

**Court of Justice EU, 12 April 2011, DHL Express v France Chronopost**



**TRADE MARK LAW – LITIGATION – PRIVATE INTERNATIONAL LAW**

Prohibition extends, as a rule, to the entire area of the EU

- that Article 98(1) of Regulation No 40/94 must be interpreted as meaning that the scope of the prohibition against further infringement or threatened infringement of a Community trade mark, issued by a Community trade mark court whose jurisdiction is based on Articles 93(1) to (4) and 94(1) of that regulation, extends, as a rule, to the entire area of the European Union.
- Limitation of territorial scope required in case the use of the sign at issue does not affect or is not liable to affect the functions of the trade mark, for example on linguistic grounds.

46 However, the territorial scope of the prohibition may, in certain circumstances, be restricted. The exclusive right of a Community trade mark proprietor, as provided for under Article 9(1) of Regulation No 40/94, is conferred in order to enable that proprietor to protect his specific interests as such, that is, to ensure that the trade mark is able to fulfil its functions. The exercise of that right must therefore be reserved to cases in which a third party's use of the sign affects or is liable to affect the functions of the trade mark (see, to that effect, Joined Cases C-236/08 to C-238/08 Google France and Google [2010] ECR I-0000, paragraph 75 and the case-law cited).

47 It follows, as the European Commission has pointed out, that the exclusive right of a Community trade mark proprietor and, hence, the territorial scope of that right, may not extend beyond what that right allows its pro-

prietor to do in order to protect his trade mark, that is, to prohibit only uses which are liable to affect the functions of the trade mark. The acts or future acts of a defendant (namely the person whose use of the Community trade mark is complained of) which do not affect the functions of the Community trade mark, cannot therefore be prohibited.

48 Accordingly, if a Community trade mark court hearing a case in circumstances such as those of the main proceedings finds that the acts of infringement or threatened infringement of a Community trade mark are limited to a single Member State or to part of the territory of the European Union, in particular because the applicant for a prohibition order has restricted the territorial scope of its action in exercising its freedom to determine the extent of that action or because the defendant proves that the use of the sign at issue does not affect or is not liable to affect the functions of the trade mark, for example on linguistic grounds, that court must limit the territorial scope of the prohibition which it issues.

**Periodic penalty payment community trade mark court, or equivalent national provisions, has effect in Member States to which the territorial scope of such a prohibition extends**

- In the light of the foregoing, the answer to the third and fourth questions is that Article 98(1), second sentence, of Regulation No 40/94 must be interpreted as meaning that a coercive measure, such as a periodic penalty payment, ordered by a Community trade mark court by application of its national law, in order to ensure compliance with a prohibition against further infringement or threatened infringement which it has issued, has effect in Member States to which the territorial scope of such a prohibition extends other than the Member State of that court, under the conditions laid down in Chapter III of Regulation No 44/2001 with regard to the recognition and enforcement of judgments.

- Where the national law of one of those other Member States does not contain a coercive measure similar to that ordered by the Community trade mark court, the objective pursued by that measure must be attained by the competent court of that other Member State by having recourse to the relevant provisions of its national law which are such as to ensure that the prohibition is complied with in an equivalent manner

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**Court of Justice EU, 12 April 2011**

(V. Skouris, A. Tizzano, J.N. Cunha Rodrigues, K. Lenaerts, J.-C. Bonichot, K. Schiemann, J.-J. Kasel and D. Šváby, R. Silva de Lapuerta, E. Juhász, U. Löhmus (Rapporteur), C. Toader and M. Safjan)

JUDGMENT OF THE COURT (Grand Chamber)

12 April 2011 (\*)

*(Intellectual property – Community trade mark – Regulation (EC) No 40/94 – Article 98(1) – Prohibition*

against infringement, issued by a Community trade mark court – Territorial scope – Coercive measures attached to such a prohibition – Effect in the territory of Member States other than the Member State of the court seised)

In Case C-235/09,

REFERENCE for a preliminary ruling under Article 234 EC, from the Cour de cassation (France), made by decision of 23 June 2009, received at the Court on 29 June 2009, in the proceedings

DHL Express France SAS, formerly DHL International SA,

v

Chronopost SA,

THE COURT (Grand Chamber),

composed of V. Skouris, President, A. Tizzano, J.N. Cunha Rodrigues, K. Lenaerts, J.-C. Bonichot, K. Schiemann, J.-J. Kasel and D. Šváby, Presidents of Chambers, R. Silva de Lapuerta, E. Juhász, U. Löhmuus (Rapporteur), C. Toader and M. Safjan, Judges,

Advocate General: P. Cruz Villalón,

Registrar: N. Nanchev, Administrator,

having regard to the written procedure and further to the hearing on 30 June 2010,

after considering the observations submitted on behalf of:

- Chronopost SA, by A. Cléry, avocat,
- the French Government, by G. de Bergues, B. Cabouat and B. Beaupère-Manokha, acting as Agents,
- the German Government, by J. Möller and J. Kemper, acting as Agents,
- the Netherlands Government, by C. Wissels, acting as Agent,
- the United Kingdom Government, by S. Hathaway, acting as Agent,
- the European Commission, by H. Krämer, acting as Agent,

after hearing the Opinion of the Advocate General at the sitting on 7 October 2010,  
gives the following

### Judgment

1 This reference for a preliminary ruling concerns the interpretation of Article 98 of Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark (OJ 1994 L 11, p. 1), as amended by Council Regulation (EC) No 3288/94 of 22 December 1994 (OJ 1994 L 349, p. 83; ‘Regulation No 40/94’).

2 The reference has been made in proceedings between DHL Express France SAS (‘DHL Express France’), successor to DHL International SA (‘DHL International’), and Chronopost SA (‘Chronopost’) concerning the use by DHL International of Chronopost’s French and Community trade marks WEBSHIPPING, the prohibition of that use and the coercive measures attached to that prohibition.

### Legal context

#### Regulation No 40/94

3 The second, fifteenth and sixteenth recitals in the preamble to Regulation No 40/94 state:

‘Whereas action by the Community would appear to be necessary for the purpose of attaining the Community’s

said objectives; whereas such action involves the creation of Community arrangements for trade marks whereby undertakings can by means of one procedural system obtain Community trade marks to which uniform protection is given and which produce their effects throughout the entire area of the Community; whereas the principle of the unitary character of the Community trade mark thus stated will apply unless otherwise provided for in this Regulation;

Whereas decisions regarding the validity and infringement of Community trade marks must have effect and cover the entire area of the Community, as this is the only way of preventing inconsistent decisions on the part of the courts and the Office [for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)] and of ensuring that the unitary character of Community trade marks is not undermined; whereas the rules contained in the Brussels Convention [on] Jurisdiction and the Enforcement of Judgments in Civil and Commercial Matters [signed in Brussels on 27 September 1968 (OJ 1978 L 304, p. 36)], “as amended by the Conventions on the Accession to that Convention of the States acceding to the European Communities” (“the Brussels Convention”) will apply to all actions at law relating to Community trade marks, save where this Regulation derogates from those rules;

Whereas contradictory judgments should be avoided in actions which involve the same acts and the same parties and which are brought on the basis of a Community trade mark and parallel national trade marks; whereas for this purpose, when the actions are brought in the same Member State, the way in which this is to be achieved is a matter for national procedural rules, which are not prejudiced by this Regulation, whilst when the actions are brought in different Member States, provisions modelled on the rules on *lis pendens* and related actions of the abovementioned Brussels Convention appear appropriate’.

4 Article 1(2) of Regulation No 40/94 provides:

‘A Community trade mark shall have a unitary character. It shall have equal effect throughout the Community: it shall not be registered, transferred or surrendered or be the subject of a decision revoking the rights of the proprietor or declaring it invalid, nor shall its use be prohibited, save in respect of the whole Community. This principle shall apply unless otherwise provided in this Regulation.’

5 Article 9 of the regulation, headed ‘Rights conferred by a Community trade mark’, provides at paragraph 1 thereof:

‘A Community trade mark shall confer on the proprietor exclusive rights therein. The proprietor shall be entitled to prevent all third parties not having his consent from using in the course of trade:

(a) any sign which is identical with the Community trade mark in relation to goods or services which are identical with those for which the Community trade mark is registered;

(b) any sign where, because of its identity with or similarity to the Community trade mark and the identity or similarity of the goods or services covered by the

*Community trade mark and the sign, there exists a likelihood of confusion on the part of the public; the likelihood of confusion includes the likelihood of association between the sign and the trade mark;*

*(c) any sign which is identical with or similar to the Community trade mark in relation to goods or services which are not similar to those for which the Community trade mark is registered, where the latter has a reputation in the Community and where use of that sign without due cause takes unfair advantage of, or is detrimental to, the distinctive character or the repute of the Community trade mark.'*

6 Article 14 of that regulation reads as follows:

*'1. The effects of Community trade marks shall be governed solely by the provisions of this Regulation. In other respects, infringement of a Community trade mark shall be governed by the national law relating to infringement of a national trade mark in accordance with the provisions of Title X.*

*3. The rules of procedure to be applied shall be determined in accordance with the provisions of Title X.'*

7 Title X of Regulation No 40/94, headed 'Jurisdiction and procedure in legal actions relating to Community trade marks', comprises Articles 90 to 104.

8 As provided in Article 90 of that regulation, concerning the application of the Brussels Convention:

*'1. Unless otherwise specified in this Regulation, the [Brussels Convention] shall apply to proceedings relating to Community trade marks and applications for Community trade marks, as well as to proceedings relating to simultaneous and successive actions on the basis of Community trade marks and national trade marks.*

*2. In the case of proceedings in respect of the actions and claims referred to in Article 92:*

*(a) Articles 2, 4, 5(1), (3), (4) and (5) and Article 24 of the [Brussels Convention] shall not apply;*

*(b) Articles 17 and 18 of that Convention shall apply subject to the limitations in Article 93(4) of this Regulation;*

*(c) the provisions of Title II of that Convention which are applicable to persons domiciled in a Member State shall also be applicable to persons who do not have a domicile in any Member State but have an establishment therein.'*

9 Article 91 of that regulation, headed 'Community trade mark courts', states at paragraph 1 thereof:

*'The Member States shall designate in their territories as limited a number as possible of national courts and tribunals of first and second instance, hereinafter referred to as "Community trade mark courts", which shall perform the functions assigned to them by this Regulation.'*

10 In accordance with Article 92 of that regulation, headed 'Jurisdiction over infringement and validity':

*'The Community trade mark courts shall have exclusive jurisdiction:*

*(a) for all infringement actions and – if they are permitted under national law – actions in respect of threatened infringement relating to Community trade marks;*

*(b) for actions for declaration of non-infringement, if they are permitted under national law;*

*...'*

11 Article 93 of Regulation No 40/94, headed 'International jurisdiction', provides:

*'1. Subject to the provisions of this Regulation as well as to any provisions of the [Brussels Convention] applicable by virtue of Article 90, proceedings in respect of the actions and claims referred to in Article 92 shall be brought in the courts of the Member State in which the defendant is domiciled or, if he is not domiciled in any of the Member States, in which he has an establishment.*

*2. If the defendant is neither domiciled nor has an establishment in any of the Member States, such proceedings shall be brought in the courts of the Member State in which the plaintiff is domiciled or, if he is not domiciled in any of the Member States, in which he has an establishment.*

*3. If neither the defendant nor the plaintiff is so domiciled or has such an establishment, such proceedings shall be brought in the courts of the Member State where [OHIM] has its seat.*

*4. Notwithstanding the provisions of paragraphs 1, 2 and 3:*

*(a) Article 17 of the [Brussels Convention] shall apply if the parties agree that a different Community trade mark court shall have jurisdiction;*

*(b) Article 18 of that Convention shall apply if the defendant enters an appearance before a different Community trade mark court.*

*5. Proceedings in respect of the actions and claims referred to in Article 92, with the exception of actions for a declaration of non-infringement of a Community trade mark, may also be brought in the courts of the Member State in which the act of infringement has been committed or threatened ...'*

12 Article 94 of that regulation, headed 'Extent of jurisdiction', provides:

*'1. A Community trade mark court whose jurisdiction is based on Article 93(1) to (4) shall have jurisdiction in respect of:*

*– acts of infringement committed or threatened within the territory of any of the Member States,*

*– acts within the meaning of Article 9(3), second sentence, committed within the territory of any of the Member States.*

*2. A Community trade mark court whose jurisdiction is based on Article 93(5) shall have jurisdiction only in respect of acts committed or threatened within the territory of the Member State in which that court is situated.'*

13 Article 97 of that regulation, headed 'Applicable law', reads as follows:

*'1. The Community trade mark courts shall apply the provisions of this Regulation.*

*2. On all matters not covered by this Regulation a Community trade mark court shall apply its national law, including its private international law.*

*3. Unless otherwise provided in this Regulation, a Community trade mark court shall apply the rules of*

*procedure governing the same type of action relating to a national trade mark in the Member State where it has its seat.'*

14 Article 98 of Regulation No 40/94, headed 'Sanctions', states:

*'1. Where a Community trade mark court finds that the defendant has infringed or threatened to infringe a Community trade mark, it shall, unless there are special reasons for not doing so, issue an order prohibiting the defendant from proceeding with the acts which infringed or would infringe the Community trade mark. It shall also take such measures in accordance with its national law as are aimed at ensuring that this prohibition is complied with.*

*2. In all other respects the Community trade mark court shall apply the law of the Member State [in] which the acts of infringement or threatened infringement were committed, including the private international law.'*

#### **Regulation (EC) No 44/2001**

15 As provided by Article 68(1) thereof, Council Regulation (EC) No 44/2001 of 22 December 2000 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters (OJ 2001 L 12, p. 1), superseded the Brussels Convention as between the Member States. Chapter III of that regulation sets out the provisions relating to the recognition and enforcement of those judgments.

16 Article 33(1) of that regulation, setting out the principle of the recognition of judgments, provides that '[a] judgment given in a Member State shall be recognised in the other Member States without any special procedure being required'.

17 Article 38(1) of that regulation states:

*'A judgment given in a Member State and enforceable in that State shall be enforced in another Member State when, on the application of any interested party, it has been declared enforceable there'.*

18 Article 49 of that regulation provides:

'A foreign judgment which orders a periodic payment by way of a penalty shall be enforceable in the Member State in which enforcement is sought only if the amount of the payment has been finally determined by the courts of the Member State of origin.'

#### **Directive 2004/48/EC**

19 Article 3 of Directive 2004/48/EC of the European Parliament and of the Council of 29 April 2004 on the enforcement of intellectual property rights (OJ 2004 L 157, p. 45 and corrigendum OJ 2004 L 195, p. 16), headed 'General obligation', provides:

*'1. Member States shall provide for the measures, procedures and remedies necessary to ensure the enforcement of the intellectual property rights covered by this Directive. Those measures, procedures and remedies shall be fair and equitable and shall not be unnecessarily complicated or costly, or entail unreasonable time-limits or unwarranted delays.*

*2. Those measures, procedures and remedies shall also be effective, proportionate and dissuasive and shall be applied in such a manner as to avoid the creation of barriers to legitimate trade and to provide for safeguards against their abuse.'*

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

20 Chronopost is the proprietor of the French and Community trade marks for the sign 'WEB SHIPPING'. The Community trade mark, applied for in October 2000, was registered on 7 May 2003 in respect of, inter alia, services relating to: logistics and data transmission; telecommunications; transport by road; collecting mail, newspaper and parcels; and express mail management.

21 It is apparent from the documents before the Court that, having noted that one of its principal competitors, DHL International, had used the signs 'WEB SHIPPING', 'Web Shipping' and/or 'Webshipping' in order to designate an express mail management service accessible via the Internet, on 8 September 2004 Chronopost brought an action against that company before the Tribunal de grande instance de Paris (Regional Court, Paris, France) – which heard the case as a Community trade mark court within the meaning of Article 91(1) of Regulation No 40/94 – alleging, in particular, infringement of the Community trade mark WEB SHIPPING. By its judgment of 15 March 2006, that court found, inter alia, that DHL Express France, successor to DHL International, had infringed Chronopost's French trade mark WEB SHIPPING, although it did not adjudicate upon the infringement of the Community trade mark.

22 The order for reference states that, by a judgment of 9 November 2007, the Cour d'appel de Paris (Court of Appeal, Paris) – acting as a second-instance Community trade mark court on the appeal brought against the judgment of 15 March 2006 by Chronopost – prohibited DHL Express France, subject to a periodic penalty payment in the event of infringement of the prohibition, from continuing to use the signs 'WEB SHIPPING' and 'WEB SHIPPING' in order to designate an express mail management service accessible, inter alia, via the Internet. The Cour d'appel de Paris regarded such use as infringing the French and Community trade mark WEB SHIPPING.

23 The appeal in cassation which DHL Express France had brought against that judgment was dismissed by the order for reference.

24 However, in the course of the same proceedings before the Cour de cassation (Court of Cassation), Chronopost has brought a cross-appeal in which it submits that the judgment of 9 November 2007 infringes Articles 1 and 98 of Regulation No 40/94 in so far as the prohibition against further infringement of the Community trade mark WEB SHIPPING, subject to a periodic penalty payment, issued by the Cour d'appel de Paris does not extend to the entire area of the European Union.

25 According to the Cour de cassation, it follows expressly from the grounds of the judgment of the Cour d'appel de Paris that, although the judgment does not contain any operative words expressly relating to the application to extend the prohibition issued by that court – which is subject to a periodic penalty payment – to the entire area of the European Union, that prohibi-

tion subject to a periodic penalty payment must be construed as applying only to French territory.

26 Since it had doubts as to the interpretation, in that context, of Article 98 of Regulation No 40/94, the Cour de cassation decided to stay proceedings and to refer the following questions to the Court of Justice for a preliminary ruling:

*'1. Must Article 98 of ... Regulation [No 40/94] be interpreted as meaning that the prohibition issued by a Community trade mark court has effect as a matter of law throughout the entire area of the [European Union]?*

*2. If not, is that court entitled to apply specifically that prohibition to the territories of other States in which the acts of infringement are committed or threatened?*

*3. In either case, are the coercive measures which the court, by application of its national law, has attached to the prohibition issued by it applicable within the territories of the Member States in which that prohibition would have effect?*

*4. In the contrary case, may that court order such a coercive measure, similar to or different from that which it adopts pursuant to its national law, by application of the national laws of the States in which that prohibition would have effect?'*

### **Consideration of the questions referred**

#### **Preliminary observations**

27 As is apparent from its heading, Article 98 of Regulation No 40/94 is concerned with sanctions for Community trade-mark infringement.

28 The first sentence of Article 98(1) provides that where a Community trade mark court hearing a case finds that there have been acts of infringement or threatened infringement of a Community trade mark, it is to issue an order prohibiting the defendant from proceeding with such acts. The second sentence of Article 98(1) provides that that court is required to take such measures in accordance with its national law as are aimed at ensuring that that prohibition is complied with.

29 Article 98(2) provides that the Community trade mark court is to apply '*[i]n all other respects ... the law of the Member State [in] which the acts of infringement or threatened infringement were committed, including the private international law*'.

30 It follows from the opening words of Article 98(2), read in the light of the heading of Article 98, and from the various language versions of that provision, in particular the German-language ('*in Bezug auf alle anderen Fragen*'), French-language ('*par ailleurs*'), Spanish-language ('*por otra parte*') and Italian-language ('*negli altri casi*') versions, that Article 98(2) does not relate to the coercive measures referred to in Article 98(1), which are measures to ensure compliance with a prohibition against further infringement.

31 Since the questions referred by the national court for a preliminary ruling concern only the prohibition against further infringement or threatened infringement and the coercive measures to ensure compliance with that prohibition, those questions must therefore be con-

sidered to relate to the interpretation of Article 98(1) of Regulation No 40/94.

#### **The first question**

32 By its first question the national court asks, in essence, whether Article 98(1) of Regulation No 40/94 must be interpreted as meaning that the prohibition against further infringement or threatened infringement issued by a Community trade mark court has effect as a matter of law throughout the entire area of the European Union.

33 It must be observed that the territorial scope of a prohibition against further infringement or threatened infringement of a Community trade mark, as provided for in Article 98(1) of Regulation No 40/94, is to be determined both by the territorial jurisdiction of the Community trade mark court issuing that prohibition and by the territorial extent of the Community trade mark proprietor's exclusive right which is adversely affected by the infringement or threatened infringement, as that extent results from Regulation No 40/94.

34 As regards, first, the territorial jurisdiction of a Community trade mark court, it must be noted at the outset that under Article 14(1) and (3) of Regulation No 40/94, infringement of a Community trade mark is to be governed by the national law relating to infringement of a national trade mark in accordance with the provisions of Title X of that regulation. The rules of procedure to be applied are to be determined in accordance with the provisions of Title X, headed 'Jurisdiction and procedure in legal actions relating to Community trade marks' and comprising Articles 90 to 104 of that regulation.

35 Article 92(a) of Regulation No 40/94 provides that the Community trade mark courts are to have exclusive jurisdiction to adjudicate upon all infringement actions and – if they are permitted under national law – actions in respect of threatened infringement relating to Community trade marks.

36 In the present case, it is apparent from the written observations submitted to the Court by Chronopost that the action was brought before the Community trade mark court pursuant to Article 93(1) to (4) of Regulation No 40/94. According to those observations, the application to bring the infringement or threatened infringement to an end is not based on Article 93(5).

37 Under Article 93(1) to (4) of Regulation No 40/94, read in conjunction with Article 94(1) of that regulation, a Community trade mark court, which is established in accordance with Article 91 of that regulation in order to protect the rights conferred by a Community trade mark, is to have jurisdiction, in particular, in respect of acts of infringement committed or threatened within the territory of any of the Member States.

38 Therefore, a Community trade mark court, such as that hearing the case in the main proceedings, has jurisdiction in respect of acts of infringement committed or threatened within the territory of one or more Member States, or even all the Member States. Thus, its jurisdiction may extend to the entire area of the European Union.

39 Second, the exclusive right of a Community trade mark proprietor, conferred under Regulation No 40/94, extends, as a rule, to the entire area of the European Union, throughout which Community trade marks enjoy uniform protection and have effect.

40 In accordance with Article 1(2) of that regulation, a Community trade mark is to have a unitary character. Having equal effect throughout the European Union, it may not, in accordance with that provision, be registered, transferred or surrendered or be the subject of a decision revoking the rights of the proprietor or declaring it invalid, nor may its use be prohibited, save in respect of the whole of the European Union. This principle is to apply unless otherwise provided in that regulation.

41 In addition, it follows from the second recital in the preamble to Regulation No 40/94 that the objective pursued by that regulation involves the creation of Community arrangements for trade marks to which uniform protection is given and which produce their effects throughout the entire area of the European Union.

42 The unitary character of the Community trade mark is also apparent from the fifteenth and sixteenth recitals in the preamble to Regulation No 40/94. These state, first, that the effects of decisions regarding the validity and infringement of Community trade marks must cover the entire area of the European Union, in order to prevent inconsistent decisions on the part of the courts and OHIM and to ensure that the unitary character of Community trade marks is not undermined, and, second, that contradictory judgments should be avoided in actions which involve the same acts and the same parties and which are brought on the basis of a Community trade mark and parallel national trade marks.

43 In addition, the Court has already held, at paragraph 60 of the [judgment in Case C-316/05 Nokia \[2006\] ECR I-12083](#), that the objective of Article 98(1) of Regulation No 40/94 is the uniform protection, throughout the entire area of the European Union, of the right conferred by the Community trade mark against the risk of infringement.

44 In order to ensure that uniform protection, a prohibition against further infringement or threatened infringement issued by a competent Community trade mark court must therefore, as a rule, extend to the entire area of the European Union.

45 If the territorial scope of that prohibition were, on the contrary, limited to the territory of the Member State in respect of which that court had found there to be an act of infringement or threatened infringement or to the territory of only the Member States which gave rise to such a finding, there would be a risk that the defendant would begin to exploit the sign at issue afresh in a Member State for which the prohibition had not been issued. In addition, the new judicial proceedings which the Community trade mark proprietor would be compelled to bring would increase, in a manner proportional to those proceedings, the risk of inconsistent decisions relating to the Community trade mark concerned, in particular because of the factual assess-

ment of the likelihood of confusion. Such a consequence runs counter to the objective of the uniform protection of the Community trade mark pursued by Regulation No 40/94 as well as to the unitary character of that mark, both of which are recalled in paragraphs 40 to 42 above.

46 However, the territorial scope of the prohibition may, in certain circumstances, be restricted. The exclusive right of a Community trade mark proprietor, as provided for under Article 9(1) of Regulation No 40/94, is conferred in order to enable that proprietor to protect his specific interests as such, that is, to ensure that the trade mark is able to fulfil its functions. The exercise of that right must therefore be reserved to cases in which a third party's use of the sign affects or is liable to affect the functions of the trade mark (see, to that effect, [Joined Cases C-236/08 to C-238/08 Google France and Google \[2010\] ECR I-0000](#), paragraph 75 and the case-law cited).

47 It follows, as the European Commission has pointed out, that the exclusive right of a Community trade mark proprietor and, hence, the territorial scope of that right, may not extend beyond what that right allows its proprietor to do in order to protect his trade mark, that is, to prohibit only uses which are liable to affect the functions of the trade mark. The acts or future acts of a defendant (namely the person whose use of the Community trade mark is complained of) which do not affect the functions of the Community trade mark, cannot therefore be prohibited.

48 Accordingly, if a Community trade mark court hearing a case in circumstances such as those of the main proceedings finds that the acts of infringement or threatened infringement of a Community trade mark are limited to a single Member State or to part of the territory of the European Union, in particular because the applicant for a prohibition order has restricted the territorial scope of its action in exercising its freedom to determine the extent of that action or because the defendant proves that the use of the sign at issue does not affect or is not liable to affect the functions of the trade mark, for example on linguistic grounds, that court must limit the territorial scope of the prohibition which it issues.

49 Lastly, it must be stated that the territorial scope of a prohibition against further infringement or threatened infringement of a Community trade mark can extend to the entire area of the European Union. That said, in accordance with Article 90 of Regulation No 40/94, which is concerned with the application of the Brussels Convention, read in conjunction with Article 33(1) of Regulation No 44/2001, the other Member States are, as a rule, required to recognise and enforce the judgment, thereby conferring on it a cross-border effect.

50 Consequently, the answer to the first question is that Article 98(1) of Regulation No 40/94 must be interpreted as meaning that the scope of the prohibition against further infringement or threatened infringement of a Community trade mark, issued by a Community trade mark court whose jurisdiction is based on Articles

93(1) to (4) and 94(1) of that regulation, extends, as a rule, to the entire area of the European Union.

### The second question

51 In view of the answer to the first question, there is no need to reply to the second question referred by the national court.

### The third and fourth questions

52 By its third and fourth questions, which should be examined together, the national court asks, in essence, whether Article 98(1), second sentence, of Regulation No 40/94 must be interpreted as meaning that a coercive measure, such as a periodic penalty payment, ordered by a Community trade mark court by application of its national law, in order to ensure compliance with a prohibition against further infringement or threatened infringement which it has issued, may have effect in Member States to which the territorial scope of such a prohibition extends other than the Member State of that court. If that is not the case, the national court asks whether the Community trade mark court may order such a coercive measure, similar to or different from that which it adopts pursuant to its national law, by application of the national law of the Member State to whose territory the scope of that prohibition extends.

53 In that connection, it must first be recalled that, as regards the law applicable to coercive measures, the Court has already held that the Community trade mark court seised is required to select, from among the measures provided for under the legislation of its own Member State, such measures as are aimed at ensuring that the prohibition that it has issued is complied with ([Nokia, paragraph 49](#)).

54 Second, coercive measures ordered by a Community trade mark court pursuant to its Member State's national law can achieve the objective for which they were issued – namely, ensuring that a prohibition is complied with so that the right conferred by a Community trade mark against the risk of infringement is actually protected throughout the area of the European Union (see, to that effect, [Nokia, paragraph 60](#)) – only if the measures have effect in the same territory as that in which the prohibition order itself has effect.

55 In the main proceedings, the prohibition order issued by the Community trade mark court was coupled with a periodic penalty payment by that court pursuant to its national law. In order that such a coercive measure may have effect in the territory of a Member State other than that of the court which ordered the measure, a court of that other Member State seised in that regard must, under the provisions of Chapter III of Regulation No 44/2001, recognise and enforce that measure in accordance with the rules and procedures laid down by the national law of that Member State.

56 Where the national law of the Member State in which recognition and enforcement of the decision of a Community trade mark court is sought does not provide for a coercive measure similar to that ordered by the Community trade mark court which issued the prohibition against further infringement or threatened infringement (and coupled that prohibition with such a measure in order to ensure compliance with the prohi-

bition), the court seised of the case in that Member State must, as the Advocate General has observed at point 67 of his Opinion, attain the objective pursued by the measure by having recourse to the relevant provisions of its national law which are such as to ensure that the prohibition originally issued is complied with in an equivalent manner.

57 That obligation to attain the objective pursued by the coercive measure constitutes an extension of the obligation on the Community trade mark courts to take coercive measures when they issue an order prohibiting further infringement or threatened infringement. Without those related obligations, a prohibition of that kind might not be coupled with measures aimed at ensuring that it is complied with, so that it would, to a large extent, have no dissuasive effect (see, to that effect, [Nokia](#), paragraphs 58 and 60).

58 In that connection, it should be recalled that under the principle of sincere cooperation laid down in Article 4(3), second subparagraph, TEU, it is for the Member States' courts to ensure judicial protection of an individual's rights under European Union law (see, to that effect, Case C-432/05 Unibet [2007] ECR I-2271, paragraph 38 and the case-law cited). By virtue of that same provision, the Member States are to take any appropriate measure, general or particular, to ensure fulfilment of the obligations arising out of the Treaties or resulting from the acts of the institutions of the Union. In particular, under Article 3 of Directive 2004/48, Member States are to provide for the measures, procedures and remedies necessary to ensure the enforcement of the intellectual property rights covered by that Directive, including, *inter alia*, the rights of trade mark proprietors. In accordance with Article 3(2), those measures, procedures and remedies are to be effective, proportionate and dissuasive and are to be applied in such a manner as to avoid the creation of barriers to legitimate trade and to provide for safeguards against their abuse.

59 [In the light of the foregoing, the answer to the third and fourth questions is that Article 98\(1\), second sentence, of Regulation No 40/94 must be interpreted as meaning that a coercive measure, such as a periodic penalty payment, ordered by a Community trade mark court by application of its national law, in order to ensure compliance with a prohibition against further infringement or threatened infringement which it has issued, has effect in Member States to which the territorial scope of such a prohibition extends other than the Member State of that court, under the conditions laid down in Chapter III of Regulation No 44/2001 with regard to the recognition and enforcement of judgments. Where the national law of one of those other Member States does not contain a coercive measure similar to that ordered by the Community trade mark court, the objective pursued by that measure must be attained by the competent court of that other Member State by having recourse to the relevant provisions of its national law which are such as to ensure that the prohibition is complied with in an equivalent manner.](#)

### Costs

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

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

1. Article 98(1) of Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark, as amended by Council Regulation (EC) No 3288/94 of 22 December 1994, must be interpreted as meaning that the scope of the prohibition against further infringement or threatened infringement of a Community trade mark, issued by a Community trade mark court whose jurisdiction is based on Articles 93(1) to (4) and 94(1) of that regulation, extends, as a rule, to the entire area of the European Union.
2. Article 98(1), second sentence, of Regulation No 40/94, as amended by Regulation No 3288/94, must be interpreted as meaning that a coercive measure, such as a periodic penalty payment, ordered by a Community trade mark court by application of its national law, in order to ensure compliance with a prohibition against further infringement or threatened infringement which it has issued, has effect in Member States to which the territorial scope of such a prohibition extends other than the Member State of that court, under the conditions laid down, in Chapter III of Council Regulation (EC) No 44/2001 of 22 December 2000 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters, with regard to the recognition and enforcement of judgments. Where the national law of one of those other Member States does not contain a coercive measure similar to that ordered by the Community trade mark court, the objective pursued by that measure must be attained by the competent court of that other Member State by having recourse to the relevant provisions of its national law which are such as to ensure that the prohibition is complied with in an equivalent manner.

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[Opinion Advocate-General P. Cruz Villalón]