

European Court of Justice, 3 September 2009, Aceites del Sur v Koipe – Carbonell v La Española



TRADEMARK LAW

Later registrations not expressly excluded in the assessment of the opposition

- It cannot be maintained that by not expressly excluding the Community registration in the context of its assessment of the merits of Koipe's opposition the Court of First Instance did take it into consideration and thus established the principle that a later mark may be relied upon against an application for registration of a mark that has been filed earlier.

First, at paragraph 48 of the judgment under appeal the Court properly acknowledged Koipe's right to oppose registration of the mark La Española, referring to all the registrations relied upon by that company, which included several marks with a date of application for registration which was indeed earlier than the date of application for registration of the trade mark sought. Therefore, it cannot be maintained that by not expressly excluding the Community registration in the context of its assessment of the merits of Koipe's opposition the Court of First Instance did take it into consideration and thus, as the appellant claims, established the principle that a later mark may be relied upon against an application for registration of a mark that has been filed earlier. Secondly, the error allegedly committed by the Court of First Instance did not have any decisive bearing as regards determination of the relevant territory and public in the context of investigating the existence of a likelihood of confusion between the marks at issue. It is thus clear from paragraphs 53, 63, 77 to 80, 92 and 111 of the judgment under appeal that the Court of First Instance assessed the existence of that likelihood with specific and consistent reference to 'Spain' and the 'Spanish market' without, as the appellant moreover acknowledged at the hearing, mentioning any other territory or public.

Dominant figurative element

- The Court of First Instance thus attributed to the figurative element of the marks at issue the character of a dominant element in relation to the other elements comprising those marks, in particular the word element. That enabled it correctly to base its assessment on the similarity of the signs and on the

existence of a likelihood of confusion between the marks La Española and Carbonell by giving the visual comparison of those signs an essential character.

- Contrary to what the appellant contends, such an approach did not, however, mean that the Court of First Instance took no account of the impact of the word element.

In other words, whilst considering the figurative element of those marks as a dominant element in relation to the other elements of which they are comprised, the Court of First Instance did not fail to take the word element into account. On the contrary, it is precisely in the context of the assessment of that element that the Court of First Instance described it essentially as negligible, on the ground, in particular, that the differences between the word signs of the marks at issue do not invalidate the conclusion it reached after the comparative examination of those marks from the visual point of view. The conclusion must therefore be drawn that in this case, contrary to what the appellant claims, the Court of First Instance correctly applied the rule that a global assessment should be undertaken, as laid down in the Community case-law referred to in paragraphs 59 to 62 above, when determining whether a likelihood of confusion exists between the marks at issue.

- In the light of those principles, the Court of First Instance held in particular, at paragraphs 108 and 109 of the judgment under that appeal, that olive oil is a consumer product which is very common in Spain, that it is most commonly purchased in supermarkets or establishments where goods are arranged on shelves and that the consumer is guided more by the visual impact of the mark he is looking for.

The Court of First Instance was therefore right to conclude from this, at paragraphs 109 and 110 of the judgment under appeal, that in those circumstances the figurative element of the marks at issue acquires greater importance, which increases the likelihood of confusion between them, and the differences between the signs at issue are more difficult to distinguish since, as the Court of Justice has moreover had occasion to observe, the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details.

Source: curia.europa.eu

European Court of Justice, 3 September 2009

(P. Jann, M. Ilešič, A. Tizzano, A. Borg Barthet and J.-J. Kase)

JUDGMENT OF THE COURT (First Chamber)

3 September 2009 (*)

(Appeal – Community trade mark – Regulation (EC) No 40/94 – Article 8(1)(b) – Figurative mark La Española – Overall assessment of the likelihood of confusion – Decisive element)

In Case C-498/07 P,

APPEAL under Article 56 of the Statute of the Court of Justice, brought on 12 November 2007,
Aceites del Sur-Coosur SA, formerly Aceites del Sur SA, established in Vilches (Spain), represented by J.-M. Otero Lastres and R. Jimenez Díaz, abogados, appellant,
the other parties to the proceedings being:
Koipe Corporación SL, established in San Sebastián (Spain), represented by M. Fernández de Béthencourt, abogado, applicant at first instance,
Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM), represented by J. García Murillo, acting as Agent, defendant at first instance,
THE COURT (First Chamber),
composed of P. Jann, President of the Chamber, M. Ilešič, A. Tizzano (Rapporteur), A. Borg Barthet and J.-J. Kasel, Judges,
Advocate General: J. Mazák,
Registrar: M. Ferreira, Principal Administrator,
having regard to the written procedure and further to the hearing on 14 October 2008,
after hearing the [Opinion of the Advocate General](#) at the sitting on 3 February 2009,
gives the following

Judgment

1 By its appeal, Aceites del Sur-Coosur SA, formerly Aceites del Sur SA ('Aceites del Sur'), asks the Court of Justice to set aside the judgment of the Court of First Instance of the European Communities of 12 September 2007 in Case T-363/04 Koipe v OHIM – Aceites del Sur (La Española) [2007] ECR II-3355 ('the judgment under appeal'), in which the Court of First Instance allowed the action brought against the decision of the Fourth Board of Appeal of the Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM) of 11 May 2004 (Case R 1109/2000-4) ('the decision at issue'), relating to opposition proceedings between Koipe Corporación SL ('Koipe') and Aceites del Sur.

Legal background

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) provides:

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

...

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

3 Article 8(2) of that regulation provides:

'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;
- (ii) trade marks registered in a Member State, or, in the case of Belgium, the Netherlands or Luxembourg, at the Benelux Trade Mark Office;
- (iii) trade marks registered under international arrangements which have effect in a Member State; ...'

Background

4 On 23 April 1996, Aceites del Sur, a Spanish company producing vegetable oils, filed an application for a Community trade mark at OHIM pursuant to Regulation No 40/94 seeking registration, in respect of certain types of goods, including 'edible oils and fats', of the figurative mark La Española depicted below:



5 On 23 November 1998, the trade mark application was published in Community Trade Marks Bulletin No 89/98.

6 On 23 February 1999, Aceites Carbonell, now Koipe, filed a notice of opposition to the registration of that mark invoking the likelihood of confusion, within the meaning in particular of Article 8(1)(b), between the mark for which registration was sought and Koipe's earlier figurative mark Carbonell ('the Carbonell mark') depicted below:



7 As evidence of the existence of the Carbonell mark, Koipe relied on six registrations of that mark in Spain, Community registration 'Carbonell' No 338681 ('the Community registration'), two international registrations and national registrations in Ireland, Denmark, Sweden and the United Kingdom.

8 The Opposition Division of OHIM, however, held that Koipe had successfully established the existence of only three Spanish registrations and the Community registration in respect of 'olive oil'.

9 The Opposition Division of OHIM rejected Koipe's opposition in Decision No 2084/2000 of 21 September 2000. It held that the signs at issue produced a different overall visual impression, that from a phonetic point of view they had no similar elements, and that the conceptual link relating to the agricultural nature and origin of the goods was weak, which excluded any likelihood of confusion between the marks at issue.

10 On 19 January 2001 Koipe filed an appeal before OHIM against the Opposition Division's decision dismissing the opposition. On 11 May 2004, the Fourth Board of Appeal of OHIM dismissed that appeal by adopting the decision at issue, which confirmed in essence that the visual impression produced by the signs at issue was different overall.

11 First of all, according to the decision at issue, the figurative elements, consisting essentially of the image of a person seated in an olive grove, had only a weak distinctive character with respect to olive oil, the effect of which was to confer the utmost importance to the word elements 'La Española' and 'Carbonell'. As regards, next, the comparison of the signs from a phonetic and conceptual point of view, the Fourth Board of Appeal held that Koipe had not denied the complete absence of similarity between the word elements or the weakness of the conceptual link between the signs at issue. Finally, whilst acknowledging that the Opposition Division should have given a ruling on the reputation of the earlier marks, it took the view that that assessment, together with the examination of the documents produced before the Board of Appeal to establish that reputation, were not strictly necessary, since one of the pre-conditions for determining a likelihood of confusion with a mark which has a reputation or is well-known, that is the existence of a similarity between the signs, was not in any event satisfied.

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

12 On 31 August 2004, Koipe brought an action before the Court of First Instance for the annulment of the decision at issue.

13 Koipe put forward two grounds for annulment, alleging, first, infringement of Article 8(1)(b) of Regulation No 40/94 and, secondly, infringement of the obligation for OHIM to examine the evidence of the reputation of the earlier mark.

14 Before ruling on the substance of the case, the Court of First Instance made the preliminary observation at paragraph 47 of the judgment under appeal that the parties were in dispute as to the registrations which were to be taken into consideration in order to determine whether the right of opposition claimed by Koipe existed or not. That dispute concerned in particular the fact that, in the view of OHIM and Aceites del Sur, since the date on which the Community registration was filed was later than the date on which the mark for which registration was sought was filed, the Board of Appeal should not have taken that registration into consideration.

15 The Court of First Instance considered, however, that that question was irrelevant as regards the outcome of the proceedings and ruled as follows at paragraph 48 of the judgment under appeal:

'... The decision [at issue] is based essentially on the lack of similarity between the figurative element of the Carbonell mark and that of the mark applied for. The figurative element of the Carbonell mark is identical in all the registrations relied on by [Koipe], both in those

taken account of by the Board of Appeal and in those which it excluded.'

16 Following that preliminary consideration, the Court of First Instance examined Koipe's first plea, in which it claimed that in the decision at issue OHIM failed to take account either of the fact that, at first sight, the marks at issue were similar overall, a similarity that might give rise to confusion on the market, or of the fact that the goods which were the subject of the application for registration, in this case olive oil, were identical to the goods designated by the earlier mark.

17 In that regard, the Court of First Instance stated, at paragraphs 75 to 78 of the judgment under appeal, that in the decision at issue the Board of Appeal merely noted, in order to substantiate its findings relating to the weak distinctive character of the figurative elements of the marks at issue, that the representation at issue, consisting essentially of a person seated in an olive grove, was not unusual in the area of olive oil marks. However, in the view of the Court of First Instance, the reasons why the Board of Appeal made that finding were not explained and the latter failed to mention any mark, other than those in dispute, containing a figurative element similar to the one used by those marks.

18 The Court of First Instance therefore held, at paragraph 87 of the judgment under appeal, that the Board of Appeal was wrong to conclude that the figurative elements of the marks at issue had a weak distinctive character.

19 At paragraphs 88 and 89 of the judgment under appeal, the Court of First Instance held that the Board of Appeal was incorrect to hold that the comparison of the word element of the marks at issue was of overriding importance in that case in the light of the weak distinctive character of the figurative elements of those marks.

20 At paragraph 91 of the judgment under appeal, the Court of First Instance held that the figurative element holds a more important position, in terms of surface, than the word element.

21 In that regard, at paragraphs 92 and 93 of the judgment under appeal, the Court of First Instance observed in particular that, as OHIM itself had maintained in other opposition proceedings, 'the word element "La Española" has only a very weak distinctive character. That word is commonly used in Spain and is perceived as being descriptive of the geographical origin of goods'.

22 With regard to the similarity of the marks and the likelihood of confusion, at paragraph 103 of the judgment under appeal the Court of First Instance held that: 'The Court considers that the elements common to the two marks at issue, seen as a whole, produce an overall visual impression of great similarity, since the La Española mark reproduces very precisely the essence of the message and the visual impression given by the Carbonell mark: the woman dressed in traditional clothes, seated in a certain manner, close to an olive branch with an olive grove in the background, the overall image consisting of an almost identical arrangement

of spaces, colours, places for brand names and style of lettering.’

23 At paragraphs 104 and 105 of the judgment under appeal, the Court of First Instance held that that overall similar impression inescapably gave rise on the part of the consumer to a likelihood of confusion between the marks at issue and that that likelihood of confusion was not diminished by the existence of the different word element since the word element of the mark applied for had a very weak distinctive character, as it referred to the geographical origin of the goods.

24 Finally, after noting at paragraph 107 of the judgment under appeal the Community case-law that defines the profile of the average consumer as being one who is reasonably well-informed and reasonably observant and circumspect, but whose level of attention is likely to vary according to the category of goods or services in question, the Court of First Instance held at paragraphs 108 and 109 of that judgment that olive oil is a consumer product which is very common in Spain, and that in the particular circumstances in which that product is sold the figurative element of the marks at issue acquires greater importance, which increases the likelihood of confusion between the two marks at issue.

25 Consequently, at paragraph 112 of the judgment under appeal, the Court of First Instance ruled that the Board of Appeal was wrong to conclude that any likelihood of confusion between the marks at issue was excluded. According to the Court of First Instance, it followed from all of the findings it had made that there was a genuine likelihood of confusion between those marks.

26 The Court of First Instance therefore accepted the first plea in law, alleging infringement of Article 8(1)(b) of Regulation No 40/94 and, considering that there was no need to examine the second plea in law put forward by Koipe in support of its action, it upheld that action, altered the decision at issue and held that the opposition brought by that company was well founded.

Forms of order sought

27 By its appeal, the appellant claims that the Court should:

- set aside the judgment under appeal in its entirety and, in consequence,
- give final judgment if the state of the proceedings so permits, or
- refer the case back to the Court of First Instance ‘for judgment in accordance with the binding criteria established by the Court of Justice’, and
- order Koipe and OHIM to pay the costs.

28 Koipe contends that the Court should dismiss the appeal and order the appellant to pay the costs.

29 OHIM contends that the first ground put forward in support of the appeal should be rejected and leaves it to the discretion of the Court to adjudicate on the second ground.

The appeal

30 The appellant raises two grounds in support of its appeal. The first ground alleges infringement of Article 8(1) and (2)(a)(i) and (ii) of Regulation No 40/94. The

second ground, which comprises two parts, alleges infringement of Article 8(1)(b) of that regulation.

31 The first ground of appeal and the first part of the second ground of appeal, in which the appellant sets out arguments that are partly similar and partly complementary, should be assessed jointly.

The first ground of appeal and the first part of the second ground of appeal

Arguments of the parties

32 By its first ground of appeal, the appellant claims that the Court of First Instance erred in law by holding at paragraph 48 of the judgment under appeal that since all the figurative elements of the various registrations relied on by Koipe are identical it is ‘irrelevant’ to determine which of those registrations meet the condition of being ‘earlier trade marks’, within the meaning of that provision, for the purposes of exercising the right of opposition.

33 Hence, the Court of First Instance in essence accepted, contrary to the letter of Article 8 of Regulation No 40/94 and the priority of registration rule applying in opposition proceedings, that a later trade mark, in this case the Community registration, may be relied upon against an application for registration of an earlier trade mark, in this case the mark in respect of which registration was applied for, solely by reason of the fact that the figurative element of the later mark is identical to that of other earlier marks of the same opponent. That error on the part of the Court of First Instance also had significant consequences as regards investigating the existence of a likelihood of confusion between the marks at issue, in particular with regard to determining the relevant territory and public.

34 Koipe and OHIM contend that the appellant seeks to attribute to the wording of paragraphs 47 and 48 of the judgment under appeal a disproportionate significance and scope, since, contrary to what the appellant claims, the Court of First Instance did not hold that the Community registration constituted an earlier right for the purpose of exercising the right of opposition and did not attribute any value to it when considering the existence of a likelihood of confusion between the marks at issue. The true position is that in that judgment the Court of First Instance assessed only whether there was a likelihood of confusion between those marks solely in ‘Spain’ and on the ‘Spanish market’.

35 In the first part of its second ground, the appellant maintains that, by not expressly excluding the Community registration from the group of marks opposed by Koipe, the Court of First Instance improperly took that registration into consideration and, consequently, incorrectly delimited the relevant public and territory, assessing the likelihood of confusion on the part of the public in the Community and not on the part of the public in Spain.

36 The appellant maintains in that regard that, although the Court of First Instance referred to the ‘Spanish market’ for olive oil in the judgment under appeal, that reference was not made in connection with the assessment of the likelihood of confusion, but in

another context and with a much more limited objective, that is to say, that of assessing the ‘distinctive character of the figurative elements’ of the marks at issue, which is only one factor among many to be assessed in order to decide on the existence of the likelihood of confusion, namely that of similarity between the marks.

37 Koipe and OHIM respond in essence that when the Court of First Instance assessed the distinctive character of the figurative and word elements of the marks at issue it did so specifically in order to resolve the issue of whether there existed a likelihood of confusion between those marks in Spain. They add that in the context of that assessment the Court clearly and correctly limited its assessment of the relevant public and territory to that Member State.

Findings of the Court

38 It must first be recalled that Article 8(1)(b) of Regulation No 40/94 provides that, upon opposition by the proprietor of an earlier trade mark, the trade mark applied for must not be registered 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. Such likelihood of confusion includes the likelihood of association with the earlier trade mark. In addition, Article 8(2)(a) provides that ‘earlier trade marks’ means Community trade marks, trade marks registered in a Member State or trade marks registered under international arrangements, with a date of application for registration which is earlier than the date of application for registration of the Community trade mark.

39 In this case, Koipe’s opposition to registration of the mark La Española was based on a number of national and international registrations and on the Community registration, with a date of application for registration which is later than the date of the application for registration filed by Aceites del Sur.

40 It is not apparent from reading the relevant paragraphs of the judgment under appeal that the Court of First Instance expressly excluded that Community registration from the trade marks to be taken into account for the purposes of considering the merits of Koipe’s opposition.

41 However, even if the Court of First Instance had infringed Article 8(1) and (2) of Regulation No 40/94 by doing so, such an error of law would not affect the validity of the judgment under appeal.

42 First, at paragraph 48 of the judgment under appeal the Court properly acknowledged Koipe’s right to oppose registration of the mark La Española, referring to all the registrations relied upon by that company, which included several marks with a date of application for registration which was indeed earlier than the date of application for registration of the trade mark sought. Therefore, it cannot be maintained that by not expressly excluding the Community registration in the context of its assessment of the merits of Koipe’s opposition the Court of First Instance did take it into consideration

and thus, as the appellant claims, established the principle that a later mark may be relied upon against an application for registration of a mark that has been filed earlier.

43 Secondly, the error allegedly committed by the Court of First Instance did not have any decisive bearing as regards determination of the relevant territory and public in the context of investigating the existence of a likelihood of confusion between the marks at issue.

44 It is thus clear from paragraphs 53, 63, 77 to 80, 92 and 111 of the judgment under appeal that the Court of First Instance assessed the existence of that likelihood with specific and consistent reference to ‘Spain’ and the ‘Spanish market’ without, as the appellant moreover acknowledged at the hearing, mentioning any other territory or public.

45 The first ground of appeal and the first part of the second ground of appeal must therefore be rejected as being in part unfounded and in part ineffective.

Second part of the second ground of appeal

Arguments of the parties

46 By the second part of the second ground of appeal, the appellant maintains, first, that in spite of the fact that Community case-law provides that the likelihood of confusion must be appreciated globally, taking into account all factors relevant to the circumstances of the case (see, inter alia, [Case C-251/95 SABEL \[1997\] ECR I-6191, paragraph 22](#), and [Case C-361/04 P Ruiz-Picasso and Others v OHIM \[2006\] ECR I-643, paragraph 18](#)), the Court of First Instance failed to consider two extremely important and relevant factors, namely, first, the earlier coexistence of the marks at issue over a long period on the Spanish market for olive oil and, second, their reputation on that market. Thus the Court of First Instance did not properly evaluate the element of similarity between those marks.

47 Secondly, the appellant considers that, far from following the rule of ‘global assessment’ and ‘overall impression’ within the meaning of the case-law mentioned in the preceding paragraph, the Court of First Instance ‘took an analytical approach’ and thus made a separate and successive examination of the figurative elements and word elements of the marks at issue, incorrectly giving the figurative elements decisive importance and wrongly denying any importance to the word elements of the marks.

48 Hence, by giving the figurative element ‘dominance’ in relation to all the other constituent elements of the mark La Española and thus making those elements negligible in terms of the overall impression produced by that mark, the Court of First Instance distorted the facts and evidence in the file.

49 Thirdly, the Court of First Instance did not correctly assess the ‘relevant public’ element, which is decisive for the global assessment of the likelihood of confusion between the marks at issue, in so far as the profile it gave of the average Spanish consumer of olive oil was one of a careless and rash consumer rather than that of ‘a reasonably well informed and reasonably observant and circumspect consumer’, as required by Community case-law.

50 Koipe, by contrast, considers that the Court of First Instance applied the global assessment rule in an appropriate manner, since in the judgment under appeal it correctly assessed the existence of a likelihood of confusion, taking into account all the relevant factors in the case, including the fact that the marks at issue had not coexisted peacefully on the Spanish market.

51 According to Community case-law, not all the constituent elements of a mark bear the same value or importance. Consequently, the fact that the Court of First Instance attributed a dominant character to the figurative element, enabling it to conclude that there existed a likelihood of confusion between the marks at issue, whilst also taking account of the word element, does not infringe any of the provisions of Community trade mark law, since it did not in any way deviate from the rules laid down by law and by case-law governing the assessment of such a likelihood.

52 As regards considerations concerning the allegedly incorrect categorisation by the Court of First Instance of the Spanish consumer of olive oil, Koipe submits that these are mere factual allegations which are inadmissible at the appeal stage.

53 OHIM, for its part, considers first of all that the fact that the Court of First Instance failed to take into account the coexistence of the signs in the relevant territory and the reputation in Spain of the mark for which registration was sought had no decisive bearing on the outcome reached by that Court as regards the assessment of the likelihood of confusion.

54 Next, as to the method adopted by the Court of First Instance in investigating the likelihood of confusion, OHIM maintains that the Court compared the signs at issue from a visual point of view, taking only the figurative elements into consideration and disregarding the impact which the word elements would have on the overall impression of the two signs, given the weak degree of distinctiveness of the word sign 'La Española'.

55 However, OHIM does not give a view on the merits of such a method but leaves this to the discretion of the Court of Justice, merely indicating two possible outcomes.

56 First, that assessment by the Court of First Instance can be upheld only if the Court of Justice accepts that, in view of the insignificant nature of the other elements comprising the marks at issue, the Court of First Instance was able to make a proper comparison of the signs representing those marks solely on the basis of their figurative elements and if, due to the similarity established between those signs, it was not necessary to make a comparison of the names used in them from the word and conceptual points of view.

57 Secondly, if the Court of Justice were to conclude, on the contrary, that the reasoning given by the Court of First Instance is an inadequate basis for its assessment of the signs at issue or that the reasoning on which the Court of First Instance relied is invalid at law, the judgment under appeal should be set aside on the ground of infringement of Article 8(1)(b) of Regulation No 40/94 and the case should be referred back to

the Court of First Instance for it to make a new comparison of the signs that accords with the interpretation of the Court of Justice, that is to say, one which takes account of the signs as a whole.

58 Lastly, as regards the challenges relating to the description of the Spanish consumer of olive oil, OHIM, like the appellant, maintains that the public taken into consideration by the Court of First Instance in the judgment under appeal has a profile that is closer to the careless consumer than to the consumer who is reasonably observant.

Findings of the Court

59 As regards the appellant's arguments concerning the errors committed by the Court of First Instance in its investigation of the existence of a risk of confusion between the marks at issue, it must first be recalled that, as the Court of Justice has consistently held, the existence of such a likelihood of confusion on the part of the public must be appreciated globally, taking into account all factors relevant to the circumstances of the case (see, to that effect, [SABEL, paragraph 22](#); [Case C-342/97 Lloyd Schuhfabrik Meyer \[1999\] ECR I-3819, paragraph 18](#); order of 28 April 2004 in [Case C-3/03 P Matratzen Concord v OHIM \[2004\] ECR I-3657, paragraph 28](#); [Case C-120/04 Medion \[2005\] ECR I-8551, paragraph 27](#); and [Case C-334/05 P OHIM v Shaker \[2007\] ECR I-4529, paragraph 34](#)).

60 According to further settled case-law, the global assessment 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 (see *OHIM v Shaker*, paragraph 35 and the case-law cited).

61 In particular, the Court has held that in the context of examination of the likelihood of confusion, assessment of the similarity between two marks means more than taking just one component of a composite trade mark and comparing it with another mark. On the contrary, the comparison must be made by examining each of the marks in question as a whole (see order in *Matratzen Concord v OHIM*, paragraph 32; *Medion*, paragraph 29; and *OHIM v Shaker*, paragraph 41).

62 In that regard, the Court has also held that, according to established case-law, the overall impression created in the mind of the relevant public by a complex trade mark may, in certain circumstances, be dominated by one or more of its components. However, it is only if all the other components of the mark are negligible that the assessment of the similarity can be carried out solely on the basis of the dominant element (*OHIM v Shaker*, paragraphs 41 and 42, and *Case C-193/06 P Nestlé v OHIM [2007] ECR I-114*, paragraphs 42 and 43 and the case-law cited).

63 It is therefore in the light of those principles that the second part of the second ground put forward by the appellant in support of its appeal should be examined.

64 In that regard, it must be observed that, in the judgment under appeal, the Court of First Instance first held, at paragraphs 88 to 90 of that judgment, that the Board of Appeal was wrong to state that the word ele-

ment of the marks at issue was of overriding importance in the light of the weak distinctive character of the figurative elements of those marks.

65 By contrast, the Court of First Instance afforded overriding importance to the figurative element by stating clearly at paragraph 91 of the judgment under appeal that that element held a more important position, in terms of surface, than the word element, thus making it subsidiary in relation to the figurative element. According to paragraph 109 of that judgment, it was that figurative element which, in the particular circumstances in which the goods at issue were sold, acquired greater importance.

66 The Court of First Instance thus attributed to the figurative element of the marks at issue the character of a dominant element in relation to the other elements comprising those marks, in particular the word element. That enabled it correctly to base its assessment on the similarity of the signs and on the existence of a likelihood of confusion between the marks La Española and Carbonell by giving the visual comparison of those signs an essential character.

67 Contrary to what the appellant contends, such an approach did not, however, mean that the Court of First Instance took no account of the impact of the word element.

68 Thus, having made a detailed comparative assessment of the marks at issue from a visual point of view at paragraph 100 of the judgment under appeal, the Court then held, at paragraphs 103 and 104 of that judgment, that the elements common to the two marks, seen as a whole, produced an overall visual impression of great similarity, since the La Española mark reproduced very precisely the essence of the message and the visual impression given by the Carbonell mark, thus inescapably giving rise to a likelihood of confusion on the part of the consumer between those marks.

69 The Court of First Instance lastly held, at paragraphs 105 and 111 of the judgment under appeal, that such a likelihood of confusion is not diminished by the existence of the different word element, in view of the latter's very weak distinctive character in relation to the mark in respect of which registration was sought, which refers to the geographical origin of the goods.

70 In other words, whilst considering the figurative element of those marks as a dominant element in relation to the other elements of which they are comprised, the Court of First Instance did not fail to take the word element into account. On the contrary, it is precisely in the context of the assessment of that element that the Court of First Instance described it essentially as negligible, on the ground, in particular, that the differences between the word signs of the marks at issue do not invalidate the conclusion it reached after the comparative examination of those marks from the visual point of view.

71 The conclusion must therefore be drawn that in this case, contrary to what the appellant claims, the Court of First Instance correctly applied the rule that a global assessment should be undertaken, as laid down in the Community case-law referred to in paragraphs 59

to 62 above, when determining whether a likelihood of confusion exists between the marks at issue.

72 Consequently, it cannot be claimed, as the appellant does, that the Court of First Instance, far from complying with that case-law, distorted the facts and evidence in the file.

73 Also, with regard to the appellant's argument challenging the description of the Spanish consumer of olive oil given by the Court of First Instance, it must be stated first of all that the latter's assessment in that regard complies with the settled case-law of the Court of Justice on that subject.

74 Thus, as the Court of First Instance rightly noted at paragraph 107 of the judgment under appeal, the perception of marks in the mind of the average consumer of the goods or services in question plays a decisive role in the global appreciation of the likelihood of confusion (SABEL, paragraph 23, and Lloyd Schuhfabrik Meyer, paragraph 25) and, for the purposes of that global appreciation, the average consumer is deemed to be reasonably well-informed and reasonably observant and circumspect, but his level of attention is likely to vary according to the category of goods or services in question (Lloyd Schuhfabrik Meyer, paragraph 26).

75 In the light of those principles, the Court of First Instance held in particular, at paragraphs 108 and 109 of the judgment under that appeal, that olive oil is a consumer product which is very common in Spain, that it is most commonly purchased in supermarkets or establishments where goods are arranged on shelves and that the consumer is guided more by the visual impact of the mark he is looking for.

76 The Court of First Instance was therefore right to conclude from this, at paragraphs 109 and 110 of the judgment under appeal, that in those circumstances the figurative element of the marks at issue acquires greater importance, which increases the likelihood of confusion between them, and the differences between the signs at issue are more difficult to distinguish since, as the Court of Justice has moreover had occasion to observe (see, to that effect, OHIM v Shaker, paragraph 35, and Nestlé v OHIM, paragraph 34 and the case-law cited), the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details.

77 Secondly, as regards the appellant's argument concerning the findings made by the Court of First Instance with regard to the average consumer's level of attention, it must be observed that it relates exclusively to factual elements.

78 In that regard, it is important to note that the Court of First Instance has exclusive jurisdiction to make findings of fact, save where a substantive inaccuracy in its findings is attributable to the documents submitted to it, and to appraise those facts. The appraisal of the facts thus does not, save where the clear sense of the evidence before it has been distorted, constitute a point of law which is subject, as such, to review by the Court of Justice on appeal (see Joined Cases C-456/01 P and C-457/01 P Henkel v OHIM [2004] ECR I-5089, paragraphs 41 and 56, and Case

[C-238/06 P Develey v OHIM \[2007\] ECR I-9375, paragraph 97](#).

79 Since no distortion has been established or even alleged by the appellant in the present case, that argument must be considered manifestly inadmissible.

80 Lastly, as regards the appellant's claims that, in failing to take into account, in the judgment under appeal, the earlier coexistence of the marks at issue over a long period on the Spanish market for olive oil and their reputation on that market, the Court of First Instance did not properly evaluate the element of similarity between those marks, those arguments cannot be accepted.

81 Although the Court of First Instance did not actually evaluate the relevance of those two elements, in the present case, as the Advocate General observed in point 31 of his Opinion, that fact had no decisive bearing on the outcome reached by that Court in connection with its assessment of the likelihood of confusion.

82 First, although the possibility cannot be ruled out that the coexistence of two marks on a particular market might, together with other elements, contribute to diminishing the likelihood of confusion between those marks on the part of the relevant public, certain conditions must be met. Thus, as the Advocate General suggests at points 28 and 29 of his Opinion, the absence of a likelihood of confusion may, in particular, be inferred from the 'peaceful' nature of the coexistence of the marks at issue on the market concerned.

83 It is apparent from the file, however, that in this case the coexistence of the La Española and Carbonell marks has by no means been 'peaceful' and the matter of the similarity of those marks has been at issue between the two undertakings concerned before the national courts for a number of years.

84 Secondly, as regards the argument concerning reputation, it must first be recalled that it is the reputation of the earlier mark, in this case the Carbonell mark, which must be taken into account when determining whether the similarity between the goods covered by the two marks is sufficient to give rise to the likelihood of confusion (see, to that effect, [Case C-39/97 Canon \[1998\] ECR I-5507, paragraph 24](#)). Therefore, in this case the appellant cannot rely on the reputation of the La Española mark on the Spanish olive oil market, as it did moreover, unsuccessfully, at first instance, in order to establish the absence of a likelihood of confusion between the marks at issue, since it is a matter of agreement that that mark postdates the Carbonell mark. Moreover, as regards the reputation of the latter mark, the appellant does not explain how the Court of First Instance, if it had considered that element, could have attributed an enhanced distinctive character to the La Española mark and thereby excluded the existence of a likelihood of confusion between those marks.

85 In those circumstances, it is therefore necessary to reject those arguments as ineffective.

86 It follows from all of the foregoing considerations that neither of the two grounds on which the appellant relies in support of its appeal can succeed and that the appeal must therefore be dismissed.

OHIM's final considerations with regard to certain pleas of inadmissibility raised at first instance

87 In its written observations, OHIM sets out, in addition to its response to the grounds of appeal, considerations concerning some pleas of inadmissibility that were rejected by the Court of First Instance and asks the Court of Justice to give its views in that regard, bearing in mind that such issues would have an effect on OHIM's defence in a number of cases pending before the Court of Justice.

88 In particular, OHIM maintains that the Court of First Instance infringed Article 63(3) of Regulation No 40/94 in so far as that provision does not permit it to deliver a judgment with an outcome conflicting with that of a contested decision of a Board of Appeal as it did in the judgment under appeal.

89 In addition, according to OHIM, the Court of First Instance should have declared inadmissible some of the documents produced at first instance on the ground that, under Article 74 of Regulation No 40/94, they should have been submitted before the Board of Appeal.

90 In the circumstances of this case, in order to challenge the findings reached by the Court of First Instance, OHIM should either have lodged an appeal against the judgment under appeal or have lodged a cross-appeal in so far as the arguments concerned had not been invoked in the appeal.

91 Although OHIM did not appeal against the judgment under appeal, it is necessary none the less to examine whether its challenges may be considered to constitute a cross-appeal.

92 In that regard, it should be noted that for a submission to be regarded as a cross-appeal under Article 117(2) of the Rules of Procedure, the party which relies on it must seek to set aside, in whole or in part, the judgment under appeal on a plea in law which was not raised in the appeal. Whether that is the case here is to be determined by reference to the wording, aim and context of the passage in question in OHIM's response (Case C-413/06 P Bertelsmann and Sony Corporation of America v Impala [2008] ECR I-0000, paragraph 186).

93 In this case, it is settled that nowhere in its response does OHIM use the expression 'cross-appeal'; rather, it submits its arguments in the form of final considerations seeking, in essence, to obtain clarification from the Court of Justice regarding the interpretation of the provisions of Regulation No 40/94. Nor does it request the Court of Justice to set aside the judgment under appeal.

94 In those circumstances, it is clear that those considerations do not constitute a cross-appeal and there is therefore no need for the Court to make a ruling on this point.

Costs

95 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 Koipe has applied

for costs against the appellant and the latter has been unsuccessful, the appellant must be ordered to pay Koipe's costs. Since OHIM has not applied for costs against the appellant, it must be ordered to bear its own costs.

On those grounds,

the Court (First Chamber) hereby:

1. Dismisses the appeal;
2. Orders Aceites del Sur-Coosur SA to pay, in addition to its own costs, those of Koipe Corporación SL;
3. Orders the Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM) to bear its own costs.

OPINION OF ADVOCATE GENERAL

Mazák

delivered on 3 February 2009 (1)

Case C-498/07 P

Aceites del Sur-Coosur SA, formerly Aceites del Sur v

Koipe Corporación SL and Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)

(Appeal – Community trade mark – Regulation (EC) No 40/94 – Article 8(1)(b) – Community figurative mark ‘La Española’ – Likelihood of confusion – Decisive element)

1. By its appeal, Aceites del Sur-Coosur SA, formerly Aceites del Sur SA (‘the appellant’) asks the Court to set aside the judgment of the Court of First Instance in *Koipe v OHIM - Aceites del Sur (La Española)*. (2) The decision of the Fourth Board of Appeal of the Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM) of 11 May 2004 (3) was altered by the Court of First Instance, which found that the appeal brought by Aceites Carbonell, now Koipe Corporación SL (‘Koipe’) before the Board of Appeal was well founded and, consequently, that its opposition was to be upheld.

I – Legal background

2. Article 8(1)(b) of Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark (4) provides:

‘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.’

3. Article 8(2) of Regulation No 40/94 provides:

‘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
- (ii) trade marks registered in a Member State, or, in the case of Belgium, the Netherlands or Luxembourg, at the Benelux Trade Mark Office ...’

II – Background to the dispute

4. On 23 April 1996, the appellant filed an application for a Community figurative mark at OHIM (‘the mark applied for’ or ‘the La Española mark’) which is depicted below:



5. On 23 November 1998, the trade mark application was published in Community Trade Marks Bulletin No 89/98. On 23 February 1999, Koipe filed a notice of opposition to the registration of the mark applied for in respect of all the goods it covered. Koipe relied on the likelihood of confusion, as provided for in Article 8(1)(b), (2)(c) and (5) of Regulation No 40/94, between the mark applied for and Koipe's earlier figurative mark Carbonell (‘the earlier mark’ or ‘the Carbonell mark’), depicted below:



6. The Opposition Division of OHIM held that Koipe had successfully established the existence of only three Spanish registrations and a Community registration in respect of ‘olive oil’ (‘the earlier Spanish marks’). (5) The Opposition Division rejected Koipe's opposition in Decision No 2084/2000, of 21 September 2000.

7. On 19 January 2001, Koipe filed an appeal before OHIM against the decision of the Opposition Division. On 11 May 2004, the Fourth Board of Appeal of OHIM dismissed the appeal by adopting the contested decision and, following the approach reflected in the Opposition Division's decision, confirmed that the visual impression produced by those signs was different overall. It observed that the figurative elements, consisting essentially of the image of a person seated in an olive grove, had only a weak distinctive character with respect to olive oil, the effect of which was to confer the utmost importance on the word elements ‘la española’ and ‘carbonell’. As regards the comparison of the signs from a phonetic and conceptual point of view, it held that Koipe had not denied the complete absence of similarity between the word elements, and

the weakness of the conceptual link between the signs at issue. Finally, it acknowledged that the Opposition Division should have given a ruling on the reputation of the earlier Spanish marks. However, it took the view that that assessment, together with the examination of the documents produced before the Board of Appeal to establish that reputation, were not strictly necessary since one of the pre-conditions for determining a likelihood of confusion with a mark which has a reputation or is well known, that is the existence of a similarity between the signs, was, in any event, not satisfied.

III – The proceedings before the Court of First Instance and the judgment under appeal

8. On 31 August 2004, Koipe brought an action before the Court of First Instance for the annulment of the contested decision. In support of its claim, Koipe alleged (i) infringement of Article 8(1)(b) of Regulation No 40/94, and (ii) infringement of the obligation to examine the evidence of the reputation of the earlier mark.

9. First, the Court of First Instance noted that the parties were in dispute as to the registrations which had to be taken into consideration in order to determine whether the right of opposition claimed by Koipe existed or not. OHIM and the appellant argued that, since the date on which Community registration No 338681 ('Koipe's Community mark') was filed by Koipe was later than the date on which the Community mark applied for was filed, the Board of Appeal should not have taken it into consideration. The Court of First Instance considered, however, that that question was irrelevant and held that '... the contested decision is based essentially on the lack of similarity between the figurative element of the Carbonell mark and that of the mark applied for. The figurative element of the Carbonell mark is identical in all the registrations relied on by Koipe, both in those taken account of by the Board of Appeal and in those which it excluded'. (6)

10. The Court of First Instance proceeded to examine Koipe's first plea, in which it claimed that the contested decision infringed Article 8(1)(b) of Regulation No 40/94 by failing to take account of the fact that, at first sight, the marks at issue were similar overall and could therefore give rise to confusion on the market, and of the fact that the goods designated by the mark applied for were identical to the goods designated by the earlier mark.

11. Thus in paragraphs 75 to 78 of the judgment under appeal, the Court of First Instance stated that, in the contested decision, the Board of Appeal merely noted, in order to substantiate its findings relating to the weak distinctive character of the figurative elements of the marks at issue, that they were common place in the olive oil sector. The figurative elements consisted essentially of a person seated in a pastoral setting, more specifically, in an olive grove. However, the Court of First Instance considered that the Board of Appeal did not provide any details as to the reasons for its findings that the figurative elements had a weak distinctive character, nor did it mention any mark other than those in dispute, containing figurative elements similar to the

marks at issue. In paragraph 87 of the judgment under appeal, the Court of First Instance therefore held that the Board of Appeal was wrong to conclude in the contested decision that the figurative elements of the marks at issue had a weak distinctive character.

12. In addition, the Court of First Instance held that the Board of Appeal was incorrect to hold that the comparison of the word elements of the marks at issue was of overriding importance in this case in the light of the weak distinctive character of the figurative elements of those marks, even though the word element of the La Española mark has in itself only a low degree of distinctive character. (7)

13. With regard to similarity of the marks and the likelihood of confusion, in paragraph 103 of the judgment under appeal the Court of First Instance held that 'the elements common to the two marks at issue, seen as a whole, produce an overall visual impression of great similarity, since the La Española mark reproduces very precisely the essence of the message and the visual impression given by the Carbonell mark: the woman dressed in traditional clothes, seated in a certain manner, close to an olive branch with an olive grove in the background, the overall image consisting of an almost identical arrangement of spaces, colours, places for brand names and style of lettering'. The Court of First Instance considered that that overall similar impression inescapably gave rise on the part of the consumer to a likelihood of confusion between the marks at issue which was not diminished by the existence of the different word element since the word element of the mark applied for had a very weak distinctive character, as it referred to the geographical origin of the goods. (8)

14. Therefore, the Court of First Instance considered that the Board of Appeal was wrong to conclude that any likelihood of confusion between the marks at issue was excluded. On the contrary, it followed from all of the findings of the Court of First Instance that there was a likelihood of confusion between the marks. (9) Consequently, the Court of First Instance accepted the first plea in law, alleging infringement of Article 8(1)(b) of Regulation No 40/94, and, considering that there was no need to examine the second plea in law, the Court of First Instance held that the contested decision had to be altered. (10)

IV – The appeal

15. The appellant raises two grounds in support of its appeal. The first ground of appeal and the first complaint under the second ground of appeal should be assessed jointly.

A – The first ground of appeal and the first complaint under the second ground of appeal

16. By its first ground of appeal, the appellant claims that the Court of First Instance erred in holding that, in determining whether Koipe's opposition is well founded, the question of which registrations must be taken into consideration is irrelevant. The judgment under appeal should have excluded Koipe's Community mark on the ground that it is not an earlier mark within the meaning of Article 8(2)(a)(i) of Regulation

No 40/94. The only relevant marks were thus the earlier Spanish marks. Therefore, the question whether a likelihood of confusion exists between the mark applied for and the earlier Spanish marks falls to be assessed by reference solely to the public in Spain, which is where Koipe's earlier marks are protected, and not the public throughout the territory of the Community.

17. Koipe and OHIM maintain, in substance, that the appellant is giving unwarranted importance to the wording of paragraphs 47 and 48 of the judgment under appeal. They submit essentially that the analysis by the Court of First Instance of the existence of a likelihood of confusion between the marks at issue was carried out, at every stage, solely in relation to the Spanish territory and market.

18. In its first complaint under the second ground of appeal, the appellant maintains that, in not identifying the earlier marks correctly, the Court of First Instance improperly delimited the relevant public and territory for the purposes of assessing the likelihood of confusion.

19. Koipe and OHIM maintain essentially that in the context of the assessment of a likelihood of confusion between the marks at issue, the Court of First Instance correctly limited the analysis of the relevant public and territory to Spain.

1. Appraisal

20. I consider that the appellant is correct in arguing that the Court of First Instance erred in law when it failed to delimit precisely the earlier marks to be taken into account in the present case. In particular, the Court of First Instance did not expressly exclude Koipe's Community mark from the marks to be taken into account on the ground that that mark was not an earlier mark within the meaning of Article 8 of Regulation No 40/94. (11)

21. However, the error in question would not appear to have had any decisive bearing on the categorisation of the relevant public or, for that matter, on the result of the judgment under appeal. (12) Indeed, it is apparent from the judgment under appeal that the Court of First Instance did not refer to any public or territory other than the Spanish public and the Spanish territory.

22. It follows that the first ground of appeal and the first complaint under the second ground of appeal should be rejected as unfounded.

B – The second complaint under the second ground of appeal

23. By the second complaint under the second ground of appeal, the appellant maintains that, in spite of the fact that the case-law provides that 'the likelihood of confusion must ... be appreciated globally, taking into account all factors relevant to the circumstances of the case', (13) in the judgment under appeal, the Court of First Instance failed to consider two extremely important and pertinent factors, namely: (i) the marks' earlier co-existence over a long period and (ii) the reputation of the mark applied for and the earlier Spanish marks.

24. Secondly, the appellant considers that the judgment under appeal examined the marks at issue not on

the basis of the criterion of a 'global assessment' or 'overall impression', but took a separate, successive and analytical approach to the constituent elements of the compound marks, thereby infringing Article 8(1)(b) and the case-law interpreting it. Thus, in giving the figurative elements a decisive weight and denying any importance to the word elements of the mark, the Court of First Instance distorted the facts and evidence in the file.

25. Thirdly, according to the appellant and OHIM the Court of First Instance did not correctly assess the relevant public in that it established the profile of the average Spanish consumer of olive oil as a consumer who is closer to the model of the average consumer used under German case-law, namely 'a careless and rash consumer', rather than the model European consumer defined by Community case-law who is 'reasonably well informed and reasonably observant and circumspect'. (14) In addition, the judgment under appeal assumes a lower level of attention by consumers with regard to marks of olive oil, instead of assuming the level of attention normally paid to olive oil by the average Spanish consumer who is reasonably well informed and reasonably observant and circumspect.

26. Koipe, however, submits that the Court of First Instance applied the criterion of global assessment in an appropriate manner, since it correctly assessed the existence of a likelihood of confusion, taking into account all the relevant factors in the case, including the fact that while the marks had co-existed on the Spanish market they had not done so peacefully. Indeed, according to the case-law on the matter, not all the constitutive elements of a mark bear the same value or importance. Consequently, the fact that the Court of First Instance decided to treat the figurative element as being decisive, concluding that there existed a likelihood of confusion between the marks at issue, while none the less taking account of the word element, does not infringe Community trade mark case-law. The Court of First Instance did not deviate from the established criteria concerning the assessment of such a likelihood. As regards the appellant's arguments concerning the allegedly incorrect categorisation of the Spanish consumer of olive oil, Koipe submits that these are mere factual allegations which are inadmissible at the appeal stage.

27. OHIM considers, first of all, that the fact that the Court of First Instance failed to take into account the co-existence of marks in the relevant territory and the reputation of the mark applied for in Spain did not have a decisive bearing on the outcome of the judgment under appeal. Secondly, OHIM maintains that the Court of First Instance carried out the comparison between the signs at issue on the basis of figurative elements only, given the insignificant character of the other factors, but leaves the resolution of that point to the discretion of the Court and merely indicates two possible outcomes of the appeal.

1. Appraisal

28. As regards the appellant's argument concerning the question of co-existence of the marks at issue, it is

apparent from the documents before the Court that such co-existence of those marks as there has been has been far from 'peaceful'. It appears that the owners of the Carbonell mark brought a number of court actions against the La Española mark in which they sought the annulment or refusal of registration of that mark (15) before, *inter alia*, the Spanish courts.

29. It appears from the documents and observations submitted before the Court that in substance the Spanish courts consistently decided in favour of the appellant's line of argument and thus allowed a situation in which the marks at issue were effectively permitted to co-exist on the Spanish market. (16) In my view, even if one assumes that the co-existence of the marks on the Spanish market has been established, the appellant has not properly established that such co-existence was based upon the absence of a likelihood of confusion. (17)

30. Secondly, as to the question of reputation, it is sufficient to recall that in principle it is the earlier trade mark's reputation and not that of the mark applied for which should be taken into account when determining whether the similarity between the goods or services covered by the two trade marks is sufficient to give rise to a likelihood of confusion. (18)

31. In my view, in the judgment under appeal the Court of First Instance failed to assess the relevance of the co-existence of the marks and reputation of the mark applied for with respect to the likelihood of confusion. However, in the light of my findings at points 29 and 30 above, the failure of the Court of First Instance does not warrant the setting aside of the judgment under appeal. Given that it has not been established that the co-existence of the marks at issue was based upon the absence of a likelihood of confusion and that it is in principle the reputation or lack of it of the Carbonell mark rather than the La Española mark that must be examined in assessing the likelihood of confusion, the outcome of the judgment under appeal was not affected by the Court of First Instance's failure.

32. I consider that the real crux of the present appeal lies in the allegedly incorrect interpretation and application of Article 8(1)(b) of Regulation No 40/94 (in particular, with respect to the visual differences between the word elements of the brand names in question) by the Court of First Instance.

33. In that connection, I consider it appropriate to cite the standard case-law, as it was neatly summarised by the Court in *OHIM v Shaker*, (19) where the Court held that 'it should be recalled that, pursuant to [Article 8(1)(b) of Regulation No 40/94], upon application by the owner of an earlier trade mark, the trade mark applied for is refused registration when, by reason of its identical nature or its similarity with the earlier trade mark and by reason of the identical nature or similarity of the goods or services covered by the two trade marks, there is a likelihood of confusion on the part of the public in the territory where the earlier trade mark is protected. Such a risk of confusion includes the risk of association with the earlier trade mark'.

34. In the same judgment, the Court held that 'on this point, the Community legislature explained, in the seventh recital of Regulation No 40/94, that the appreciation of the likelihood of confusion depends on numerous elements and, in particular, on the recognition of the trade mark on the market, the association which can be made with the used or registered sign, the degree of similarity between the trade mark and the sign and between the goods or services identified'. (20)

35. It is settled case-law that 'the risk that the public might believe that the goods or services in question come from the same undertaking or, as the case may be, from economically-linked undertakings, constitutes a likelihood of confusion within the meaning of Article 8(1)(b) of Regulation No 40/94'. (21)

36. Furthermore, the existence of a likelihood of confusion on the part of the public must be appreciated globally, taking into account all factors relevant to the circumstances of the case. (22)

37. In addition, the global assessment 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. The perception of the marks by the average consumer of the goods or services in question plays a decisive role in the global appreciation of that likelihood of confusion. In this regard, the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. (23)

38. Finally, the Court has held that 'in order to assess the degree of similarity between the marks concerned, it is necessary to determine the degree of visual, aural or conceptual similarity between them and, where appropriate, to assess the importance to be attached to those various factors, taking account of the category of goods or services in question and the circumstances in which they are marketed'. (24)

39. Turning to the judgment under appeal, in paragraph 87, the Court of First Instance firstly concluded that contrary to what was held in the contested decision the figurative elements of the marks at issue were to be given greater importance and held that they did not have a weak distinctive character.

40. Secondly, in paragraphs 88 to 93 of the judgment under appeal, and also contrary to what was held in the contested decision, the Court of First Instance attributed a lower degree of importance to the word element of the La Española mark and held that it did not have a dominant character.

41. The Court of First Instance then proceeded to examine the similarity of the marks at issue and the likelihood of confusion.

42. In paragraph 98 of the judgment under appeal, the Court of First Instance recalled the case-law of the Court of First Instance according to which two marks are similar when, from the point of view of the relevant public, they are at least partially identical as regards one or more relevant aspects. (25) In paragraphs 100 to 103 of the judgment under appeal, the Court of First

Instance undertook a visual comparison of the marks at issue.

43. In that regard, it would appear that the Court of First Instance examined from a visual perspective certain aspects of the presentation of the brand names in question. (26) The Court of First Instance stated that ‘the brand name appears in a white box against the red background placed on the lower part of the label’ and that ‘the brand name features in the white letters of the same height against the red background of the box’. However, I would like to emphasise that the Court of First Instance did not examine and compare the actual content of the word elements of the brand names themselves.

44. Furthermore, in paragraph 103 of the judgment under appeal, the Court of First Instance again referred to the brand names but did so merely with respect to the ‘places for brand names and style of lettering’. Once again, the Court of First Instance failed to examine the actual content of the words and the visual differences between the two words.

45. Only in paragraph 105 of the judgment under appeal did the Court of First Instance, in fact, refer to the different word elements of the brand names but effectively stated that because ‘La Española’ had a very weak distinctive character (27) that difference does not diminish the likelihood of confusion. However, the Court of First Instance did not carry out any visual comparison of the words ‘La Española’ and ‘Carbonell’.

46. Finally, in paragraph 109 of the judgment under appeal the Court of First Instance held that the phonetic differences between the marks at issue were irrelevant for the purposes of distinguishing the goods.

47. In view of the above, I consider that the appellant is not correct when it maintains that the Court of First Instance omitted in its global assessment of the marks at issue to examine the word elements of those marks. It is clear that some assessment of the brand names was carried out by the Court of First Instance.

48. However the appellant also argues that in its analysis of the likelihood of confusion the Court of First Instance distorted the facts and the evidence in the file before it.

49. In that regard, in accordance with 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 or evidence are distorted, constitute points of law subject, as such, to review by the Court of Justice on appeal. (28) Such distortion must be obvious from the documents on the Court’s file, without there being any need to carry out a new assessment of the facts and the evidence. (29)

50. While the Court of First Instance would appear at first glance to have carried out a global assessment of the risk of confusion between the marks at issue, I consider that the Court of First Instance only effectively

took into account in that assessment the brand name ‘La Española’. (30) However, apart from recognising in paragraph 105 that the word element is different, the judgment under appeal contains no express assessment of the distinctiveness or otherwise of the brand name ‘Carbonell’. I therefore consider that the Court of First Instance failed adequately to compare the actual content of the word elements of the brand names ‘Carbonell’ and ‘La Española’.

51. It follows from a reading of paragraphs 94 to 112 of the judgment under appeal concerning the analysis of the similarity of the marks and the likelihood of confusion that in assessing the word elements of the marks at issue, the Court of First Instance bypassed in that assessment the actual content of the word element of the brand name ‘Carbonell’ and carried out a one-sided and therefore legally incorrect comparison of the two brand names at issue. (31) I consider that this omission led to a distortion of the facts and evidence in the file.

52. At the same time, the above omission on the part of the Court of First Instance led, in my view, to an error of law as regards the interpretation and application of Article 8(1)(b) of Regulation No 40/94.

53. I would add in that regard that even if the Court of First Instance considered the contents of the word elements of the brand names ‘Carbonell’ and ‘La Española’ to be non-dominant and/or of lower importance, it was nonetheless obliged, unless it took the view that those elements were negligible, (32) to compare the actual content of the word elements of the brand names. (33) On that point, in *Medion*, (34) for instance, the Court found that a likelihood of confusion arose from a non-dominant component.

54. Moreover, the Court of First Instance did not provide any express reason as to why, in the context of the visual comparison of the marks at issue, it did not compare the actual content of the word elements of the brand names directly (that is to say, the brand names of the respective marks ‘Carbonell’ and ‘La Española’).

55. In addition, I also agree with the appellant and OHIM that – in spite of having cited in paragraph 107 of the judgment under appeal the correct case-law concerning the standard of ‘a reasonably well-informed and reasonably observant and circumspect’ average consumer to be applied in the context of a global appreciation – the Court of First Instance in fact applied a standard which more closely resembles one of an excessively negligent consumer.

56. In my view, the assessment by the Court of First Instance of the relevant consumer (35) does not comply with the case-law which states that the average consumer is ‘reasonably well informed and reasonably observant and circumspect’.

57. I consider that it was illogical for the Court of First Instance to state that a ‘reasonably well-informed and reasonably observant and circumspect’ average consumer would fail to observe the actual content of the word elements of the brand names of the marks at issue, not least when their size and importance in the signs at issue is not negligible.

58. Finally, as regards OHIM's procedural argument that it is not open to the Court of First Instance to decide in a manner which is contrary to the challenged decision of a Community body and that it may only annul such a decision, suffice it to state that according to Article 63(3) of Regulation No 40/94 and Article 135 of the Rules of Procedure of the Court of First Instance the latter may alter the decision of the Board of Appeal and in terms of Article 63(6) of that regulation OHIM is required to take the necessary measures to comply with the judgment of the Court of Justice. (36)

59. It follows from all the foregoing that in my view the Court of First Instance distorted the facts and evidence in the file before it and infringed Article 8(1)(b) of Regulation No 40/94 and, therefore, that the judgment under appeal should be set aside.

60. In the present case, I consider that, in accordance with the second sentence of the first paragraph of Article 61 of the Statute of the Court of Justice, the Court should refer the case back to the Court of First Instance so that the latter may undertake an assessment of the facts (a new comparison of the marks at issue), carrying out a correct global assessment of the signs in question.

V – Conclusion

61. Therefore I am of the opinion that the Court should:

- (1) set aside the judgment in Case T-363/04 Koipe v OHIM - Aceites del Sur (La Española);
- (2) refer the case back to the Court of First Instance of the European Communities for judgment;
- (3) reserve the costs of the proceedings.

1 – Original language: English.

2 – Case T-363/04 [2007] ECR II-3355 ('the judgment under appeal').

3 – Case R 1109/2000-4 ('the contested decision').

4 – OJ 1994 L 11, p. 1.

5 – As evidence of the existence of the earlier mark, Koipe had relied on six Spanish registrations, Community registration No 338681, two international registrations and Irish, Danish, Swedish and United Kingdom national registrations.

6 – See paragraph 48 of the judgment under appeal.

7 – See paragraphs 88 and 89 of the judgment under appeal. In paragraphs 92 and 93 of the judgment under appeal, the Court of First Instance stated that 'OHIM itself [had] maintained a position contrary to that which it [defended] in these proceedings', as it had found in other opposition proceedings that 'the expression "la española" had only a weak distinctive character, because it was a common brand name in the food sector, and suggested a reference to the geographical origin of the goods'.

8 – See paragraphs 104 and 105 of the judgment under appeal.

9 – See paragraph 112 of the judgment under appeal.

10 – See paragraphs 113 and 114 of the judgment under appeal.

11 – In that it postdates the application of 23 April 1996 for the mark applied for.

12 – See, to that effect, Case C-94/02 Biret v Council [2003] ECR I-10565, paragraph 63.

13 – See Case C-251/95 SABEL [1997] ECR I-6191, paragraph 22, and Case C-361/04 P Ruiz-Picasso and Others v OHIM [2006] ECR I-643, paragraph 18.

14 – Case C-342/97 Lloyd Schuhfabrik Meyer [1999] ECR I-3819, paragraph 26.

15 – On the basis of the similarity of the figurative representation of the marks at issue.

16 – In a number of judgments, the Court of First Instance has held that a possibility that the co-existence of the marks on the market may eventually lessen the risk of confusion cannot be entirely dismissed. See Case T-31/03 Grupo Sada v OHIM – Sadia (GRUPO SADA) [2005] ECR II-1667, paragraph 86; judgment of 25 October 2006 in Case T-13/05 Castell del Remei v OHIM– Bodegas Roda (ODA); and judgment of 11 December 2007 in Case T-10/06 Portela & Companhia v OHIM– Torrens Cuadrado and Sanz (Bial).

17 – Thus it has not been established that the relevant public is aware that the marks at issue belong to different undertakings.

18 – See, to that effect, Case C-39/97 Canon [1998] ECR I-5507, paragraph 24.

19 – Case C-334/05 P [2007] ECR I-4529, paragraph 31. See also judgment of 20 September 2007 in Case C-193/06 P Nestlé v OHIM, paragraph 31.

20 – OHIM v Shaker, cited in footnote 19, paragraph 32.

21 – See OHIM v Shaker, cited in footnote 19, paragraph 33, and Nestlé v OHIM, cited in footnote 19, paragraph 32 and the case-law cited.

22 – OHIM v Shaker, cited in footnote 19, paragraph 34, and Nestlé v OHIM, cited in footnote 19, paragraph 33.

23 – OHIM v Shaker, cited in footnote 19, paragraph 35, and Nestlé v OHIM, cited in footnote 19, paragraph 34.

24 – OHIM v Shaker, cited in footnote 19, paragraph 36.

25 – Referring to Case T-6/01 Matratzen Concord v OHIM -Hukla Germany (MATRATZEN) [2002] ECR II-4335, paragraph 30, and Case T-168/04 L & D v OHIM – Sämann (Aire Limpio) [2006] ECR II-2699, paragraph 91.

26 – See paragraph 100 of the judgment under appeal.

27 – Since it refers to the geographical origin of the goods.

28 – See, in particular, Case C-104/00 P DKV v OHIM [2002] ECR I-7561, paragraph 22; Case C-173/04 P Deutsche SiSi-Werke v OHIM [2006] ECR I-551, paragraph 35; and Case C-25/05 P Storek v OHIM [2006] ECR I-5719, paragraph 40.

29 – See Case C-8/95 P New Holland Ford v Commission [1998] ECR I-3175, paragraph 72; Case C-551/03 P General Motors v Commission [2006] ECR I-3173, paragraph 54; and Case C-167/04 P JCB Service v Commission [2006] ECR I-8935, paragraph 108.

30 – In particular, in paragraph 92 of the judgment under appeal, the Court of First Instance considered that ‘La Española’ has only a very weak distinctive character.

31 – In my view the weak distinctive character of the expression ‘La Española’ is manifestly not sufficient to justify a failure to compare, from the visual point of view, that name with the earlier mark ‘Carbonell’.

32 – See, to that effect, OHIM v Shaker, cited in footnote 19, paragraphs 41 and 42. In those paragraphs the Court found inter alia that, in the context of consideration of the likelihood of confusion, the assessment of the similarity between two marks must be made by examining each of the marks in question as a whole. It is only if all the other components of the mark are negligible that the assessment of the similarity can be carried out solely on the basis of the dominant element.

33 – See to that effect point 45 above with regard to ‘La Española’.

34 – Case C-120/04 [2005] ECR I-8551, paragraph 32 et seq.

35 – In particular, in paragraph 109 of the judgment under appeal, the Court of First Instance found that ‘olive oil is most commonly purchased in supermarkets or establishments where goods bearing different trade marks are arranged on shelves ... [and thus] the consumer is guided more by an impression than by a direct comparison of the various marks and often does not read all the information on each olive oil container. In most cases, he merely takes a bottle whose label provides him with the visual impact of the brand he is looking for. [Hence] it is the figurative element of the marks at issue which acquires greater importance ...’.

36 – See, for instance, Case T-425/03 AMS v OHIM–American Medical Systems (AMS Advanced Medical Services) [2007] ECR II-4265, paragraph 15 and the case-law cited.
