

**Court of Justice EU, 21 July 2016, Apple and Pear Australia v EUIPO**



**TRADEMARK LAW**

**The General Court was able to find, without erring in law, that the principle of res judicata did not mean that the EUIPO was bound by the judgment of the tribunal de commerce de Bruxelles**

- The subject matter of the proceedings was different because of the exclusive competence of EUIPO's adjudicating bodies to authorise or refuse the registration of an EU trade mark, which is different to any proceedings before a national court.

54. In the present case, the respective subject matter, namely the claims, of the cases examined by the tribunal de commerce de Bruxelles (Commercial Court, Brussels) and by EUIPO are not identical. The action for infringement before the Belgian court sought annulment of the Benelux mark ENGLISH PINK and an order to refrain from using that sign throughout the territory of the Union, whereas the subject matter of the proceedings before EUIPO was opposition to the registration of the EU trade mark ENGLISH PINK.

62. In the light of the exclusive competence of EUIPO's adjudicating bodies to authorise or refuse the registration of an EU trade mark, reiterated in paragraph 50 of the present judgment, the subject matter of any proceedings before EUIPO relating to registration of an EU trade mark or opposition to that registration necessarily is different to any proceedings before a national court, even where that court acts as an EU trade marks court.

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**Court of Justice EU, 21 July 2016**

(T. von Danwitz, K. Lenaerts, C. Lycourgos (Rapporteur), E. Juhász, C. Vajda)

JUDGMENT OF THE COURT (Fourth Chamber)

21 July 2016 (\*)

(Appeal — EU trade mark — Application for EU word mark English pink — Opposition by the proprietor of the word mark PINK LADY and the figurative marks including the word elements 'Pink Lady' — Opposition dismissed — Decision of an EU trade mark court — Alteration — Res judicata)

In Case C-226/15 P,

APPEAL under Article 56 of the Statute of the Court of Justice of the European Union, brought on 18 May 2015,

Apple and Pear Australia Ltd, established in Victoria (Australia),

Star Fruits Diffusion, established in Caderousse (France),  
represented by T. de Haan, avocat, and P. Péters, advocaat,  
appellants,

the other parties to the proceedings being:

European Union Intellectual Property Office (EUIPO),  
represented by J. Crespo Carrillo, acting as Agent,  
defendant at first instance,

Carolus C. BVBA, established in Nieuwerkerken (Belgium),

intervener at first instance,

THE COURT (Fourth Chamber), composed of T. von Danwitz, President of the Chamber, K. Lenaerts, President of the Court, acting as Judge of the Fourth Chamber, C. Lycourgos (Rapporteur), E. Juhász and C. Vajda, Judges,

Advocate General: M. Bobek,

Registrar: V. Giacobbo-Peyronnel, Administrator,

having regard to the written procedure and further to the hearing on 4 February 2016, after hearing [the Opinion of the Advocate General](#) at the sitting on 13 April 2016, gives the following

**Judgment**

1 By their appeal, Apple and Pear Australia Ltd and Star Fruits Diffusion ask the Court to set aside the judgment of the General Court of the European Union of 25 March 2015 in Apple and Pear Australia and Star Fruits Diffusion v OHIM — Carolus C. (English pink) (T-378/13, 'the judgment under appeal', EU:T:2015:186), in so far as, by that judgment, the General Court dismissed their action requesting, primarily, alteration of the decision of the Fourth Board of Appeal of the European Union Intellectual Property Office (EUIPO) of 29 May 2013 relating to opposition proceedings between themselves and Carolus C. BVBA ('the contested decision').

**Legal context**

2 Recitals 16 and 17 of Council Regulation (EC) No 207/2009 of 26 February 2009 on the European Union trade mark (OJ 2009 L 78, p. 1), read as follows:

*'(16) Decisions regarding the validity and infringement of EU trade marks must have effect and cover the entire area of the Union, as this is the only way of preventing inconsistent decisions on the part of the courts and the Office and of ensuring that the unitary character of EU trade marks is not undermined. The provisions 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 [(OJ 2001 L 12, p. 1)]*

*should apply to all actions at law relating to EU trade marks, save where this Regulation derogates from those rules.*

*(17) Contradictory judgments should be avoided in actions which involve the same acts and the same parties and which are brought on the basis of an EU trade mark and parallel national trade marks. ...'*

3 In accordance with Article 6 of Regulation No 207/2009, an EU trade mark is to be obtained by registration.

4 Article 8(1)(b) and (5) of that regulation provide:

*'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.*

...

*5. Furthermore, upon opposition by the proprietor of a registered earlier trade mark within the meaning of paragraph 2, the trade mark applied for shall not be registered where it is identical with, or similar to, an earlier trade mark, irrespective of whether the goods or services for which it is applied are identical with, similar to or not similar to those for which the earlier trade mark is registered, where, in the case of an earlier EU trade mark, the trade mark has a reputation in the Union or, in the case of an earlier national trade mark, the trade mark has a reputation in the Member State concerned, and where the use without due cause CURIA - Documents Page 2 of 13 of the trade mark applied for would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark.'*

5 Article 9(1)(b) and (c) of that regulation provide:

*'An EU 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:*

...

*(b) any sign where, because of its identity with, or similarity to, the EU trade mark and the identity or similarity of the goods or services covered by the EU 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 EU 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 Union 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 EU trade mark.'*

6 In accordance with Article 41(1) of Regulation No 207/2009, within a period of three months following the publication of an EU trade mark application, notice of opposition to registration of the trade mark may be given on the grounds that it may not be registered under Article 8 of that regulation.

7 Article 42(5) of Regulation No 207/2009 provides:

*'If examination of the opposition reveals that the trade mark may not be registered in respect of some or all of the goods or services for which the EU trade mark application has been made, the application shall be*

*refused in respect of those goods or services. Otherwise the opposition shall be rejected.'*

8 In accordance with Article 56(3) of that regulation, *'[a]n application for revocation or for a declaration of invalidity shall be inadmissible if an application relating to the same subject matter and cause of action, and involving the same parties, has been adjudicated on by a court in a Member State and has acquired the authority of a final decision.'*

9 Under Article 65(3) of that regulation, *'[t]he Court of Justice has jurisdiction to annul or to alter the contested decision'*.

10 Article 95(1) of that regulation provides:

*'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 "EU trade mark courts", which shall perform the functions assigned to them by this Regulation.'*

11 Article 96 of Regulation No 207/2009 provides:

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

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

...

*(c) for all actions brought as a result of acts referred to in Article 9(3), second sentence;*

*(d) for counterclaims for revocation or for a declaration of invalidity of the EU trade mark pursuant to Article 100.'*

12 Article 100(1), (2) (6) and (7) of that directive provides:

*'1. A counterclaim for revocation or for a declaration of invalidity may only be based on the grounds for revocation or invalidity mentioned in this Regulation.*

*2. An EU trade mark court shall reject a counterclaim for revocation or for a declaration of invalidity if a decision taken by the Office relating to the same subject matter and cause of action and involving the same parties has already become final.*

...

*6. Where an EU trade mark court has given a judgment which has become final on a counterclaim for revocation or for invalidity of an EU trade mark, a copy of the judgment shall be sent to the Office. Any party may request information about such transmission. The Office shall mention the judgment in the Register of EU trade marks in accordance with the provisions of the Implementing Regulation.*

*7. The EU trade mark court hearing a counterclaim for revocation or for a declaration of invalidity may stay the proceedings on application by the proprietor of the EU trade mark and after hearing the other parties and may request the defendant to submit an application for revocation or for a declaration of invalidity to the Office within a time limit which it shall determine. If the application is not made within the time limit, the proceedings shall continue; the counterclaim shall be deemed withdrawn. Article 104(3) shall apply.'*

13 Article 109(2) and (3) of that regulation provides:

'2. The court hearing an action for infringement on the basis of an EU trade mark shall reject the action if a final judgment on the merits has been given on the same cause of action and between the same parties on the basis of an identical national trade mark valid for identical goods or services.

3. The court hearing an action for infringement on the basis of a national trade mark shall reject the action if a final judgment on the merits has been given on the same cause of action and between the same parties on the basis of an identical EU trade mark valid for identical goods or services.'

Background to the dispute

14 On 13 October 2009, Carolus C. filed an application for registration of an EU trade mark at EUIPO under Regulation No 207/2009. The mark for which registration was sought is the word sign 'English pink'.

15 The goods in respect of which registration was sought are in Class 31 of the Nice Agreement concerning the International Classification of Goods and Services for the Purpose of the Registration of Marks of 15 June 1957 ('the Nice Agreement'), as revised and amended, and correspond, inter alia, to fresh fruit and vegetables.

16 On 20 April 2010, the appellants filed a notice of opposition, pursuant to Article 41 of Regulation No 207/2009, to registration of the mark applied for in respect of the same goods.

17 The opposition was based on the following earlier marks:

– EU word mark PINK LADY, registered on 27 February 2003 under number 2042679 and designating the following goods in Class 31 of the Nice Agreement and corresponding to the following description: 'Agricultural, horticultural products, including fruit, grains, plants and trees, in particular apples and apple trees';

– EU figurative mark No 4186169, registered on 15 December 2005, represented below and designating inter alia the following goods in Class 31 and corresponding to the following description: 'Fresh fruit; apples, fruit trees; apple trees':



– EU figurative mark No 6335591, registered on 30 July 2008, represented below and designating goods in Class 31 and corresponding to the following description:

'Agricultural, horticultural products, including fruit, grains, plants and trees, in particular apples and apple trees':



18 The grounds relied on in support of the opposition were those referred to in Article 8(1)(b) and (5) of Regulation No 207/2009.

19 By decision of 27 May 2011, EUIPO's Opposition Division rejected the opposition. 20 On 7 June 2011 the appellants filed an appeal with EUIPO, under Articles 58 to 64 of Regulation No 207/2009, against the decision of the Opposition Division.

21 By judgment of 28 June 2012, delivered pursuant to an action for infringement brought by the appellants on the basis of the earlier EU word and figurative marks and Benelux mark No 559177, the tribunal de commerce de Bruxelles (Commercial Court, Brussels) (Belgium), in its capacity as an EU trade mark court, annulled the Benelux mark ENGLISH PINK and ordered Carolus C. to refrain from using that sign in the European Union. By correspondence of 4 July 2012, the appellants provided EUIPO with that judgment. By letter of 29 August 2012, they informed EUIPO that Carolus C. had accepted the judgment, which had accordingly become final.

22 By the contested decision, the Fourth Board of Appeal of EUIPO dismissed the appellants' action against the decision of EUIPO's Opposition Division. The Fourth Board of Appeal of EUIPO stated inter alia that there was no similarity between the marks at issue on the visual, conceptual and phonetic levels and concluded that there was no likelihood of confusion.

23 It also found that EUIPO's Opposition Division had given an accurate summary of the ample evidence provided by the appellants and a proper set of reasons as to why all that evidence was insufficient and inconclusive.

#### **The proceedings before the General Court and the judgment under appeal**

24 By application lodged at the General Court Registry on 23 July 2013, Apple and Pear Australia and Star Fruits Diffusion brought an action seeking, principally, alteration of the contested decision, and, in the alternative, annulment of that decision.

25 They raised seven pleas in law in support of that action. The first plea, which alleged infringement of Article 75 of Regulation No 207/2009, on the ground that the contested decision contains no statement of reasons as to the inferences to be drawn from the judgment of the tribunal de commerce de Bruxelles (Commercial Court, Brussels) of 28 June 2012. The second plea alleged an infringement of the principle of res judicata. By the third plea the appellants alleged infringement of the general principles of legal certainty, sound administration and protection of legitimate expectations. The fourth plea was based on

infringement of Article 76 of Regulation No 207/2009. The fifth and sixth pleas alleged infringement of Article 8(1)(b) and Article 8(5) of Regulation No 207/2009 respectively. The seventh plea was based on infringement of Article 75 of that regulation, alleging that the Fourth Board of Appeal of EUIPO had based the contested decision on grounds on which the parties were not able to adopt a position.

26 By the judgment under appeal, the General Court annulled the contested decision because it had not taken account of the judgment of the tribunal de commerce de Bruxelles (Commercial Court, Brussels) of 28 June 2012 and had not assessed the potential impact that that judgment could have on the outcome of the opposition proceedings. The General Court rejected Apple and Pear Australia and Star Fruits Diffusion's action as to the remainder. As regards the appellants' form of order seeking alteration of the contested decision, the General Court considered, in essence, in paragraphs 68, 70 and 71 of the judgment under appeal, that the appellants could not argue that the judgment of the tribunal de commerce de Bruxelles (Commercial Court, Brussels) of 28 June 2012 was *res judicata* and that, since the Fourth Board of Appeal of EUIPO had failed to take account of that judgment and to assess the potential impact of that judgment on the outcome of the dispute, the General Court was not in a position to determine which decision the Board of Appeal was required to take and could not therefore exercise its power of alteration.

#### **Forms of order sought**

27 By their appeal, Apple and Pear Australia and Star Fruits Diffusion request the Court:

- to set aside the judgment under appeal, in so far as it dismissed their action seeking, principally, to alter the contested decision;
- to alter the contested decision to the effect that the action brought by the appellants before the Fourth Board of Appeal of EUIPO is well-founded and, consequently, their opposition to registration of the EU trade mark application English pink should be upheld; and
- to order EUIPO to bear all the costs of the appellants in relation both to the appeal and to the proceedings at first instance.

28 EUIPO contends that the Court should:

- dismiss the appeal; and
- order Apple and Pear Australia and Star Fruits Diffusion to pay the costs.

#### **The appeal**

29 In support of their appeal, Apple and Pear Australia and Star Fruits Diffusion raise three grounds of appeal. The first ground alleges an infringement of the principle of *res judicata*.

The second alleges infringement of the general principles of legal certainty, sound administration and the protection of legitimate expectations. The third alleges infringement of Article 65(3) of Regulation No 207/2009.

#### **Admissibility**

30 EUIPO takes the view that the appeal is inadmissible unless, as the appellants maintain, the judgment of the tribunal de commerce de Bruxelles (Commercial Court, Brussels) of 28 June 2012 was *res judicata*, and therefore was binding on the Fourth Board of Appeal of EUIPO and on the General Courts.

31 It should be noted, in that regard, that the plea of inadmissibility raised by EUIPO falls within the substantive assessment of the grounds of appeal. The question whether the judgment of the tribunal de commerce de Bruxelles (Commercial Court, Brussels) of 28 June 2012 had become *res judicata* and therefore was binding on the Fourth Board of Appeal of EUIPO is the subject of the substantive analysis of the appeal.

32 EUIPO's general plea of inadmissibility should therefore be rejected.

#### **Substance**

##### **The first and second grounds of appeal**

##### **– Arguments of the parties**

33 By their first and second grounds of appeal, which should be considered together given the connection between them, the appellants claim that the General Court committed an error of law by considering that the final decision of the tribunal de commerce de Bruxelles (Commercial Court, Brussels) of 28 June 2012 was insufficient to determine which decision the Fourth Board of Appeal of EUIPO was required to take.

34 They claim, by their first ground of appeal, that, by finding, in paragraph 64 of the judgment under appeal, that *res judicata* does not apply either to the Board of Appeal of EUIPO or to the EU judicature in the context of its review of the lawfulness and its power of alteration under Article 65(3) of Regulation No 207/2009, the General Court failed, without valid justification, to give effect to the general principle of *res judicata*. They add, by their second ground of appeal, that the General Court, itself, infringed the general principles of legal certainty, sound administration and the protection of legitimate expectations.

35 By the first argument of the first ground of appeal, the appellants state that it is wrong and incomplete to consider, as the General Court held in paragraphs 59 and 63 of the judgment under appeal, that the lawfulness of decisions of Boards of Appeal of EUIPO must be assessed solely on the basis of Regulation No 207/2009, as interpreted by the EU judicature. EUIPO is not exempt from compliance with the general principles of EU law, which include the principle of *res judicata*.

36 The appellants state, by their second argument of the first ground of appeal, that, unlike an administrative decision given in the context of opposition proceedings, a judicial decision, such as that of the tribunal de commerce de Bruxelles (Commercial Court, Brussels) of 28 June 2012 is *res judicata*. In that regard, solely a final decision of EUIPO on invalidity or revocation of a mark already registered is *res judicata* and binding on the EU trade mark courts.

37 By their third argument of that first ground of appeal, the appellants claim that the tribunal de commerce de Bruxelles (Commercial Court, Brussels) ruled, pursuant to Regulation No 207/2009, in the context of the European Union's autonomous trade mark system of which it is part. That court, acting under Article 95 of Regulation No 207/2009, found the existence of a likelihood of confusion and infringement of the appellants' well-known mark solely under that regulation. Accordingly, the prohibition of the use of the word sign 'English pink' was issued for the entire territory of the European Union in order to protect the appellants' rights under EU law.

38 The appellants claim that, unlike the situation giving rise to the judgment in *Emram v OHIM — Guccio Gucci (G)* (T-187/10, EU:T:2011:202), the parties to the proceedings before the tribunal de commerce de Bruxelles (Commercial Court, Brussels) and before EUIPO are the same, act in the same capacity and rely on the same rights pursuant to solely Regulation No 207/2009, in relation to the same contested word sign.

39 By their fourth argument of the first ground of appeal, the appellants state that recital 17 and Article 109(2) and (3) of that regulation confirm that the general principle of *res judicata* must prevail over the independence of the autonomous EU trade mark system.

40 By their fifth argument of that ground of appeal, the appellants claim that, contrary to what the General Court held in paragraphs 60 and 63 of the judgment under appeal, the lack of specific provisions in Regulation No 207/2009 indicating that EUIPO is bound, in the context of opposition proceedings, by a decision of an EU trade marks court cannot justify a refusal to apply the principle of *res judicata*.

41 In that regard, the appellants are of the view that the General Court's refusal to alter the contested decision is even less justified since the general scheme, the objectives and the purpose of Regulation No 207/2009 require that final decisions of EU trade mark courts are not called into question by EUIPO, and vice versa, in particular those made 'between the same parties'.

42 By their sixth argument of the first ground of appeal, the appellants state that the judicial prohibition issued by the tribunal de commerce de Bruxelles (Commercial Court, Brussels) concerns the use of the word sign 'English pink' throughout the Union. The General Court, in that regard, erred in law in considering, in particular in paragraphs 63 and 65 of the judgment under appeal, that the judicial infringement proceedings covered only a national mark or were intended solely to annul the Benelux mark ENGLISH PINK and prohibit use of that mark.

43 The appellants claim, by their seventh argument of that ground of appeal, that, contrary to what the General Court stated in paragraphs 65 to 68 of the judgment under appeal, the cause of action and the subject matter of the infringement action settled by the tribunal de commerce de Bruxelles (Commercial Court, Brussels) and the pending infringement action in the form of opposition proceedings before EUIPO are

identical. Accordingly, the General Court was wrong to refuse to apply the principle of *res judicata*, as reflected in Regulation No 207/2009 and Regulation No 44/2001.

44 As regards the cause of action for those two actions, namely the legal rule relied on as the basis of the application, the appellants consider that it does not vary according to the numbering of the articles or paragraphs relied on. In that regard, solely the legal basis is relevant, namely the applicable legal concept. In the present case, the 'likelihood of confusion' and 'infringement of an EU trade mark' within the meaning of Regulation No 207/2009 were invoked both before the tribunal de commerce de Bruxelles (Commercial Court, Brussels) and before EUIPO. They are two unique concepts which are found throughout that regulation, irrespective of the numbering of the various articles of that regulation.

45 As regards the subject matter, which is the purpose of the application, the appellants submit that it cannot be restricted to the formal identity of an application. The applications before EUIPO and before the tribunal de commerce de Bruxelles (Commercial Court, Brussels) seek the recognition, in application of Regulation No 207/2009, of infringements caused by the word sign 'English pink' to the appellants' exclusive rights in their earlier EU trade marks. Accordingly, the subject matter of both applications is the same, namely to determine the liability of Carolus C. for infringement of the appellants' rights. In that regard, the fact that the authorities sanction that same subject matter differently, namely, on the one hand, by prohibiting the use of the word sign 'English pink' as a Benelux mark and, on the other, by refusing registration of the word sign 'English pink' as an EU trade mark, does not alter the subject matter in itself in any way.

46 EUIPO submits that the first and second grounds of appeal must be rejected as being unfounded.

#### – Findings of the Court

47 By their first and second grounds of appeal, the appellants claim, in essence, that the judgment of the tribunal de commerce de Bruxelles (Commercial Court, Brussels) of 28 June 2012 was *res judicata* and, consequently, that judgment was binding on the Fourth Board of Appeal of EUIPO which examined their opposition to the registration of the word sign 'English pink' as an EU trade mark.

48 It should be noted at the outset that, as stated by the Advocate General in [point 51 of his Opinion](#), no provision of Regulation No 207/2009 envisages the procedural situation of the present case, namely the interplay between an infringement action before an EU trade mark court concerning an earlier EU trade mark and a national trade mark on the one hand, and opposition proceedings before EUIPO invoking the same earlier EU trade mark and the same sign as the national trade mark for which registration is sought on the EU level, on the other. More specifically, as the General Court noted in paragraph 60 of the judgment under appeal, Regulation No 207/2009 does not contain

any provision by which EUIPO is bound by a decision, even now definitive, by an EU trade mark court delivered in an action for infringement, in the context of the exercise of its exclusive jurisdiction over registration of EU trade marks and, in particular, when, in so doing, it examines oppositions lodged against applications to register EU trade marks.

49 That said, it follows in particular from recitals 16 and 17 of that regulation that the EU legislature has established mechanisms to ensure the uniform protection of the EU trade mark throughout the European Union, accordingly confirming the unitary character of the EU trade mark. As the General Court stated in paragraph 58 of the judgment under appeal, the EU legislature created, in that context, the EU trade mark courts having jurisdiction to order the cessation of acts of infringement or threatened infringement of an EU trade mark extending throughout the territory of the Union.

50 In contrast, it follows from Regulation No 207/2009, and, in particular, Title IV thereof, relating to the procedure for registration of an EU trade mark, that EUIPO has exclusive jurisdiction over registration and opposition to such registration of an EU trade mark. The General Court stated, correctly, in paragraph 63 of the judgment under appeal, that EUIPO is the only body empowered by the Union legislature to examine registration applications and, accordingly, authorise or refuse registration of an EU trade mark. The absence of provisions laying down that EUIPO's adjudicating bodies, when exercising their competence concerning the registration of an EU trade mark or the opposition to such registration, are bound by a final decision of an EU trade mark court is therefore the consequence of the exclusive nature of EUIPO's competence in that area.

51 Moreover, attention should be drawn to the importance, both in the legal order of the European Union and in national legal systems, of the principle of *res judicata*. In order to ensure both stability of the law and legal relations and the sound administration of justice, it is important that decisions of courts or tribunals which have become definitive after all rights of appeal have been exhausted or after expiry of the time-limits provided for in that connection can no longer be called into question (judgments of 10 July 2014 in *Impresa Pizzarotti*, C-213/13, EU:C:2014:2067, paragraph 58, and 6 October 2015 in *Târşia*, C-69/14, EU:C:2015:662, paragraph 28).

52 In that regard, it should be noted that, although Regulation No 207/2009 does not explicitly define the concept of '*res judicata*', it follows, in particular, from Article 56(3) and Article 100(2) of that regulation that, in order that decisions of a court of a Member State or EUIPO which have become final are *res judicata* and can therefore be binding on such a court or EUIPO, it is required that parallel proceedings before them have the same parties, the same subject matter and the same cause of action.

53 Since it is undisputed that the proceedings before the tribunal de commerce de Bruxelles (Commercial Court, Brussels) and the Fourth Board of Appeal of the

EUIPO involved the same parties, it is appropriate, therefore, to determine whether the subject matter of those proceedings was the same.

54 In the present case, the respective subject matter, namely the claims, of the cases examined by the tribunal de commerce de Bruxelles (Commercial Court, Brussels) and by EUIPO are not identical. The action for infringement before the Belgian court sought annulment of the Benelux mark ENGLISH PINK and an order to refrain from using that sign throughout the territory of the Union, whereas the subject matter of the proceedings before EUIPO was opposition to the registration of the EU trade mark ENGLISH PINK.

55 The appellants claim, in that regard, that the proceedings concerned may have the same subject matter even if they concern formally different applications. The application before EUIPO and that before the tribunal de commerce de Bruxelles (Commercial Court, Brussels) sought to have recognised, pursuant to Regulation No 207/2009, the infringement by Carolus C.'s word sign 'English pink' of the appellants' exclusive rights to their earlier EU trade marks. Accordingly, the subject matter of both applications is allegedly the same, namely to determine Carolus C.'s liability in the infringement of the appellants' rights.

56 That line of argument cannot be accepted. As regards, first, the registration of a mark as an EU trade mark, its purpose is, as is clear from Article 6 of Regulation No 207/2009, to obtain such an EU trade mark. Accordingly, the opposition to such registration is intended to prevent the applicant for that registration from obtaining the mark in question. In that regard, in accordance with Article 42(5) of that regulation, following the examination of the opposition to the registration, either the application for registration of the mark is refused in respect of all or part of the goods or services for which that mark is sought, or the opposition is rejected.

57 In those circumstances, the appellants cannot claim that the aim of the opposition procedure to the registration was to determine Carolus C.'s liability in the infringement of their exclusive rights to their earlier EU trade marks.

58 As regards, second, the infringement action brought before a national court acting as an EU trade marks court, the proprietor of the earlier EU trade mark asks, in the context of such an action, that court to prohibit the use of a sign creating a likelihood of confusion with that of the earlier EU trade mark. The proprietor of the EU trade mark accordingly seeks to render the infringer liable for infringement of its exclusive rights.

59 In the present case, by the judgment of the tribunal de commerce de Bruxelles (Commercial Court, Brussels) of 28 June 2012 the appellants obtained the annulment of the Benelux mark ENGLISH PINK and the prohibition of use of that sign in the European Union.

60 While it is true that, in particular in paragraphs 10 and 65 of the judgment under appeal, the General Court wrongly described that prohibition as the order to

refrain from using the Benelux mark ENGLISH PINK throughout the territory of the Union, that inaccuracy does not call into question the conclusion in paragraph 54 of the present judgment that the respective subject matter of the cases examined by the tribunal de commerce de Bruxelles (Commercial Court, Brussels) and by EUIPO are not identical and, therefore, that inaccuracy is not capable of resulting in the annulment of the judgment under appeal.

61 It should be noted, moreover, that the Court of Justice has already distinguished, although in a different factual context, between the subject matter of infringement proceedings, actions for a declaration of invalidity and proceedings concerning registration, under Regulation No 207/2009, to the effect that the possibility for the proprietor of an earlier EU trade mark to bring infringement proceedings against the proprietor of a later registered EU trade mark cannot render either the bringing of an application for a declaration of invalidity before EUIPO or the mechanisms for prior control available under the procedure for registering EU trade marks devoid of all purpose (see, to that effect, [judgment of 21 February 2013 in Fédération Cynologique Internationale, C-561/11, EU:C:2013:91](#), paragraph 48).

62 In the light of the exclusive competence of EUIPO's adjudicating bodies to authorise or refuse the registration of an EU trade mark, reiterated in paragraph 50 of the present judgment, the subject matter of any proceedings before EUIPO relating to registration of an EU trade mark or opposition to that registration necessarily is different to any proceedings before a national court, even where that court acts as an EU trade marks court.

63 Accordingly, it must be stated that the subject matter of the proceedings before the tribunal de commerce de Bruxelles (Commercial Court, Brussels) and of those before EUIPO was different and, consequently, the General Court did not err in law by making such a finding. Since the conditions relating to the identity of the parties, the subject matter and cause of action are cumulative, such a finding is sufficient to conclude that the judgment of the Tribunal de commerce de Bruxelles (Commercial Court, Brussels) of 28 June 2012 was not res judicata with regard to the contested decision.

64 Therefore, the General Court was able to find, without erring in law, that the principle of res judicata did not mean that the Fourth Board of Appeal of EUIPO was bound by the judgment of the tribunal de commerce de Bruxelles (Commercial Court, Brussels) of 28 June 2012.

65 Consequently, the first and second grounds of appeal must be rejected as being unfounded.

#### **The third ground of appeal**

66 By their third ground of appeal, the appellants claim that the General Court infringed Article 65(3) of Regulation No 207/2009 by refusing to alter the contested decision. The appellants submit that both the Fourth Board of Appeal of EUIPO and the General Court were required to decide in the same way as the judgment of the tribunal de commerce de Bruxelles

(Commercial Court, Brussels) of 28 June 2012 under the general principle of res judicata and the general principles of legal certainty, sound administration and the protection of legitimate expectations.

67 As the General Court noted in paragraph 56 of the judgment under appeal, its power to alter decisions does not have the effect of conferring on it the power to substitute its own assessment for that of a Board of Appeal of EUIPO, or of carrying out an assessment on which that Board of Appeal has not yet adopted a position ([judgment of 5 July 2011 in Edwin v OHIM, C-263/09 P, EU:C:2011:452](#), paragraph 72).

68 The success of the third ground of appeal therefore depends, as recognised by the appellants in their appeal, on the merits of their argument that the Fourth Board of Appeal of EUIPO was required to decide in the same way as the tribunal de commerce de Bruxelles (Commercial Court, Brussels). It follows, however, from the rejection of the first and second grounds of appeal that that was not the case.

69 The third ground of appeal must accordingly be rejected as being unfounded.

70 It follows from the foregoing that, since none of the grounds of appeal was upheld, the appeal must be dismissed in its entirety.

#### **Costs**

71 In accordance with Article 184(2) of the Rules of Procedure of the Court of Justice, where the appeal is unfounded, the Court is to make a decision as to costs. Under Article 138(1) of those rules, which apply to the procedure on appeal by virtue of Article 184(1) thereof, the unsuccessful party is to be ordered to pay the costs if they have been applied for in the successful party's pleadings.

72 Since EUIPO has applied for costs and the appellants have been unsuccessful, the latter must be ordered to pay the costs.

On those grounds, the Court (Fourth Chamber) hereby

1. Dismisses the appeal;
2. Orders Apple and Pear Australia Ltd and Star Fruits Diffusion to pay the costs.

[Signatures]

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#### **OPINION OF ADVOCATE GENERAL BOBEK**

delivered on 13 April 2016 (1)

Case C-226/15 P

Apple and Pear Australia Ltd

Star Fruits Diffusion

v

EUIPO

(Appeal — Community trade mark — Opposition to registration — Decision of the Board of Appeal of EUIPO — Action for infringement on the basis of earlier Community trade marks before a Community trade mark court — Relationship between legal proceedings — Res judicata — Sincere cooperation)

#### **I – Introduction**

1. Apple and Pear Australia Limited (APAL) and Star Fruits Diffusion ('the appellants') are the co-holders of three Community trade marks for Pink Lady apples. The appellants initiated two sets of proceedings in order to preclude the use of the verbal sign 'English pink' by Carolus C. BVBA ('Carolus'). First they opposed the registration of the verbal sign 'English pink' as a Community trade mark submitted by Carolus to the European Union Intellectual Property Office (EUIPO), previously known as the Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM). Second they started an action against Carolus for infringement of their verbal Community trade mark 'Pink Lady' before a Community trade mark court. Those respective proceedings gave rise to two different decisions on the matter of the likelihood of confusion between the earlier verbal Community trade mark 'Pink Lady' and the verbal sign 'English pink'.

2. This appeal raises, amongst other things, one important question of principle: to what extent is EUIPO bound, when deciding in proceedings on opposition to the registration of a Community trade mark, by a final judgment issued by a Community trade mark court following an action for infringement of an earlier registered Community trade mark?

## II – Legal framework

3. Under Article 4(3) of the Treaty on the European Union (TEU), 'pursuant to the principle of sincere cooperation, the Union and the Member States shall, in full mutual respect, assist each other in carrying out tasks which flow from the Treaties'.

4. Recitals 16 and 17 of the Community trade mark Regulation (2) read as follows:

*'(16) 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 and of ensuring that the unitary character of Community trade marks is not undermined. The provisions 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 should apply to all actions at law relating to Community trade marks, save where this Regulation derogates from those rules.*

*(17) Contradictory judgments should be avoided in actions that 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. 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 Regulation (EC) No 44/2001 appear appropriate.'*

5. By virtue of Article 56(3) of the Community trade mark Regulation, 'an application for revocation or for

*a declaration of invalidity shall be inadmissible if an application relating to the same subject matter and cause of action, and involving the same parties, has been adjudicated on by a court in a Member State and has acquired the authority of a final decision'.*

6. Pursuant to Article 94(1) of the Community trade mark Regulation, 'unless otherwise specified in this Regulation, Regulation (EC) No 44/2001 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'.

7. Article 96 of the Community trade mark Regulation provides that:

*'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;*

...

*(d) for counterclaims for revocation or for a declaration of invalidity of the Community trade mark pursuant to Article 100.'*

8. Article 100 of the Community trade mark Regulation lays down that:

...

*2. A Community trade mark court shall reject a counterclaim for revocation or for a declaration of invalidity if a decision taken by the Office relating to the same subject matter and cause of action and involving the same parties has already become final.*

...

*7. The Community trade mark court hearing a counterclaim for revocation or for a declaration of invalidity may stay the proceedings on application by the proprietor of the Community trade mark and after hearing the other parties and may request the defendant to submit an application for revocation or for a declaration of invalidity to the Office within a time limit which it shall determine. If the application is not made within the time limit, the proceedings shall continue; the counterclaim shall be deemed withdrawn. Article 104(3) shall apply.'*

9. Article 104 of the Community trade mark Regulation states that:

*'1. A Community trade mark court hearing an action referred to in Article 96, other than an action for a declaration of non-infringement, shall, unless there are special grounds for continuing the hearing, of its own motion after hearing the parties or at the request of one of the parties and after hearing the other parties, stay the proceedings where the validity of the Community trade mark is already in issue before another Community trade mark court on account of a counterclaim or where an application for revocation or for a declaration of invalidity has already been filed at the Office.*

*2. The Office, when hearing an application for revocation or for a declaration of invalidity shall,*

*unless there are special grounds for continuing the hearing, of its own motion after hearing the parties or at the request of one of the parties and after hearing the*

*other parties, stay the proceedings where the validity of the Community trade mark is already in issue on account of a counterclaim before a Community trade mark court. However, if one of the parties to the proceedings before the Community trade mark court so requests, the court may, after hearing the other parties to these proceedings, stay the proceedings. The Office shall in this instance, continue the proceedings pending before it.'*

10. Article 109 of the Community trade mark Regulation provides that:

*'1. Where actions for infringement involving the same cause of action and between the same parties are brought in the courts of different Member States, one seised on the basis of a Community trade mark and the other seised on the basis of a national trade mark:*

*(a) the court other than the court first seised shall of its own motion decline jurisdiction in favour of that court where the trade marks concerned are identical and valid for identical goods or services. The court which would be required to decline jurisdiction may stay its proceedings if the jurisdiction of the other court is contested;*

*(b) the court other than the court first seised may stay its proceedings where the trade marks concerned are identical and valid for similar goods or services and where the trade marks concerned are similar and valid for identical or similar goods or services.*

*2. The court hearing an action for infringement on the basis of a Community trade mark shall reject the action if a final judgment on the merits has been given on the same cause of action and between the same parties on the basis of an identical national trade mark valid for identical goods or services.*

*3. The court hearing an action for infringement on the basis of a national trade mark shall reject the action if a final judgment on the merits has been given on the same cause of action and between the same parties on the basis of an identical Community trade mark valid for identical goods or services.'*

### **III – Facts and proceedings**

11. The appellants are the co-holders of three Community trade marks for Pink Lady apples. One is a verbal sign and the other two are figurative signs. Carolus is a Belgian undertaking that seeks the registration of the verbal sign 'English pink' as a Community trade mark for its own kind of apples. Since 2009, 'English pink' had the status of a Benelux trade mark, the proprietor of which was Carolus.

12. On 13 October 2009, Carolus filed a request for the registration of the verbal sign 'English pink' as a Community trade mark with EUIPO. Following that request, the appellants initiated two different types of proceedings against Carolus in order to protect their existing Community trade marks.

13. First, on 20 April 2010, the appellants filed a notice of opposition with EUIPO to the registration of

'English pink' on the basis of Article 8(1)(b) and (5) of the Community trade mark Regulation.

14. Secondly, on 8 June 2010, the appellants initiated an action for infringement against

Carolus before the Tribunal de commerce de Bruxelles (Brussels Commercial Court, Belgium), seised in its capacity as a Community trade mark court. The appellants argued that the use of the verbal sign 'English pink' was unlawful because it created a likelihood of confusion with the earlier verbal Community trade mark 'Pink Lady'. They thus requested to annul the Benelux trade mark 'English pink', held by Carolus.

15. These two sets of proceedings eventually resulted in two different decisions being taken by EUIPO and the Tribunal de commerce de Bruxelles (Brussels Commercial Court) regarding the likelihood of confusion between the verbal Community trade mark 'Pink Lady' and the verbal sign 'English pink'.

16. On the one hand, on 27 May 2011, the Opposition Division of EUIPO rejected the opposition submitted by the appellants. It found that there was no likelihood of confusion between the verbal sign 'English pink' and the verbal Community trade mark 'Pink Lady'.

17. On the other hand, the Tribunal de commerce de Bruxelles (Brussels Commercial Court) ruled on 28 June 2012 that the use of the verbal sign 'English pink' created a likelihood of confusion with the earlier verbal Community trade mark 'Pink Lady'. As a result it annulled the 'English pink' Benelux trade mark, ordered Carolus to immediately stop using the sign 'English pink' within the European Union and awarded damages to the appellants in the form of a lump sum of EUR 5 000 to be paid by Carolus.

18. In the course of the summer of 2012, the appellants sent several letters to EUIPO notifying it of the decision rendered by the Tribunal de commerce de Bruxelles (Brussels Commercial Court).

19. On 29 May 2013, deciding on appeal against the decision of the Opposition Division, the Fourth Board of Appeal of EUIPO dismissed the claims made by the appellants, without making any reference to the judgment of the Tribunal de commerce de Bruxelles (Brussels Commercial Court).

20. The appellants subsequently filed an action for annulment before the General Court of the decision of the Board of Appeal of EUIPO. Their principal claim was that the General Court should alter the contested decision so that their opposition to the registration of 'English pink' as a Community trade mark be upheld. In the alternative, they asked for the annulment of the decision of the Board of Appeal of EUIPO.

### **IV – The contested General Court judgment and the proceedings before the Court**

21. By a judgment of 25 March 2015, (3) the General Court annulled the decision of EUIPO's Fourth Board of Appeal. It dismissed the remainder of the action.

22. The General Court notably held that the judgment of the Tribunal de commerce de Bruxelles (Brussels Commercial Court) could not be considered to constitute *res judicata* with regard to subsequent

decisions of the Board of Appeal of EUIPO. The subject matter and cause of action raised in the proceedings before EUIPO and before the Tribunal de commerce de Bruxelles (Brussels Commercial Court) were held not to be identical by the General Court. As such the Board of Appeal was not bound by the judgment of the Tribunal de commerce de Bruxelles (Brussels Commercial Court).

23. However, the General Court annulled the decision of the Board of Appeal because it failed to take any account of the judgment of the Tribunal de commerce de Bruxelles (Brussels Commercial Court) and to assess the potential impact of that judgment on the outcome of the opposition proceedings. At the same time, the General Court refused to alter EUIPO's decision. It stated that it was not in a position to determine which decision the Board of Appeal was required to take on the basis of the matters of fact and law as established. It could therefore not substitute its assessment for that of the Board of Appeal of EUIPO.

24. In the present appeal, the appellants contest the General Court's decision on three main grounds.

25. The first ground contains seven pleas. It can be summarised as follows: the appellants submit that the General Court erred in law by holding that the final judgment of the Tribunal de commerce de Bruxelles (Brussels Commercial Court) was not in itself sufficient to determine which decision the Board of Appeal ought to have made. For the appellants, although the Community trade mark Regulation contained no explicit provision to that effect, the judgment of the Community trade mark court was binding on EUIPO because it was a judicial decision. Further they claim that the two sets of legal proceedings, namely the opposition proceedings before EUIPO and the infringement action before the Tribunal de commerce de Bruxelles (Brussels Commercial Court), were identical as they shared the same cause of action, the same subject matter and the same parties. The appellants argue that the lawfulness of EUIPO's decision should not only have been evaluated with regard to the Community trade mark Regulation but first and foremost with regard to general principles of EU law such as *res judicata*.

26. As a second ground, the appellants argue that the conclusion that EUIPO was not bound by the final judgment of a Community trade mark court breaches their legitimate expectations and amounts to a violation of the general principles of legal certainty and good administration.

27. In their third ground, the appellants claim that the General Court violated Article 65 (3) of the Community trade mark Regulation by refusing to alter the decision of the Board of Appeal.

#### **V – Assessment**

28. Although submitted as separate grounds of appeal, the first and second grounds are closely related. They both contest, from different angles, the General Court's conclusion that the decision of the Tribunal de commerce de Bruxelles (Brussels Commercial Court)

was not *res judicata* and thus binding on the Board of Appeal of EUIPO. I shall therefore address the first and the second grounds of appeal together (Section A), before turning to the third ground (Section B).

#### **A – First and second grounds**

29. *Res judicata* is a necessary organising principle of any coherent legal order. A court (and in some instances also an administrative authority) seised of a case for which a final decision has already been issued must decline its jurisdiction. However, for such a procedural obstacle to arise, there must be identity between the first and the second cases. There must be identity of proceedings in the two cases. In this particular case, the principle of *res judicata* can only be triggered if there was identity of proceedings between the infringement action before the Tribunal de commerce de Bruxelles (Brussels Commercial Court) and the opposition to registration filed with EUIPO.

30. Thus, the key issue in the present appeal is the definition of identity of proceedings under the Community trade mark Regulation.

#### **1. Identity of proceedings and *res judicata***

31. The Community trade mark Regulation seeks to prevent inconsistent decisions being taken by Community trade mark courts, by national authorities, or by EUIPO, thereby ensuring that the unitary character of the Community trade mark is not undermined. (4) This aim translates into a number of specific procedural provisions in the regulation, which seek to avoid potentially irreconcilable decisions.

32. The principle of *res judicata* is reflected in Article 56(3) and Article 100(2) of the Community trade mark Regulation. Those provisions set out the criteria for identity of proceedings and the consequences attached to such a finding.

33. Article 56(3) of the Community trade mark Regulation provides that an application to EUIPO for revocation or for a declaration of invalidity shall be inadmissible if an application relating to the same subject matter and cause of action, and involving the same parties, has been adjudicated on by a court in a Member State.

34. Similarly, Article 100 of the Community trade mark Regulation aims at avoiding situations in which both EUIPO and a Community trade mark court would be called upon to assess the validity of the same Community trade mark. In particular, Article 100(2) requires a Community trade mark court to reject a counterclaim for revocation or for a declaration of invalidity if a decision taken by EUIPO relating to the same subject matter and cause of action and involving the same parties has already become final.

35. It is clear that neither of those two provisions is applicable to the present case. However, they provide a working definition of what constitutes identity of proceedings under the Community trade mark Regulation. Identity that gives rise to *res judicata* consists of three elements: the same subject matter, the same cause of action, and the same parties. (5)

36. Such an understanding of identity of proceedings is not limited to the Community trade mark Regulation. It can also be found in other areas of EU law, such as the Community Designs Regulation, (6) or, more importantly, Regulation (EC) No 44/2001. (7)

37. As to the consequences flowing from identity of proceedings under the Community trade mark Regulation, the effect of *res judicata* is attached to the first final decision issued either in the form of a judgment delivered by a court of law or in the form of an administrative decision taken by EUIPO. Accordingly, subsequent claims involving the same parties, subject matters and causes of action shall either be held inadmissible or rejected.

38. It ought to be added, however, that the Community trade mark Regulation does not only deal with situations in which all the three elements of identity are present (the same subject matter, the same cause of action, and the same parties) thus triggering *res judicata*. The Regulation also contains several other provisions that aim at preventing contradictory decisions being taken within the Community trade mark system even when, strictly speaking, all three elements of identity of proceedings are not present.

39. First, Article 104 of the Community trade mark Regulation, entitled ‘Specific rules on related actions’ obliges Community trade mark courts and EUIPO, unless there are special grounds for continuing the hearing, to stay their proceedings where the validity of a Community trade mark is already questioned before another Community trade mark court on account of a counterclaim or before EUIPO through an application for revocation or for a declaration of invalidity.

40. It appears to follow both from the title and the content of Article 104 of the Community trade mark Regulation that it governs situations where there is no identity of proceedings in the sense outlined above. This provision explicitly concerns ‘related actions’ and not identical actions. That wording indicates that the actions at stake are different even though the validity of a Community trade mark is in issue in both types of proceedings.

41. Second, Article 109 of the Regulation deals with related actions in the form of simultaneous and successive civil actions on the basis of Community trade marks and national trade marks. It states that where actions for infringement involving the same cause of action and the same parties are brought in the courts of different Member States, one seised on the basis of a Community trade mark and the other seised on the basis of a national trade mark, the court other than the court first seised shall decline jurisdiction or may stay its proceedings depending on the situation. Also, if a final judgment on the merits has been given on the same cause of action and between the same parties, the court hearing an action for infringement on the basis of the national or the Community trade mark shall reject the action.

42. Under Article 109 a dissatisfied party is thus not allowed to litigate the same issue a second time against the same opponent, even if the subject matter is not the

same since, formally, the new action is based on the Community trade mark instead of the national trade mark, or vice versa.

43. Both of the articles just cited suggest that, beyond (full) identity of proceedings, in which the same subject matter, the same cause of action, and the same parties are present, the Community trade mark Regulation also covers situations in which there is a considerable substantive overlap between parallel or successive disputes relating to Community trade marks. The Regulation thus recognises the interconnectedness of the legal effects of Community trade marks on the one hand and national trade marks on the other.

44. Such principles are again not unique to the Community trade mark Regulation, but are also present in other areas of EU law. Mechanisms for staying proceedings or even declining jurisdiction also exist under Regulation No 44/2001, to which recitals 16 and 17 together with Article 94 of the Community trade mark Regulation explicitly refer. The former regulation may thus provide the closest possible analogy to the Community trade mark Regulation regarding *res judicata* and related proceedings.

45. Article 27 of Regulation No 44/2001 provides that ‘1. where proceedings involving the same cause of action and between the same parties are brought in the courts of different Member States, any court other than the first court seised shall of its own motion stay its proceedings until such time as the jurisdiction of the court first seised is established; 2. where the jurisdiction of the court first seised is established, any court other than the court first seised shall decline jurisdiction in favour of that court’.

46. Pursuant to Article 28 of Regulation No 44/2001, ‘1. where related actions are pending in the courts of different Member States, any court other than the court first seised may stay its proceedings; ... 3. for the purposes of this Article, actions are deemed to be related where they are so closely connected that it is expedient to hear and determine them together to avoid the risk of irreconcilable judgments resulting from separate proceedings’.

47. Under Article 27 and Article 28 of Regulation No 44/2001, there is a clear distribution of competences between courts. First, where there is identity of proceedings, any court other than the court first seised must decline jurisdiction in favour of the court first seised. Second, in other types of actions which are not identical but are closely connected, discretion is left to the courts to decide whether to stay their proceedings while the proceedings before the court first seised continue.

48. To sum up, two types of situations can be distinguished under the Community trade mark Regulation, depending on the degree of interrelatedness of the proceedings. First, there are the situations described in Article 56(3) and Article 100 of the Community trade mark Regulation (and, by analogy, also in Article 27 of Regulation No 44/2001). They concern instances where there is identity of proceedings, that is, where the three elements of

identity are present: the same subject matter, the same cause of action, and the same parties. If these elements are present at the same time, *res judicata* is triggered. That leads to the consequence that any judicial or administrative body, such as EUIPO, other than the body first seised, is obliged to decline its jurisdiction or to stay its proceedings.

49. Second, even in the absence of full identity of proceedings, there is the looser category of related or connected actions, such as those situations outlined in Article 104, Article 109(1)(b) and Article 109(2) and (3) of the Community trade mark Regulation (and again, by analogy, under Article 28 of the Regulation No 44/2001). In the situations falling within that looser category, the deciding authority has discretion to stay the pending proceedings and await the decision of the first seised authority.

## 2. Identity of proceedings in the present case

50. In the light of the foregoing, I shall now turn to the assessment of the case at hand.

51. The present case concerns a specific procedural situation, not covered by any of the provisions of the Community trade mark Regulation: the interplay between an infringement action before a Community trade mark court concerning an earlier Community trade mark and a national trade mark on the one hand, and opposition proceedings before EUIPO invoking the same earlier Community trade mark and the same sign as the national trade mark with respect to which registration is sought on the Community level on the other.

52. Even in the absence of any specific provision dealing with this situation in the Community trade mark Regulation itself, the triggering of *res judicata* requires a finding of identity of proceedings between an infringement action and opposition proceedings.

53. This is, however, not the case here. In my view, the General Court rightly concluded that both types of actions were not identical and that, consequently, EUIPO was not bound by the decision of the Tribunal de commerce de Bruxelles (Brussels Commercial Court).

54. In paragraph 65 of the judgment under appeal, the General Court stated that *'the respective subject matters of the different sets of proceedings — that is to say, the claims — examined by the [Tribunal de commerce de Bruxelles (Brussels Commercial Court)] and by EUIPO are in fact not identical. The action for infringement before the Belgian court sought annulment of the Benelux mark English pink and an order to refrain from using that mark throughout the territory of the Union, whilst the proceedings before EUIPO concerned opposition to the registration of the Community trade mark English pink'*.

55. Furthermore, in paragraph 66, the General Court went on to state that *'the causes of action — that is to say, the bases of the claims — of the two cases are also different. In the proceedings before the Tribunal de commerce de Bruxelles, the basis of the applicants' claim for an order aimed at preventing infringement of the Community trade marks ... was Article 9(1)(b) and*

*(c) of Regulation No 207/2009. Similarly, the basis for the claim for a declaration of invalidity of the Benelux mark English pink was Article 2.3 and Article 2.28*

*(3)(b) of the Benelux Convention on Intellectual Property ... That court held that there had been infringement of the aforementioned Community trade marks, annulled the Benelux mark English pink and ordered that sign not to be used throughout the territory of the Union. By contrast, in the proceedings before EUIPO, the applicants opposed the registration of a new Community trade mark on the basis of other provisions of Regulation No 207/2009, namely Articles 8(1)(b) and (5) of that Regulation.'*

56. Thus, as the General Court rightly pointed out, there was no identity of the subject matters or causes of action.

57. First, as far as the subject matter (9) is concerned, infringement actions and opposition proceedings pursue somewhat different objectives. On the one hand, infringement actions may be filed before Community trade mark courts by the holder of an earlier Community trade mark against the user of a sign that creates a risk of confusion with the Community trade mark in order to obtain a prohibition of such detrimental use throughout the European Union. On the other hand, opposition proceedings relate to the registration procedure before EUIPO of a sign as a Community trade mark. Those proceedings aim at preventing registration, which is an administrative act. So even though both sets of actions undoubtedly share several features, they are not identical. (10)

58. This is also apparent in the present case as regards the claims made: the specific aim in terms of the claim made by the appellants before the Tribunal de commerce de Bruxelles (Brussels Commercial Court) was the cancellation of two Benelux trade marks. However, the aim of the opposition proceedings before EUIPO was to prevent the registration of a new Community trade mark.

59. Second, concerning the cause of action, Community trade mark courts and EUIPO apply different rules. In the present case, while the former applied the Community trade mark Regulation but also national/Benelux law in cancelling the Benelux mark 'English pink', the latter only applied the Community trade mark Regulation. (11)

60. In addition, EUIPO and the Tribunal de commerce de Bruxelles (Brussels Commercial Court) did not apply the same provisions of the Community trade mark Regulation itself. The Tribunal de commerce de Bruxelles (Brussels Commercial Court) applied Article 98 and Article 102 of the regulation whereas EUIPO applied Article 8(1)(b) and (5), Article 41 and Article 42.

61. Finally, whilst the assessment of likelihood of confusion is an element of both opposition proceedings and infringement proceedings, the Court has already held that that assessment differs depending on the type of proceedings. The assessment is bound to be retrospective and more concrete in actions for the prohibition of the use of a sign where *'the assessment*

*must be limited to the circumstances characterising that use, without there being any need to investigate whether another use of the same sign in different circumstances would also be likely to give rise to a likelihood of confusion*'. (12) Conversely, the evaluation is bound to be prospective and more general in opposition proceedings. As the Court stated, 'since [they] may vary in time and depending on the wishes of the proprietors of the opposing marks, it is inappropriate to take [the particular factual] circumstances into account in the prospective analysis of the likelihood of confusion between those marks'. (13)

62. Thus, in the absence of identity of causes of action and subject matters, *res judicata* cannot be triggered in this case.

63. I am therefore of the opinion that the General Court did not err in law holding that EUIPO was not bound by the judgment of the Tribunal de commerce de Bruxelles (Brussels Commercial Court).

### **3. Beyond formal identity: sincere and loyal cooperation within the Community trade mark system**

64. The assessment of identity of proceedings, which is the only trigger of the principle of *res judicata*, is by definition formal and narrow in scope. This is logical: since the principle is concerned with clarity and predictability, its construction must be predictable and rather narrow, strictly focusing on the assessment of the presence of all three of its constitutive elements. As is, however, already apparent from the analysis carried out above, the duty of both national and European authorities operating within the Community trade mark system is not limited to avoiding formally contradictory decisions. As follows from recital 17 of the regulation, as well as on the level of primary law from Article 4(3) TEU, the same authorities are obliged to take care to prevent the emergence of decisions which, although not identical in form, are difficult to reconcile substantively.

65. Much could be said in this regard in the present case. Although there is no formal identity of proceedings, one cannot overlook the considerable substantive overlap existing between the decision of the Board of Appeal of EUIPO and the judgment of the Tribunal de commerce de Bruxelles (Brussels Commercial Court). The actions that gave rise to these decisions certainly qualify as related actions and this fact was apparently known to both decision-making authorities involved.

66. First, as the General Court pointed out in paragraphs 30 to 34 of its judgment, the Board of Appeal of EUIPO had been duly informed of the previous decision of the Tribunal de commerce de Bruxelles (Brussels Commercial Court). In violation of Article 75 of the Community trade mark Regulation, however, it failed to take it into account in any way in its subsequent decision.

67. I cannot but agree with this conclusion. The Boards of Appeal of EUIPO are required to take into account all new evidence and facts submitted to them. They do

not conduct limited judicial review of the first-instance decision but, by virtue of the functional continuity between the first and second instances of EUIPO, *de novo* appeals. (14) They are required to base their decisions on all of the matters of fact and of law which the parties introduced either at first instance or on appeal. Accordingly, the Fourth Board of Appeal should have taken into account the judgment of the Tribunal de commerce de Bruxelles (Brussels Commercial Court) in its reasoning.

68. This in no way amounts to undermining the autonomy of EUIPO. The Community trade mark Regulation remains the decisive yardstick when it comes to the registration of a Community trade mark. Yet, a decision of a Community trade mark court dealing substantively with the same issue, that is, the likelihood of confusion between the same two signs, is a relevant fact for the purposes of the Community trade mark Regulation. That is all the more relevant given that it is possible to imagine that the very same Community trade mark court could, in view of its jurisdiction, be called upon to assess the likelihood of confusion between the verbal signs 'English pink' and 'Pink Lady' a second time, as the Court of Justice recently ruled that the proprietor of an earlier Community trade mark could also bring infringement proceedings against the proprietor of a later registered Community trade mark. (15)

69. It ought to be clearly added that the obligation 'to take into account' does not amount to 'being bound' by the substance and being accordingly obliged to reach the same conclusion on the merits. The uneasy but logical conclusion of this differentiation is that EUIPO could potentially reach a different substantive conclusion as far as the likelihood of confusion is concerned between two signs with regard to the registration of a Community trade mark than a Community trade mark court reached with regard to the revocation of a previous national trade mark.

70. This conclusion is uneasy because it is certainly not desirable. However, within the current procedural set-up, it is possible. It ought to be nonetheless stressed that if there is no identity of proceedings when deciding on the merits, then logically identity at the later stage of enforcement cannot be required. In concrete terms, the prohibition of using a sign as a national trademark cannot preclude the same sign being registered and used as a Community trademark.

71. Second, it ought to be stressed that the final judgment of the Tribunal de commerce de Bruxelles (Brussels Commercial Court) is naturally not touched upon by the present dispute. However, on a general level, one might add that a Community trade mark court finding itself in a situation similar to that of the Tribunal de commerce de Bruxelles (Brussels Commercial Court) would be well advised to stay its proceedings and await a decision on the matter by EUIPO. Absent any specific provision in this regard in the Community trade mark Regulation itself, a national court acting as Community trade mark court could use its discretion and certainly order a stay of proceedings

under the national rules of procedure, referring by analogy to Articles 100(7), 104 and 109(1) of the Community trade mark Regulation. It could even have ordered provisional and protective measures during the stay of proceedings under Article 104(3) and Article 109(4) of the regulation.

72. In conclusion, the present case is certainly not a good example of sincere and loyal cooperation within the Union in general and specifically within the Community trade mark system — not unless the principle of mutual cooperation is to be superseded by the principle of mutual disregard. However, even in the absence of a specific procedural provision in the Community trade mark Regulation itself, and in the absence of identity of proceedings that would trigger the application of the general principle of *res judicata* between the two proceedings in question, I am of the view that the current system, if taken seriously, already provides a solution to these kinds of situations: both EUIPO as well as Community trade mark courts, are obliged to take into account related or connected proceedings or decisions rendered by the other authority and to reflect this fact in their actions and eventual substantive decisions.

#### **B – Third ground**

73. As regards the third ground of appeal concerning the violation of Article 65(3) of the Community trade mark Regulation, I consider that the General Court did not err by refusing to decide the case itself.

74. The power of the General Court to alter decisions does not have the effect of conferring on that court the power to substitute its own reasoning for that of a Board of Appeal or to carry out an assessment of matters on which the Board of Appeal has not yet adopted a position. (16) Exercise of the power to alter decisions must therefore, in principle, be limited to situations in which the General Court, after reviewing the assessment made by the Board of Appeal, is in a position to determine, on the basis of the matters of fact and law as established, what decision the Board of Appeal was required to take.

75. In the present case, the Board of Appeal of EUIPO has not taken into account the judgment of the Tribunal de commerce de Bruxelles (Brussels Commercial Court) which would have been of significance. The assessment of that judgment cannot be substituted by the General Court.

76. Finally, if the General Court cannot substitute its assessment for that of EUIPO in such circumstances, the same applies, a fortiori, to the Court of Justice. In the present case, the Court of Justice is not able to substitute its own assessment for that of the Board of Appeal and deliver a judgment on the merits of the opposition, pursuant to Article 61 of the Statute of the Court of Justice. Accordingly, the case ought to be remitted back to the Board of Appeal.

77. For these reasons, I suggest that the third ground of appeal ought to be dismissed.

#### **VI – Costs**

78. The appellants were not successful in their appeal. In application of Article 138(1) of the Rules of

Procedure, they should bear their own costs and pay those incurred by EUIPO. However, it cannot be overlooked that this dispute arose partly due to considerable shortcomings on the part of the decision of EUIPO. Therefore, it appears equitable to me that each party should bear its own costs, in application of Article 138(3) of the Rules of Procedure.

#### **VII – Conclusion**

79. In the light of the foregoing, I propose that the Court should:

- (1) Dismiss the appeal.
- (2) Order each party to bear its own costs.

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1 – Original language: English.

2 – Council Regulation (EC) No 207/2009 of 26 February 2009 on the Community trade mark (OJ 2009 L 78, p. 1).

3 – Judgment in *Apple and Pear Australia and Star Fruits Diffusion v OHIM–CarolusC.* (English pink) (T378/13, EU:T:2015:186).

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4 – See recital 16 of the Community trade mark Regulation. On the unitary character of the Community trade mark system in general, see Opinion of Advocate General Cruz Villalón in *DHL Express* (C–235/09, EU:C:2010:595, paragraphs 18–26).

5 – It ought to be pointed out that the terminology used for the individual elements of *res judicata* differs somewhat across the various language versions and may thus cause some confusion. In particular, the English version of the Community trade mark Regulation uses the term ‘subject matter’, whereas the French version uses ‘l’objet’ for capturing the same element. In this Opinion, I retain the terminology introduced by the English version of the Regulation, in spite of the fact that the natural meaning of the words might be somewhat different. For the purpose of the present case I understand ‘cause of action’ as referring to the facts and legal provisions that are relied on as the basis of the claim, and ‘subject matter’ as referring to both, the object of the action in the sense of the result the claimant is aiming at as well as the particular thing that is the subject of the action.

6 – Council Regulation (EC) No 6/2002 of 12 December 2001 on Community Designs (OJ 2002 L 3, p. 1). See especially Articles 52(3) and 86(5).

7 – Council Regulation of 22 December 2000 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters (OJ 2001 L 12, p. 1). This regulation was recast by Regulation (EU) No 1215/2012 of 12 December 2012 (OJ 2012 L 351, p. 1). See, in the context of the Brussels Convention of 27 September 1968, the judgments in *Gubisch Maschinenfabrik v Palumbo* (144/86, EU:C:1987:528, paragraphs 14–17); *Tatry* (C–406/92, EU:C:1994:400, paragraphs 38–45); *Drouot assurances* (C–351/96, EU:C:1998:242, paragraph 19); *Gantner*

Electronic (C-111/01, EU:C:2003:257, paragraphs 24-32); Gasser (C-116/02, EU:C:2003:657, paragraph 41); and Mærsk Olie & Gas (C-39/02, EU:C:2004:615, paragraphs 34-39). See, under Regulation No 44/2001, the judgments in Nipponkoa Insurance Co. (Europe) (C-452/12, EU:C:2013:858, paragraphs 42-44), and Aannemingsbedrijf Aertssen and Aertssen Terrassements (C-523/14, EU:C:2015:722, paragraphs 43-46).

8 – Under the recast regulation, Articles 27 and 28 have become Articles 29 and 30. The changes that were introduced do not have any impact on the present analysis.

9 – See footnote 5.

10 – Yet again, for a broader analogy in the context of the Brussels Convention, see the judgments in Gubisch Maschinenfabrik v Palumbo (144/86, EU:C:1987:528, paragraphs 15-17); Tatry (C-406/92, EU:C:1994:400, paragraphs 41-44); and Mærsk Olie & Gas (C-39/02, EU:C:2004:615, paragraphs 35-36). See also, in another context but voicing similar concerns, judgments in Commission v Tomkins (C-286/11 P, EU:C:2013:29, paragraph 43), and Total v Commission (C-597/13 P, EU:C:2015:613, paragraphs 39-41).

11 – See, generally, order in Emram v OHIM (C-354/11 P, EU:C:2012:167, paragraph 92 et seq.); judgment in Alcon v OHIM (C-412/05 P, EU:C:2007:252, paragraph 65).

12 – Judgment in O2 Holdings & O2 (UK) (C-533/06, EU:C:2008:339, paragraph 67).

13 – Judgment in T.I.M.E. ART v OHIM (C-171/06 P, EU:C:2007:171, paragraph 59).

14 – Judgment in OHIM v Kaul (C-29/05 P, EU:C:2007:162, paragraph 57).

15 – Judgment in Fédération Cynologique Internationale (C-561/11, EU:C:2013:91).

16 – Judgment in Edwin v OHIM (C-263/09 P, EU:C:2011:452, paragraph 72).