

Court of Justice EC, 11 December 2008, Gateway v OHIM



## TRADEMARK LAW

Likelihood of confusion (i) not subject to overall impression being dominated by earlier mark, (ii) but subject to signs being similar or identical

- 52 According to the principle of interdependence noted in particular in paragraph 45 of this judgment, one of the cumulative conditions which must be satisfied in order to prove that there is a likelihood of confusion within the meaning of Article 8(1)(b) of Regulation No 40/94 is the similarity or identity of the signs.

- 53 Although it is true, as is stated in paragraph 32 of Medion, that the finding that there is a likelihood of confusion should not be subject to the condition that the overall impression produced by the composite sign be dominated by the part of it which is represented by the earlier mark, it must, on the other hand, be pointed out that the signs in the present case are not similar or identical.

54 Therefore, given that, according to paragraph 51 of the judgment under appeal, there is no likelihood of confusion in the present case, the Court of First Instance did not fail to have regard to that paragraph of Medion. It follows that the third part of the first plea must be rejected as unfounded.

Degree of renown irrelevant to determine similarities between signs

- Since the assessment of the similarities of the signs at issue led the Court of First Instance to the conclusion that the marks at issue are different, the Court was fully entitled to find, in paragraph 51 of the judgment under appeal, that it was not necessary to make apparent the degree of renown of the earlier marks which it took into consideration in that assessment.

57 Likewise, since the signs at issue are not similar or identical, Gateway is not justified in claiming that the Court of First Instance failed to have regard to SABEL and Canon.

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Court of Justice EC, 11 December 2008

(M. Ilešič (Rapporteur), A. Tizzano and J.-J. Kasel)  
JUDGMENT OF THE COURT (Fifth Chamber)  
11 December 2008 (\*)

*(Appeal – Community trade mark – Regulation (EC) No 40/94 – Article 8(1)(b) and (5) – Earlier marks including the word sign ‘GATEWAY’ – Word sign ‘ACTIVY Media Gateway’ – Absence of similarity of the signs – Lack of likelihood of confusion – Taking into account of the renown of earlier marks when carrying out a global assessment of opposing signs)*

In Case C-57/08 P,

APPEAL under Article 56 of the Statute of the Court of Justice, brought on 11 February 2008,

Gateway, Inc., established in Irvine (United States), represented by C.R. Jones, Solicitor,

appellant,

the other parties to the proceedings being:

Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM), represented by A. Folliard-Monguiral, acting as Agent,

defendant at first instance,

Fujitsu Siemens Computers GmbH, established in Munich (Germany),

intervener at first instance,

THE COURT (Fifth Chamber),

composed of M. Ilešič (Rapporteur), President of the Chamber, A. Tizzano and J.-J. Kasel, Judges,

Advocate General: P. Mengozzi,

Registrar: R. Grass,

having regard to the written procedure,

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

gives the following

**Judgment**

1 By its appeal, Gateway, Inc. (‘Gateway’) seeks to have set aside the judgment of the Court of First Instance of the European Communities of 27 November 2007 in Case T-434/05 Gateway v OHIM – Fujitsu Siemens Computers (ACTIVY Media Gateway) (‘the judgment under appeal’), by which the Court dismissed its action brought against the decision of the First Board of Appeal of the Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM) of 14 September 2005 (Case R 1068/2004-1, ‘the contested decision’) rejecting its opposition to registration of the word sign ‘ACTIVY Media Gateway’ as a Community trade mark.

**Legal context**

2 Article 8(1)(b) of Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark (OJ 1994 L 11, p. 1) is worded as follows:

‘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 pro-

tected; the likelihood of confusion includes the likelihood of association with the earlier trade mark.'

3 Article 8(2) of Regulation No 40/94 is worded as follows:

'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:

(i) Community trade marks;  
...'

4 Article 8(5) of Regulation No 40/94 provides:

'... upon opposition by the proprietor of an earlier trade mark within the meaning of paragraph 2, the trade mark applied for shall not be registered where it is identical with or similar to the earlier trade mark and is to be registered for goods or services which are not similar to those for which the earlier trade mark is registered, where in the case of an earlier Community trade mark the trade mark has a reputation in the Community and, in the case of an earlier national trade mark, the trade mark has a reputation in the Member State concerned and where the use without due cause of the trade mark applied for would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark.'

#### **The facts of the case and the judgment under appeal**

5 Gateway is the proprietor of the Community and national word and figurative marks GATEWAY, GATEWAY 2000, GATEWAY.NET, GATEWAY PROFILE and GATEWAY ASTRO ('the earlier marks') in respect of goods and services in Classes 9, 16 and 35 to 38 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.

6 On 25 April 2001, Fujitsu Siemens Computers GmbH filed an application with OHIM for registration of the word sign 'ACTIVY Media Gateway' as a Community trade mark.

7 The goods in respect of which registration was sought fall within Classes 9, 35, 38 and 42 of the Nice Agreement and correspond, for each of those classes, to the following descriptions:

– Class 9: 'optical, electrotechnical and electronic apparatus and equipment (included in class 9); electrotechnical and electric apparatus for recording, broadcasting, transmission, reception, reproduction and processing of sounds, signals and/or images; electrotechnical and electric apparatus for the recording, processing, sending, transmission, relaying, storage and output of messages and data; communications computers, software; optical, electrotechnical and electronic information technology and communications technology apparatus';

– Class 35: 'gathering, storage and retrieval of data, information, images, video and audio sequences';

– Class 38: 'forwarding and distribution of data, information, images, video and audio sequences'; and

– Class 42: 'consultancy with regard to the construction and operating of apparatus, installations and other data, information and communications technology products; planning, development, consultancy, testing, technical monitoring, systems integration and product integration in the field of data technology, information technology and communications technology; development, creation and rental of computer programs'.

8 On 11 April 2002, Gateway filed a notice of opposition to registration of the mark at issue in respect of all the goods covered by that mark, claiming a likelihood of confusion within the meaning of Article 8(1)(b) of Regulation No 40/94. It also claimed that Article 8(4) and (5) of that regulation had been infringed.

9 The Opposition Division of OHIM rejected that opposition in its entirety.

10 On 19 November 2004, Gateway filed a notice of appeal with OHIM against the Opposition Division's decision in so far as it concerned Article 8(1)(b) and (5) of Regulation No 40/94.

11 By the contested decision, the First Board of Appeal of OHIM dismissed the appeal. It thereby confirmed the decision of the Opposition Division by holding, in essence, that, given the absence of identity or similarity between the conflicting marks, there was no likelihood of confusion between them under Article 8(1)(b) of Regulation No 40/94, whatever the reputation of the earlier marks and irrespective of the degree of identity or similarity of the goods or services concerned. On the same grounds, the Board of Appeal rejected the opposition based on the provisions of Article 8(5) of Regulation No 40/94.

12 By application lodged at the Registry of the Court of First Instance on 6 December 2005, Gateway brought an action against the contested decision, relying on two pleas in law alleging infringement of Article 8(1)(b) and (5) of Regulation No 40/94.

13 The Court of First Instance found, in paragraph 37 of the judgment under appeal, that the relevant public was made up of consumers in the Community who purchase computer goods and services and, in paragraph 39 of that judgment, that it was appropriate to examine only the earlier registered marks made up of the single generic word 'gateway'.

14 As regards the plea relating to infringement of Article 8(1)(b) of Regulation No 40/94, the Court of First Instance, in paragraphs 42 to 48 of the judgment under appeal, assessed the visual, phonetic and conceptual similarities between the signs at issue. It found, in particular in paragraph 48 of that judgment, first, that the element 'gateway' in the mark applied for is descriptive of the goods and services covered by that mark and, secondly, that the element 'activy' is the dominant element of the mark.

15 In paragraph 49 of the judgment under appeal, the Court of First Instance found that, even if it were accepted that the 'gateway' element, without necessarily constituting the dominant element of the mark applied for, held the attention of the relevant public, it

could not be concluded that it has an independent distinctive role. Besides the descriptive character of that element in the mark applied for, Gateway had not proved that there was a likelihood of confusion between the signs at issue.

16 The Court of First Instance held, in paragraph 51 of the judgment under appeal, that there was no likelihood of confusion between those signs. Consequently, the Court of First Instance found that it was not necessary to rule on the degree of similarity of the goods and services concerned and that, however well-known the earlier marks taken into consideration for the purposes of that assessment, the First Board of Appeal of OHIM had been correct to conclude that there had been no infringement of Article 8(1)(b) of Regulation No 40/94.

17 As regards the plea alleging infringement of Article 8(5) of Regulation No 40/94, the Court of First Instance held that the signs at issue were neither identical nor similar and that, therefore, one of the conditions for the application of that provision had not been satisfied.

18 In so doing, the Court of First Instance dismissed the action in its entirety.

#### **The appeal**

19 By its appeal, which is based on two pleas in law alleging infringement of Article 8(1)(b) and (5) of Regulation No 40/94, Gateway claims that the Court should set aside the judgment under appeal and order OHIM to pay the costs.

20 OHIM contends that the Court should dismiss the appeal and order Gateway to pay the costs.

#### **The first plea: infringement of Article 8(1)(b) of Regulation No 40/94**

##### **Arguments of the parties**

21 By this plea, Gateway submits, in essence, that, as regards the relevant public in question, the Court of First Instance erred in holding, in paragraph 37 of the judgment under appeal, that that public was made up of consumers who purchase computer goods and services. According to Gateway, the Court of First Instance should have held that that public was made up of consumers who purchase all the goods and services covered by the mark applied for.

22 As regards the similarities between the signs at issue, according to Gateway, the Court of First Instance should have held, contrary to its findings in paragraphs 42 to 48 of the judgment under appeal, that there is some visual, phonetic and conceptual similarity between those signs, even if their common element 'gateway' is not dominant in the mark applied for.

23 According to Gateway, the Court of First Instance failed to have regard to paragraph 32 of the [judgment in Case C-120/04 Medion \[2005\] ECR I-8551](#), in which it was held that '[t]he finding that there is a likelihood of confusion should not be subject to the condition that the overall impression produced by the composite sign be dominated by the part of it which is represented by the earlier mark'.

24 Furthermore, Gateway claims in essence that, in its assessment of the likelihood of confusion between the signs at issue, the Court of First Instance did not

sufficiently take into account the renown and distinctive character of the earlier marks. According to Gateway, the relevant public is likely to recognise the element 'gateway' in the mark applied for. In addition, that element is not descriptive of the goods and services covered by that mark.

25 According to Gateway, the Court of First Instance should have found, in accordance with paragraphs 22 to 24 of [Case C-251/95 SABEL \[1997\] ECR I-6191](#), that, in view of the degree of similarity between the signs at issue and the identical nature or similarity of the goods and services concerned, the likelihood of confusion was greater because the earlier marks were more distinctive.

26 Lastly, Gateway submits that the Court of First Instance should have taken into consideration, in accordance with paragraphs 18 to 28 of [Case C-39/97 Canon \[1998\] ECR I-5507](#), the fact that a high degree of similarity between the relevant goods and services may offset a lesser degree of similarity between the marks.

27 Having regard to the foregoing, the Court of First Instance should have concluded that the signs at issue are similar, that there is a likelihood of confusion between them and that, therefore, the First Board of Appeal of OHIM had infringed Article 8(1)(b) of Regulation No 40/94.

28 According to OHIM, the analysis of the Court of First Instance concerning the relevant public is a factual assessment. Furthermore, Gateway has not established that the present case involves a distortion of the facts.

29 The category of optical, electrotechnical and electronic goods and services is broad enough to be able to include computer goods and services as well. The same is true as regards the transmission and/or reception and/or conversion of data.

30 Furthermore, Gateway does not contest that all the goods and services covered by the marks at issue relate to information technology.

31 Likewise, Gateway does not explain why it is of the opinion, first, that the perception of the element 'gateway' on the part of the purchasers of optical, electrotechnical and electronic apparatus and equipment differs from that of other users of computer goods and services and, secondly, that that element has no meaning in the context of such apparatus and equipment.

32 Consequently, the Court of First Instance did not distort the assessment concerning the relevant public.

33 As regards the similarities between the signs at issue, the assessment as to whether an element of a sign is dominant or not is, according to OHIM, a factual analysis. The same is true of the assessment which the Court of First Instance carried out concerning the comparison of the signs and the distinctive character of the earlier marks. Lastly, Gateway does not claim that the facts were distorted as regards those points.

34 Likewise, according to OHIM, the Court of First Instance was right in its finding that, notwithstanding the possible renown of the earlier marks, the signs at issue are globally dissimilar.

35 As regards Gateway's argument that the Court of First Instance failed to have regard to paragraph 32 of Medion, OHIM maintains that the Court of First Instance found that the mark applied for is a 'logical and conceptual unit of its own' or an 'inseparable whole' in which the element 'gateway', which it has in common with the earlier marks, does not hold an independent distinctive position.

36 Accordingly, the first plea should be rejected as unfounded, if not inadmissible.

#### **Findings of the Court**

37 In support of its first plea, the appellant submits, first, that the relevant public is not made up solely of consumers in the Community who purchase computer goods and services.

38 However, it must be borne in mind that, under Article 225(1) EC and the first paragraph of Article 58 of the Statute of the Court of Justice, an appeal lies on points of law only. If it does not contain points of such a nature, an appeal must therefore be dismissed as manifestly inadmissible. 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 do not, save where they distort the facts or evidence, constitute a point of law which is subject, as such, to review by the Court of Justice on appeal (see, inter alia, Case C-214/05 P Rossi v OHIM [2006] ECR I-7057, paragraph 26).

39 It must be pointed out, in that regard, that the assessment made by the Court of First Instance in paragraph 37 of the judgment under appeal, which relates to the definition of the relevant public, namely that it is made up of consumers in the Community who purchase computer goods and services, constitutes an assessment of a factual nature.

40 Gateway does not claim that the facts were distorted with regard to that assessment made by the Court of First Instance.

41 Consequently, the first part of the first plea must be rejected as inadmissible.

42 Secondly, Gateway submits that the Court of First Instance should have held, contrary to its findings in paragraphs 42 to 48 of the judgment under appeal, that there is some visual, phonetic and conceptual similarity between the signs at issue, although their common element 'gateway' is not dominant in the mark applied for.

43 However, it must be pointed out that the assessment of the similarities between the signs at issue is an analysis of a factual nature which, for the reasons stated in paragraph 38 of this judgment and having regard to the fact that Gateway does not claim that there has been any distortion of the facts in that regard, is not subject to review by the Court.

44 Consequently, the second part of the first plea must be rejected as inadmissible.

45 Thirdly, as regards Gateway's argument that the Court of First Instance did not sufficiently take into account, in its assessment of the similarities between the signs at issue, the distinctive character and the re-

nown of the earlier marks, it must be pointed out that, according to settled case-law, the existence of a likelihood of confusion presupposes both that the mark applied for and the earlier mark are identical or similar, and that the goods or services covered in the application for registration are identical or similar to those in respect of which the earlier mark is registered. Those conditions are cumulative (see Case C-106/03 P Vedial v OHIM [2004] ECR I-9573, paragraph 51, and Case C-234/06 P II Ponte Finanziaria v OHIM [2007] ECR I-7333, paragraph 48).

46 The existence of a likelihood of confusion on the part of the public must therefore be appreciated globally, taking into account all factors relevant to the circumstances of the case (judgment of 15 March 2007 in Case C-171/06 P T.I.M.E. ART v OHIM, paragraph 33).

47 That global assessment of a likelihood of confusion implies some interdependence between the factors taken into account, and in particular the similarity of the trade marks and that of the goods or services covered. Accordingly, a low degree of similarity between those goods or services may be offset by a high degree of similarity between the marks, and vice versa (see Canon, paragraph 17, and Case C-342/97 Lloyd Schuhfabrik Mever [1999] ECR I-3819, paragraph 19).

48 That appreciation of the likelihood of confusion, in relation to the visual, aural or conceptual similarity of the marks in question, must be based on the overall impression given by the marks, bearing in mind in particular their distinctive and dominant components (T.I.M.E. ART v OHIM, paragraph 34).

49 In paragraph 48 of the judgment under appeal, the Court of First Instance found, in the context of the global assessment of the likelihood of confusion, first, as regards the distinctive character of the element 'gateway' in the mark applied for, that that element is descriptive and, secondly, that the element 'activy' is dominant in the mark at issue. That constitutes an assessment of a factual nature which, in the absence of a distortion of the facts, is not subject to review by the Court, for the reasons stated in paragraph 38 of this judgment.

50 As is also apparent from paragraph 43 of this judgment, Gateway does not claim that there has been any distortion of the facts with regard to the descriptive and dominant nature of those elements of the mark applied for.

51 In paragraph 49 of the judgment under appeal, the Court of First Instance added, referring to Medion, that, even assuming that the 'gateway' element had an independent distinctive role in the mark at issue, Gateway had not proved that there was a likelihood of confusion between the signs at issue.

52 According to the principle of interdependence noted in particular in paragraph 45 of this judgment, one of the cumulative conditions which must be satisfied in order to prove that there is a likelihood of confusion within the meaning of Article 8(1)(b) of Regulation No 40/94 is the similarity or identity of the signs.

53 Although it is true, as is stated in [paragraph 32 of Medion](#), that the finding that there is a likelihood of confusion should not be subject to the condition that the overall impression produced by the composite sign be dominated by the part of it which is represented by the earlier mark, it must, on the other hand, be pointed out that the signs in the present case are not similar or identical.

54 Therefore, given that, according to paragraph 51 of the judgment under appeal, there is no likelihood of confusion in the present case, the Court of First Instance did not fail to have regard to that [paragraph of Medion](#). It follows that the third part of the first plea must be rejected as unfounded.

55 Fourthly, as regards the taking into account of the renown of the earlier marks in assessing the similarities of the signs at issue, it must be pointed out that, having found, in paragraph 48 of the judgment under appeal, first, that the dominant element of the mark applied for is the word 'activy' and, secondly, that the descriptive element of that mark is the word 'gateway' – which constitutes, as was stated in paragraph 49 of this judgment, an assessment of a factual nature – the Court of First Instance carried out an analysis in which it took account, in particular, of the distinctive and dominant elements of the marks at issue.

56 Since the assessment of the similarities of the signs at issue led the Court of First Instance to the conclusion that the marks at issue are different, the Court was fully entitled to find, in paragraph 51 of the judgment under appeal, that it was not necessary to make apparent the degree of renown of the earlier marks which it took into consideration in that assessment.

57 Likewise, since the signs at issue are not similar or identical, Gateway is not justified in claiming that the Court of First Instance failed to have regard to [SABEL](#) and [Canon](#).

58 Consequently, the fourth part of the first plea must be rejected as unfounded.

59 It follows that the first plea must be rejected, in part, as inadmissible and, in part, as unfounded.

**The second plea: infringement of Article 8(5) of Regulation No 40/94**

**Arguments of the parties**

60 Gateway submits, in essence, that the signs at issue are similar and that, among the goods and services designated, some are identical and others are similar or dissimilar. For those reasons, and in view of the fact that the earlier marks are well-known in the United Kingdom and, as regards the Community trade marks, in the Community, the Court of First Instance infringed Article 8(5) of Regulation No 40/94.

61 OHIM submits that, since Gateway's arguments are based on an incorrect premiss, namely that the signs at issue are similar, the second plea is unfounded.

**Findings of the Court**

62 As the Court of First Instance rightly pointed out, in essence, in paragraphs 58 and 59 of the judgment under appeal, one of the necessary conditions for the application of Article 8(5) of Regulation No 40/94 is that the marks at issue are similar or identical.

63 As is apparent from paragraph 53 of this judgment, the signs at issue are different.

64 Therefore, the Court of First Instance was fully entitled to hold, in paragraph 61 of the judgment under appeal, that the conditions for the application of Article 8(5) of Regulation No 40/94 have not been satisfied in the present case, which means that the second plea must be rejected as unfounded.

65 As none of the pleas in the present appeal is well founded, the appeal must be dismissed in its entirety.

**Costs**

66 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 and Fujitsu Siemens Computers GmbH have applied for costs against Gateway and the latter has been unsuccessful, Gateway must be ordered to pay the costs.

**On those grounds, the Court (Fifth Chamber) hereby:**

1. Dismisses the appeal;
2. Orders Gateway, Inc. to pay the costs.