the applicant has not identified any error of law by the Court of First Instance. I agree with OHIM that the third ground of appeal is limited to the facts and should accordingly be dismissed as inadmissible.

48. In any event, the judgment seems to me to contain a correct summary of the principles governing assessment of similarity laid down by the Court of Justice in Canon (23) and a correct application of those principles to the present case. (24)

49. I accordingly consider that the third ground of appeal is inadmissible or in the alternative unfounded.

Conclusion

50. For the reasons given above I am of the view that the Court should:

- (1) dismiss the appeal;
- (2) order the applicant to pay the costs.

trade mark with the consent of the proprietor shall be deemed to constitute use by the proprietor’.

5 – Commission Regulation (EC) No 2868/95 of 13 December 1995 implementing Council Regulation (EC) No 40/94 on the Community trade mark (OJ 1995 L 303, p. 1).

6 – Paragraph 24.

7 – Paragraph 25.

8 – Paragraphs 26 and 27.

9 – Paragraph 28.

10 – Cited in paragraph 21 of the judgment of the Court of First Instance, set out in point 17 above. The applicant refers to paragraph 29 of KLEENCARE.

11 – See most recently Case C-37/03 P BioID [2005] ECR I-0000, paragraph 43.

12 – Paragraphs B(V)(2)(b)(kk) to (qq) on pages 15 and 16.

13 – At paragraph B(V)(2)(b)(ss) on page 17 of the appeal.

14 – Paragraph B(V)(2)(b)(oo) on page 16.

15 – Paragraphs 36 and 38 to 42.

16 – Paragraphs 44 to 54.

17 – Case C-40/01 [2003] ECR I-2439.

18 – Case C-259/02 [2004] ECR I-1159.

19 – Paragraph 14 of the order. The Court in fact took that view of the first six questions referred, all of which concerned the extent and type of use, whereas with regard to the seventh question, which concerned the relevance of use after the filing of the application, which does not directly arise in the present case, it considered that the answer left no room for reasonable doubt. The judgment of 29 July 2005 of the Court of Appeal, England and Wales, delivered on appeal from the decision of the referring court, contains some interesting and helpful discussion of the issues ([2005] EWCA Civ 978).

20 – In paragraph 68.

21 – See paragraph 67 of its judgment, set out in point 19 above.

22 – Thus points B(V)(3)(b)(aa), (bb), (cc) and (ee)(aaa) and (bbb) of the appeal are in identical or similar terms to points B(III)(2)(c)(bb), (cc), (dd) and (ee) of the application before the Court of First Instance, summarised in paragraphs 59 to 61 of the judgment.

23 – Case C-39/97 [1998] ECR I-5507.

24 – See paragraphs 65 to 67.

1 – Original language: English.

2 – Case T-203/02 The Sunrider Corp v OHIM [2004] ECR II-0000.

3 – Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark (OJ 1994 L 11, p. 1), as amended.

4 – By analogy with Article 15(3) of Regulation No 40/94, which in the context of revocation of a Community trade mark for lack of genuine use within five years of registration provides: ‘Use of the Community