

European Court of Justice, 16 July 2009, American Clothing v OHIM



TRADEMARK LAW

Protection of State emblems

- Protection of State emblems is not subject to there being a connection, in the mind of the public, between the trade mark for which registration is sought and the emblem

At points 59 to 63 of his Opinion, the Advocate General highlighted some of the essential functions which may be attributed to a State emblem. These include that of identifying a State and that of representing its sovereignty and unity. The essential function of the trade mark, for its part, is to guarantee the identity of the origin of the marked product or service to the consumer or end-user by enabling him, without any possibility of confusion, to distinguish the product or service from others which have another origin [...] It is apparent from the second sentence of Article 6ter(1)(c) of the Paris Convention that the protection of State emblems is not subject to there being a connection, in the mind of the public, between the trade mark for which registration is sought and the emblem. In the case of emblems of international organisations, that provision authorises the registration and use of a trade mark if that mark is not of a nature such as to mislead the public regarding the existence of a connection between the user of the trade mark and the organisation. It follows that, in other cases, namely those involving State emblems, that possibility does not exist and there is therefore no need to ascertain whether there is such a connection.

- Thus, a trade mark which does not exactly reproduce a State emblem can nevertheless be covered by Article 6ter(1)(a) of the Paris Convention, where it is perceived by the relevant public, in the present case the average consumer, as imitating such an emblem.
- The Court of First Instance therefore did not err in law by holding that a number of artistic interpretations of one and the same emblem on the basis of the same heraldic description were possible.

Trade marks for goods and service marks

- Article 6ter leaves the extension of the protection guaranteed to trade marks for goods to service marks to the discretion of the States

Consequently, Article 6ter leaves the extension of the protection guaranteed to trade marks for goods to service marks to the discretion of the States party to the Convention. In doing so, the Paris Convention does not

require those States to distinguish between the two types of marks. It is therefore necessary to consider whether the Community legislature intended to exercise that power of discretion and to extend to service marks the protection granted to trade marks for goods under the Paris Convention.

- Registration of a trade mark must be refused, whether the application concerns goods or services, where one of the grounds for refusal listed in Article 6ter of the Paris Convention applies to it.

Consequently, as in the case of the majority of absolute grounds for refusal set out in Article 7(1) of Regulation No 40/94, registration of a trade mark must be refused, whether the application concerns goods or services, where one of the grounds for refusal listed in Article 6ter of the Paris Convention applies to it.

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European Court of Justice, 16 July 2009

(P. Jann, A. Tizzano, A. Borg Barthet, E. Levits and J.-J. Kasel)

JUDGMENT OF THE COURT (First Chamber)

16 July 2009 (*)

(Appeal – Intellectual property – Regulation (EC) No 40/94 – Community trade mark – Paris Convention for the Protection of Industrial Property – Absolute grounds for refusal to register a trade mark – Trade marks identical with or similar to a State emblem – Representation of a maple leaf – Applicability to service marks)

In Joined Cases C-202/08 P and C-208/08 P, APPEALS under Article 56 of the Statute of the Court of Justice, brought on 8 and 16 May 2008 respectively, American Clothing Associates NV, established in Evergem (Belgium), represented by P. Maeyaert, advocaat, and by N. Clarembeaux and C. De Keersmaeker, avocats,

appellant,

the other party to the proceedings being:

Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM), represented by A. Follard-Monguiral, acting as Agent, defendant at first instance (C-202/08 P), and

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

the other party to the proceedings being:

American Clothing Associates NV, established in Evergem (Belgium), represented by P. Maeyaert, advocaat, and N. Clarembeaux, and C. De Keersmaeker, avocats,

applicant at first instance (C-208/08 P),

THE COURT (First Chamber),

composed of P. Jann, President of the Chamber, A. Tizzano, A. Borg Barthet (Rapporteur), E. Levits and J.-J. Kasel, Judges,

Advocate General: D. Ruiz-Jarabo Colomer,

Registrar: C. Strömholm, Administrator, having regard to the written procedure and further to the hearing on 26 March 2009, after hearing the [Opinion of the Advocate General](#) at the sitting on 12 May 2009, gives the following

Judgment

1 By their appeals, American Clothing Associates NV ('American Clothing') and the Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM) are seeking to have set aside the judgment of the Court of First Instance of the European Communities of 28 February 2008 in Case T-215/06 *American Clothing Associates v OHIM* (Representation of a maple leaf) [2008] ECR II-303, ('the judgment under appeal'), in which the Court of First Instance partially annulled the decision of the First Board of Appeal of OHIM of 4 May 2006 (Case R 1463/2005-1) rejecting the application for registration of a sign representing a maple leaf as a Community trade mark ('the decision at issue').

Legal context

2 Article 7(1) 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') is entitled 'Absolute grounds for refusal' and provides:

'1. The following shall not be registered:

...

(h) trade marks which have not been authorised by the competent authorities and are to be refused pursuant to Article 6ter of the Paris Convention;

(i) trade marks which include badges, emblems or escutcheons other than those covered by Article 6ter of the Paris Convention and which are of particular public interest, unless the consent of the appropriate authorities to their registration has been given.

...'

3 Article 29(1) of Regulation No 40/94 provides that 'a person who has duly filed an application for a trade mark in or for any State party to the Paris Convention or to the Agreement establishing the World Trade Organisation, or his successors in title, shall enjoy, for the purpose of filing a Community trade mark application for the same trade mark in respect of goods or services which are identical with or contained within those for which the application has been filed, a right or priority during a period of six months from the date of filing of the first application.'

4 Under Article 38(2) of that regulation, 'where the trade mark contains an element which is not distinctive, and where the inclusion of said element in the trade mark could give rise to doubts as to the scope of protection of the trade mark, the Office may request, as a condition for registration of said trade mark, that the applicant state that he disclaims any exclusive right to such element. ...'

5 Articles 1, 6, 6ter, 6sexies and 7 of the Convention for the Protection of Industrial Property, signed in Paris on 20 March 1883, last revised at Stockholm on

14 July 1967 and amended on 28 September 1979 (United Nations Treaty Series, Vol. 828, No 11851, p. 305; 'the Paris Convention') provide:

'Article 1

...

(2) The protection of industrial property has as its object patents, utility models, industrial designs, trade marks, service marks, trade names, indications of source or appellations of origin, and the repression of unfair competition.

...

Article 6

(1) The conditions for the filing and registration of trade marks shall be determined in each country of the Union [composed of the countries to which the Paris Convention applies] by its domestic legislation.

...

Article 6ter

(1) (a) The countries of the Union agree to refuse or to invalidate the registration, and to prohibit by appropriate measures the use, without authorisation by the competent authorities, either as trade marks or as elements of trade marks, of armorial bearings, flags, and other State emblems, of the countries of the Union, official signs and hallmarks indicating control and warranty adopted by them, and any imitation from a heraldic point of view.

(b) The provisions of subparagraph (a), above, shall apply equally to armorial bearings, flags, other emblems, abbreviations, and names, of international intergovernmental organisations of which one or more countries of the Union are members, with the exception of armorial bearings, flags, other emblems, abbreviations, and names, that are already the subject of international agreements in force, intended to ensure their protection;

(c) No country of the Union shall be required to apply the provisions of subparagraph (b), above, to the prejudice of the owners of rights acquired in good faith before the entry into force, in that country, of this Convention. The countries of the Union shall not be required to apply the said provisions when the use or registration referred to in subparagraph (a), above, is not of such a nature as to suggest to the public that a connection exists between the organisation concerned and the armorial bearings, flags, emblems, abbreviations, and names, or if such use or registration is probably not of such a nature as to mislead the public as to the existence of a connection between the user and the organisation.

...

(3) (a) For the application of these provisions, the countries of the Union agree to communicate reciprocally, through the intermediary of the International Bureau, the list of State emblems, and official signs and hallmarks indicating control and warranty, which they desire, or may hereafter desire, to place wholly or within certain limits under the protection of this Article, and all subsequent modifications of such list. Each country of the Union shall in due course make available to the public the lists so communicated. Nevertheless

such communication is not obligatory in respect of flags of States.

...
...

Article 6sexies

The countries of the Union undertake to protect service marks. They shall not be required to provide for the registration of such marks.

Article 7

The nature of the goods to which a trade mark is to be applied shall in no case form an obstacle to the registration of the mark.'

6 Article 16 of the Trade Mark Law Treaty, adopted in Geneva on 27 October 1994, provides that 'any Contracting Party shall register service marks and apply to such marks the provisions of the Paris Convention which concern trademarks.'

Facts

7 On 23 July 2002, American Clothing filed an application for a Community trade mark at OHIM under Regulation No 40/94.

8 The trade mark for which registration was sought, consisting of the image of a maple leaf with the letters 'RW' below it, is reproduced below:



9 The goods and services in respect of which registration was sought are in Classes 18, 25 and 40 of the Nice Agreement concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, as revised and amended ('the Nice Agreement'), and correspond to the following descriptions:

- 'Leather and imitations of leather, and goods made of these materials and not included in other classes; animal skins; trunks and travelling bags; umbrellas, parasols and walking sticks; whips, harness and saddlery' (Class 18);
- 'Clothing, footwear, headgear' (Class 25); and
- 'Tailoring; taxidermy; bookbinding; dressing, processing and finishing of skins, leather, furs and textiles; photographic film development and photographic printing; woodworking; fruit pressing; grain milling; processing, tempering and finishing of metal surfaces' (Class 40).

10 By decision of 7 October 2005, the examiner refused registration of the mark applied for in respect of all the goods and services concerned, on the basis of Article 7(1)(h) of Regulation No 40/94, stating that the mark was liable to give rise to an impression on the part of the public that it was linked to Canada, as he took the view that the maple leaf in the trade mark applied for is a copy of the emblem of Canada.

11 That emblem, as it appears in the communication of the International Bureau of the World Intellectual Property Organisation (WIPO) of 1 February 1967 to

the States which are parties to the Paris Convention and in the WIPO database, is the following:



12 On 6 December 2005, American Clothing filed a notice of appeal against the examiner's decision under Articles 57 to 62 of Regulation No 40/94.

13 By the decision at issue, the First Board of Appeal of OHIM dismissed the appeal filed by American Clothing and upheld the examiner's decision.

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

14 By application lodged at the Registry of the Court of First Instance on 8 August 2006, American Clothing brought an action against the decision at issue on the basis of a single plea alleging infringement of Article 7(1)(h) of Regulation No 40/94.

15 In the judgment under appeal, the Court of First Instance partially annulled the decision at issue, in so far as it relates to the registration of the mark applied for in respect of services in Class 40 of the Nice Agreement, on the ground that Article 6ter(1)(a) of the Paris Convention, to which Article 7(1)(h) of Regulation No 40/94 directly refers, does not apply to service marks.

16 The Court effectively refused to give a wide interpretation to Article 6ter of the Paris Convention and, consequently, to rely on Article 7(1)(h) as the legal basis for refusing to register a service mark as a Community trade mark. At paragraph 31 of the judgment under appeal, it held, inter alia, in that connection, that it was precisely in order to extend to service marks the protection granted to trade marks for goods by the Paris Convention that a specific provision was inserted in Article 16 of the Trade Mark Law Treaty, adopted at Geneva on 27 October 1994. However, that Treaty has not been ratified by the European Community.

17 The Court also held, at paragraph 32 of the judgment under appeal, that when it adopted the original version of Regulation No 40/94 relatively recently the Community legislature was aware of the importance, in modern commerce, of service marks and could, therefore, also have extended the protection granted to State emblems by Article 6ter of the Paris Convention to that category of marks. As the legislature did not see fit to extend the scope of the relevant provisions in such a way, the Court of First Instance considered that it is not for the Community judicature to take the place of the Community legislature and apply an interpretation contra legem of those provisions, whose meaning is in no way ambiguous.

18 As to the remainder, the Court of First Instance rejected the appeal, holding that the Board of Appeal had been correct to refuse registration of the trade mark applied for in respect of the goods in Classes 18 and 25 of the Nice Agreement.

19 In order to reach that conclusion, the Court of First Instance held, in particular, at paragraph 65 of the judgment under appeal, that for the purpose of assessing a complex mark from the perspective of Article 6ter of the Paris Convention, regard must be had to each of the elements of that mark and it is sufficient that one of them is a State emblem or an imitation thereof 'from a heraldic point of view' to preclude registration of the mark concerned, irrespective of what the overall perception of that mark might be.

20 Concerning the maple leaf in the trade mark applied for, the Court of First Instance subsequently held, at paragraph 72 of the judgment under appeal, that, when making a comparison between the sign in that mark and a State emblem, 'from a heraldic point of view' within the meaning of Article 6ter of the Paris Convention, regard must be had to the heraldic description of the emblem concerned and not to a possible geometric description of the same emblem, which is by nature much more detailed. It concluded, at paragraph 75 of that judgment, that in spite of slight differences, the relevant public in the Community, that is, the average consumer at which the articles of everyday consumption covered by the trade mark applied for are directed, will perceive that mark essentially as an imitation of the Canadian emblem.

21 At paragraph 77 of the judgment under appeal, the Court of First Instance also observed that the application of Article 6ter(1)(a) of the Paris Convention is not subject to the condition that there be a possibility of error on the part of the public concerned as regards the origin of the goods designated by the mark applied for or as regards the existence of a connection between the proprietor of that mark and the State whose emblem appears in that mark. The Court additionally held, at paragraph 81 of that judgment, that the alleged reputation of the trade mark applied for is also irrelevant.

22 As regards the question whether earlier national registrations of trade marks identical with or comparable to the mark for which registration is sought should be taken into account, the Court of First Instance pointed out, at paragraph 84 of the judgment under appeal, that neither OHIM nor, as the case may be, the Community judicature are bound by decisions adopted in any Member State, or indeed a third country, finding the sign itself, or similar signs, to be registrable as a national trade mark. Concerning the allegedly less restrictive practice of the Canadian Intellectual Property Office, the Court, at paragraph 85 of the judgment under appeal, held that the applicant had neither proved nor even stated unequivocally that it had obtained authorisation from the competent Canadian authorities to register a mark identical to the mark applied for.

Forms of order sought in the appeal proceedings

23 In Case C-202/08 P, American Clothing claims that the Court should:

- set aside the judgment under appeal in so far as the Court of First Instance held that the First Board of Appeal of OHIM had not infringed Article 7(1)(h) of Regulation No 40/94 by adopting the decision at issue in so far as that decision relates to the registration of

the trade mark applied for in respect of goods in Class 18 for the purposes of the Nice Agreement, namely 'leather and imitations of leather, and goods made of these materials and not included in other classes; animal skins; trunks and travelling bags; umbrellas, parasols and walking sticks; whips, harness and saddlery' and Class 25 for the purposes of that Agreement, namely 'clothing, footwear, headgear', and

- order OHIM to pay the costs.

24 OHIM contends that the Court, in that case, should:

- dismiss the appeal, and
- order American Clothing to pay the costs.

25 In Case C-208/08 P, OHIM claims that the Court should:

- set aside the judgment under appeal, in so far as it held that Article 7(1)(h) of Regulation No 40/94 does not apply to marks designating services;
- order American Clothing to pay the costs.

26 American Clothing contends that the Court, in that case, should:

- confirm the judgment under appeal, in so far as it held that Article 7(1)(h) of Regulation No 40/94 and Article 6ter of the Paris Convention do not apply to service marks, and
- order OHIM to pay the costs.

The appeals

27 The parties and the Advocate General having been heard on the point, Cases C-202/08 P and C-208/08 P were, on account of the connection between them, joined by order of the President of the Court of 11 February 2009 for the purposes of the written and oral procedures and the judgment, in accordance with Article 43 of the Rules of Procedure.

Case C-202/08 P

Arguments of the parties

28 American Clothing alleges that the Court of First Instance erred in law as regards the application of the grounds for refusal of registration of a trade mark under Article 7(1)(h) of Regulation No 40/94 and Article 6ter(1)(a) of the Paris Convention.

29 It states that the Court of First Instance misinterpreted the relevance of the essential function of a State emblem for the purposes of assessing the scope of its protection. The protection granted to such an emblem should be limited to situations in which its essential functions are liable to be affected. The refusal to register such an emblem as a trade mark or a component of a trade mark can be justified only where the use of the trade mark or a component thereof is liable to compromise the symbols of the identity and sovereignty of a State to which that emblem refers. State emblems are thus protected signs, like trade marks and appellations of origin, to which the same criteria for protection are applicable by analogy.

30 American Clothing argues that the protection of State emblems under Article 6ter(1)(a) of the Paris Convention is intended to protect those emblems from similarities with regard to other signs in a clearly defined field, namely imitations 'from a heraldic point of view'. Contrary to what the Court of First Instance held

at paragraph 71 of the judgment under appeal, that concept of 'imitation from a heraldic point of view' is intended to protect not the symbol as such but a very precise artistic interpretation, a specific graphic work, which is the result of the application of the rules governing heraldic art. If an emblem has no or few heraldic characteristics, there can be no imitation within the meaning of that provision.

31 The interpretation adopted by the Court of First Instance in the judgment under appeal results in granting States an almost absolute monopoly over signs with few heraldic characteristics, thereby making those signs unavailable for use as components of trade marks. In fact, there are many registered trade marks which include signs registered as a State emblem, such as, for example, the Irish clover leaf.

32 American Clothing lastly submits that the Court of First Instance misinterpreted the relevance of certain facts in the case. Thus, it disregarded at paragraphs 64 and 65 of the judgment under appeal the overall impression produced by the trade mark, holding that that impression was irrelevant where the registration of a trade mark which consists of a State emblem, or an imitation thereof from the heraldic point of view, was at stake. American Clothing also states that Article 6ter of the Paris Convention does not appear to preclude a complex mark including an emblem from being registered together with a 'disclaimer' such as that provided for in Article 38 of Regulation No 40/94, by which the applicant states that it disclaims any exclusive right to an element of the mark. That corresponds, furthermore, to the practice of the Canadian Intellectual Property Office, which agreed to register trade marks with an eleven-point maple leaf provided that a 'disclaimer' was accepted in respect of them. In the present case, the Court of First Instance distorted the facts by refusing to accept that such a practice of that office existed, in particular as regards the imposition of a 'disclaimer' for the trade mark with which these proceedings are concerned, the registration of which was subsequently abandoned for other reasons.

33 American Clothing adds that OHIM cannot thus protect State emblems more strictly than do the States themselves. The Court of First Instance should also have taken into account the practice of OHIM and the other national offices on that issue. American Clothing claims that in normal conditions of use, less pronounced heraldic characteristics such as those in the trade mark applied for are not perceived by the public, who will see only an ornamental element rather than a reference to a State emblem. Such heraldic characteristics are, furthermore, found in other signs frequently used as a trade mark.

34 OHIM points out, first of all, that in an appeal the Court of Justice is limited to questions of law and that, consequently, the question whether the representation of the maple leaf in the trade mark application at issue is an imitation from the heraldic point of view of the emblem of Canada is a finding of fact which falls outside the scope of the Court's review.

35 OHIM rejects all of American Clothing's arguments concerning the requirement that the essential function of State emblems be jeopardised. Unlike conflicts between distinctive signs, the refusal to register a trade mark does not, in its opinion, require the demonstration of a 'link' between the trade mark's proprietor and the State whose emblem is imitated, since the essential function of a State emblem is not to guarantee the commercial origin of goods and services. The protection granted to a State emblem is absolute in the sense that it does not depend on whether the emblem imitated in a trade mark is perceived by the public as a distinctive element or an ornamental element.

36 For that reason as well, contrary to what American Clothing claims, there is no need to assess the trade mark applied for as a whole. As regards the possibility of a 'disclaimer', as provided for in Article 38(2) of Regulation No 40/94, such a possibility does not arise where the trade mark element at issue is challenged on a ground other than a lack of distinctive character.

37 Moreover, the Court of First Instance correctly held that imitation, from a heraldic point of view, must be examined in the light of the heraldic description of an emblem, rather than in relation to its geometric or graphic description. The heraldic description of an emblem represents more than its sole geometric or graphic description, since the precise graphic representation of an emblem may vary without thereby altering the heraldic characteristics of that emblem. Article 6ter(1)(a) of the Paris Convention confirms that the protection of emblems is not limited to their graphic representation since, under that provision, that protection extends to any imitation 'from the heraldic point of view'. Nor does the scope of an emblem's protection depend on the extent to which its heraldic characteristics are pronounced, the emblem of Japan being entitled, for example, to the same protection as a more sophisticated emblem. OHIM points out that the heraldic description of the emblem of Canada made by the Court of First Instance is a purely factual assessment outside the scope of the Court's review.

38 As regards the facts of the case, OHIM states that the Court of First Instance did not distort the facts in the present case by failing to have regard to the practice of the Canadian Intellectual Property Office, but merely observed that the facts put forward had not been proved. Neither OHIM nor the Community judicature are required to take into account a national practice based on legal provisions which have no equivalent in Regulation No 40/94, nor, furthermore, does Article 6ter of the Paris Convention refer to the law or practice of the State from which the protected emblem originates. Even if similar marks had mistakenly been registered by OHIM, the principle of legality should prevail over that of equal treatment. As regards the circumstances of the use, notwithstanding that those circumstances may vary, they should not be taken into account since it is necessary to ascertain whether the trade mark applied for contains an imitation of a State emblem regardless of the circumstances of its use.

Findings of the Court

39 As regards the claim that the Court of First Instance failed to have regard to the relevance of the essential function of a State emblem in order to define the scope of its protection, it is necessary to examine that essential function and the Community and international rules applicable to State emblems, by comparing that function and those rules to those applicable to trade marks.

40 At points 59 to 63 of his Opinion, the Advocate General highlighted some of the essential functions which may be attributed to a State emblem. These include that of identifying a State and that of representing its sovereignty and unity. The essential function of the trade mark, for its part, is to guarantee the identity of the origin of the marked product or service to the consumer or end-user by enabling him, without any possibility of confusion, to distinguish the product or service from others which have another origin (see, *inter alia*, [Case C-39/97 Canon \[1998\] ECR I-5507, paragraph 28](#), and [Case C-120/04 Medion \[2005\] ECR I-8551, paragraph 23](#)).

41 For the trade mark to be able to fulfil its essential role in the system of undistorted competition which the Treaty seeks to establish and maintain, it must offer a guarantee that all the goods or services bearing it have originated under the control of a single undertaking which is responsible for their quality (see, *inter alia*, [Case 102/77 Hoffmann-La Roche \[1978\] ECR 1139, paragraph 7](#), and [Case C-299/99 Philips \[2002\] ECR I-5475, paragraph 30](#)).

42 That discrepancy between the essential functions of trade marks and those of State emblems is also reflected in the difference in their treatment both under Community and international law.

43 Thus, Article 6 of Regulation No 40/94 sets out the principle that a trade mark is to be obtained by registration whereas, under Article 6ter(3)(a) of the Paris Convention, the States are merely to communicate the list of emblems to be protected to the International Bureau of the WIPO, such a communication not being obligatory in respect of flags of States. In respect of trade marks, the principle is that protection is provided in respect of certain determined classes of goods and services, whereas emblems, on the other hand, are entitled to general protection whatever the use one wishes to make of them. In addition, unlike trade marks, emblems cannot be declared invalid and their proprietor cannot be deprived of his rights. Moreover, the duration of their protection is not limited. Many aspects governing the protection of trade marks are therefore not capable of being transposed to the protection of State emblems.

44 The same is true of the existence of a likelihood of confusion which, although it is the specific condition for the protection of the trade mark in the case of similarity between the trade mark and the sign and between the goods or services (see, *inter alia*, [Medion, paragraph 24](#); [Case C-102/07 adidas and adidas Benelux \[2008\] ECR I-2439, paragraph 28](#); and [Case C-533/06 O2 Holdings & O2 \(UK\) \[2008\] ECR I-4231, paragraph 47](#)) is not required for the protection of an

emblem, since Article 6ter(1)(a) of the Paris Convention makes no reference to it.

45 It is apparent from the second sentence of Article 6ter(1)(c) of the Paris Convention that the protection of State emblems is not subject to there being a connection, in the mind of the public, between the trade mark for which registration is sought and the emblem. In the case of emblems of international organisations, that provision authorises the registration and use of a trade mark if that mark is not of a nature such as to mislead the public regarding the existence of a connection between the user of the trade mark and the organisation. It follows that, in other cases, namely those involving State emblems, that possibility does not exist and there is therefore no need to ascertain whether there is such a connection.

46 Therefore, American Clothing's claims as regards the effect of the essential function of a State emblem on its scope of protection and the application, by analogy, of the same criteria for protection as those applicable to trade marks, must be rejected.

47 As regards the arguments submitted by American Clothing on the interpretation of the expression 'any imitation from a heraldic point of view' in Article 6ter(1)(a) of the Paris Convention, let me start by observing that that provision prohibits the registration and use of a State emblem not only as a trade mark, but also as an element of a trade mark. The protection granted to emblems is therefore, in this regard, also very broad. Furthermore, the last part of that provision also contributes to guaranteeing broad protection to State emblems, in so far as it prohibits the imitation of the emblem in addition to prohibiting its exact replication.

48 However, the prohibition of the imitation of an emblem applies only to imitations of it from a heraldic perspective, that is to say, those which contain heraldic connotations which distinguish the emblem from other signs. Thus, the protection against any imitation from a heraldic point of view refers not to the image as such, but to its heraldic expression. It is therefore necessary, in order to determine whether the trade mark contains an imitation from a heraldic point of view, to consider the heraldic description of the emblem at issue.

49 It follows that American Clothing's contention that the geometric description of the emblem must be taken into account cannot be accepted. First, such an interpretation runs counter to the approach set out at paragraph 47 of this judgment, according to which emblems benefit from a wide degree of protection, since the inherently precise nature of a graphic description would lead to the emblem being refused protection under Article 6ter(1)(a) of the Paris Convention in the event of any slight discrepancy between the two descriptions. Secondly, the case of graphic conformity with the emblem used by the trade mark is already covered by the first part of that provision, so that the expression 'any imitation from a heraldic point of view' must be different in its scope.

50 Thus, a trade mark which does not exactly reproduce a State emblem can nevertheless be covered by Article 6ter(1)(a) of the Paris Convention, where it is

perceived by the relevant public, in the present case the average consumer, as imitating such an emblem.

51 So far as the expression ‘imitation from a heraldic point of view’ in that provision is concerned, a difference detected by a specialist in heraldic art between the trade mark applied for and the State emblem will not necessarily be perceived by the average consumer who, in spite of differences at the level of certain heraldic details, can see in the trade mark an imitation of the emblem in question.

52 Furthermore, the heraldic description of the emblem, which must be referred to in order to determine whether there is an imitation from a heraldic point of view within the meaning of Article 6ter(1)(a) of the Paris Convention, normally contains only certain descriptive elements, and does not necessarily concern itself with particular features of the artistic interpretation. The Court of First Instance therefore did not err in law by holding that a number of artistic interpretations of one and the same emblem on the basis of the same heraldic description were possible.

53 Nevertheless, the heraldic description of the emblem provided by the Court of First Instance in the present case and the assessment of the question whether the trade mark applied for contained an imitation from a heraldic point of view fall outside the scope of the Court’s review. In accordance with Article 225(1) EC and the first paragraph of Article 58 of the Statute of the Court of Justice, an appeal lies on a point of law only. The Court of First Instance thus has exclusive jurisdiction to find and appraise the relevant facts and to assess the evidence. The appraisal of those facts and the assessment of that evidence therefore do not, save where the facts or evidence are distorted, constitute points of law subject, as such, to review by the Court of Justice on appeal (see, inter alia, [Case C-104/00 P DKV v OHIM \[2002\] ECR I-7561, paragraph 22](#), and [Case C-25/05 P Storck v OHIM \[2006\] ECR I-5719, paragraph 40](#)).

54 Some of the arguments submitted by American Clothing regarding the relevance of some facts of the case, in particular those concerning the perception by the public, in the normal conditions of use of that mark, of the maple leaf as ornamental and those concerning the alleged acceptance by the Canadian Intellectual Property Office of the registration of a trade mark identical to the trade mark at issue accompanied by a ‘disclaimer’, do not concern issues of law and consequently do not fall within the Court’s jurisdiction.

55 It is true that American Clothing submits that the facts were distorted with regard to that argument. However, it has not shown how the Court of First Instance is supposed to have distorted the facts, but has merely stated that the Court of First Instance refused to accept that the practice of the Canadian Intellectual Property Office existed. At paragraph 85 of the judgment under appeal the Court did not deny that such a practice existed, but merely declared that American Clothing had not proved that that office had not objected to the presence of the maple leaf when it examined an application

for registration of a mark identical to the mark applied for.

56 Consequently, all the complaints referred to above which seek to call into question the findings of fact and their assessment by the Court of First Instance must be declared inadmissible.

57 As regards the complaints that the Court of First Instance did not take into account the practice of OHIM and other national offices responsible for trade marks in relation to emblems, it must be observed that, as far as OHIM is concerned, first, decisions concerning registration of a sign as a Community trade mark which the Boards of Appeal of OHIM are called on to take under Regulation No 40/94 are adopted in the exercise of circumscribed powers and are not a matter of discretion. Accordingly, the legality of those decisions must be assessed solely on the basis of that regulation, as interpreted by the Community judicature, and not on the basis of a previous decision-making practice of those boards ([Case C-37/03 P BioID v OHIM \[2005\] ECR I-7975, paragraph 47](#), and [Case C-173/04 P Deutsche SiSi-Werke v OHIM \[2006\] ECR I-551, point 48](#)).

58 Secondly, as regards the earlier national registrations relied upon by American Clothing, the Community trade mark regime is an autonomous system with its own set of objectives and rules peculiar to it; it is self-sufficient and applies independently of any national system. Accordingly, the registrability of a sign as a Community trade mark is to be assessed on the basis of the relevant Community legislation alone, as interpreted by the Community judicature (see, to that effect, [Case C-488/06 P L & D v OHIM \[2008\] ECR I-0000, paragraph 58](#)). Consequently, neither OHIM nor, as the case may be, the Community judicature are bound by decisions adopted in any Member State, or indeed a third country, finding a sign to be registrable as a national trade mark. Those considerations apply a fortiori to the registration of marks other than that applied for in the present case.

59 Lastly, as mentioned in paragraph 47 of this judgment, Article 6ter(1)(a) of the Paris Convention applies not only to trade marks but also to elements of marks which include or imitate State emblems. It is sufficient, therefore, for a single element of the trade mark applied for to represent such an emblem or an imitation thereof for that mark to be refused registration as a Community trade mark. Since the Court of First Instance held that the maple leaf represented on the trade mark applied for is an imitation of the Canadian emblem from the heraldic point of view, it therefore did not need to examine the overall impression produced by the mark, since Article 6ter(1)(a) of the Paris Convention does not require the trade mark as a whole to be taken into account.

60 It follows from all of the foregoing considerations that the Court of First Instance did not infringe Article 7(1)(h) of Regulation No 40/94 and Article 6ter(1)(a) of the Paris Convention by dismissing the action brought against the decision at issue in so far as that decision refused registration of the trade mark ap-

plied for in respect of goods in Classes 18 and 25 of the Nice Agreement.

61 Consequently, the appeal brought by American Clothing in Case C-202/08 P must be dismissed.

Case C-208/08 P

Arguments of the parties

62 OHIM requests the Court to set aside the judgment under appeal in part, in so far as that judgment held that Article 7(1)(h) of Regulation No 40/94 and Article 6ter of the Paris Convention do not apply to marks designating service.

63 According to OHIM, in order to interpret Article 6ter of the Paris Convention correctly it is necessary to have regard to the spirit of that Convention in its entirety. By adopting a literal interpretation of Article 6ter of the Paris Convention and taking it out of context, the Court of First Instance wrongly held that neither that provision nor Article 7(1)(h) of Regulation No 40/94 applies to applications for marks designating services.

64 OHIM submits that, contrary to what the Court of First Instance held, the Community legislature did not intend to discriminate between marks in respect of goods and marks in respect of services, as is apparent from Article 29(1) of Regulation No 40/94.

65 Moreover, Article 16 of the Trade Mark Law Treaty, adopted at Geneva on 27 October 1994, must, OHIM submits, be interpreted on the basis that it clarifies Article 6ter of the Paris Convention, without however extending its scope.

66 OHIM states that the Court, by its judgment in Case C-328/06 Nieto Nuño [2007] ECR I-10093, accepted, at least impliedly, that the Paris Convention applies equal treatment to marks in respect of goods and marks in respect of services.

67 American Clothing argues that Article 6ter of the Paris Convention is entirely clear and unambiguous, in so far as that article refers only to trade marks and not to service marks. Such an interpretation is furthermore confirmed by academic writings and by the reports of the WIPO's Standing Committee on the law of trade marks, industrial designs and geographical indications.

68 The fact that a service mark may be 'well-known' within the meaning of Article 6bis of the Paris Convention does not in any way imply that the text of that provision also refers to service marks. In addition, the question referred in the case which gave rise to the judgment in Nieto Nuño, concerned solely the geographical area in which an earlier mark is well known and did not concern the interpretation of Article 6bis of the Paris Convention with regard to service marks. The Court of First Instance, moreover, has already stated that Article 6bis of the Paris Convention concerns only trade marks for goods (judgments of 11 July 2007 in Case T-263/03 Mühlens v OHIM, paragraph 54, and Case T-28/04 Mühlens v OHIM, paragraph 59.)

69 With regard to the insertion of Article 6sexies into the Paris Convention in 1958, American Clothing takes the view that that provision is of no relevance whatever to the present case, since it has no effect on Article 6ter of that convention. The text and legislative history of the Lisbon Act, a treaty amending the Paris

Convention and signed on 31 October 1958, confirm that the more ambitious position, which sought to assimilate service marks to trade marks generally throughout the Convention, was not adopted.

70 As regards Article 16 of the Trade Mark Law Treaty, adopted at Geneva on 27 October 1994, American Clothing submits that that has not yet been ratified by the Community and that, contrary to what is claimed by OHIM, that provision is intended not to clarify Article 6ter of the Paris Convention, but to supplement it, by extending to service marks the protection granted to trade marks for goods. That reading is confirmed by academic writings and by the travaux préparatoires for that treaty.

Findings of the Court

71 As regards the Court of First Instance's refusal to apply Article 7(1)(h) of Regulation No 40/94 to service marks, it is necessary to consider the Paris Convention in the light of Article 6ter, to which Article 7(1)(h) of the Regulation refers.

72 As the Advocate General noted at points 104 and 107 of his Opinion, the Paris Convention provides for a minimum level of protection for elements falling within its scope, while leaving the Member States party to the Convention free to extend the scope of the protection. Consequently, although, as American Clothing maintains, the Paris Convention did not oblige the States party to it to register service marks and the provisions of the Convention did not apply to those service marks, those States are nevertheless free to provide for such an application unilaterally. As is apparent from the WIPO document referred to by the Court of First Instance at paragraph 31 of the judgment under appeal, Article 6ter 'does not oblige States party to the Paris Convention to refuse or to invalidate the registration, and to prohibit the use of State emblems or other official signs as a service mark or as an element of a service mark. States are nevertheless free to do so ...'.

73 Consequently, Article 6ter leaves the extension of the protection guaranteed to trade marks for goods to service marks to the discretion of the States party to the Convention. In doing so, the Paris Convention does not require those States to distinguish between the two types of marks.

74 It is therefore necessary to consider whether the Community legislature intended to exercise that power of discretion and to extend to service marks the protection granted to trade marks for goods under the Paris Convention.

75 In this connection, as the Advocate General observes at point 111 of his Opinion, the body of relevant Community law provisions do not distinguish, in principle, between trade marks for goods and service marks.

76 Moreover, the mere fact that some provisions of Regulation No 40/94, such as Article 7(1)(e), (j) and (k), restrict their scope, so far as absolute grounds for refusal of registration are concerned, since the restriction laid down in those provisions is limited to certain types of goods, cannot call into question the finding that the provisions of that regulation as a whole apply

without distinction to trade marks for goods and service marks.

77 Such a finding must apply to Article 7(1)(h) of Regulation No 40/94, which does not contain any express restriction of the marks covered by it. That interpretation is not affected by the mere fact that that provision in question refers to the Paris Convention. That reference is intended solely to determine the type of signs which must be refused registration and not to restrict the scope of the provision.

78 Consequently, as in the case of the majority of absolute grounds for refusal set out in Article 7(1) of Regulation No 40/94, registration of a trade mark must be refused, whether the application concerns goods or services, where one of the grounds for refusal listed in Article 6ter of the Paris Convention applies to it.

79 That interpretation of Article 7(1)(h) of Regulation No 40/94 is, furthermore, supported by Article 7(1)(i), the scope of application of which is analogous to that of subparagraph (h), namely trade marks which include badges, emblems or escutcheons other than those covered by Article 6ter of the Paris Convention.

80 Article 7(1)(i) of Regulation No 40/94 applies without distinction to trade marks for goods and service marks, so that registration could be refused, for example, to a service mark containing a badge. There is no reason why registration should be refused to a service mark containing a badge and not a service mark containing a State flag. If the Community legislature wished to grant such protection to badges and escutcheons, it should be assumed that, a fortiori, it also intended to grant at least an equivalent level of protection to armorial bearings, flags and other emblems of States or international organisations. Thus, it seems unlikely that the Community legislature would have allowed a service provider to use a mark containing a national flag when, at the same time, it would have prohibited that use in respect of badges such as those of a sports association, for example.

81 It follows that the Court of First Instance erred in finding that, by refusing registration of the trade mark applied for in respect of services in Class 40 of the Nice Agreement, the decision at issue infringed Article 7(1)(h) of Regulation No 40/94.

82 Having regard to the foregoing considerations, the appeal lodged by OHIM in Case C-208/08 P must be upheld, and the judgment under appeal must be set aside in so far as it annuls the decision at issue of the First Board of Appeal of OHIM concerning the registration of the trade mark requested in respect of services in Class 40 of the Nice Agreement.

83 In accordance with the first paragraph of Article 61 of the Statute of the Court of Justice, where the decision of the Court of First Instance is set aside, the Court of Justice may itself give final judgment in the matter, where the state of the proceedings so permits, or refer the case back to the Court of First Instance for judgment.

84 In the present case, the Court considers itself to be in possession of all the information necessary to rule on the substance of the case.

85 Since the distinction made by the Court of First Instance between trade marks for goods and service marks was not well founded, for the purposes of the application of Article 7(1)(h) of Regulation No 40/94, it should be held that, for the reasons set out in paragraphs 39 to 61 of this judgment concerning goods in Classes 18 and 25 of the Nice Agreement, OHIM were also entitled to refuse registration of trade mark in respect of services in Class 40 of that agreement.

86 Accordingly, it must be held that the action brought before the Court of First Instance by American Clothing was unfounded, in so far as it was directed at the refusal to register the trade mark applied for in respect of services in Class 40.

Costs

87 Under Article 69(2) of the Rules of Procedure, which applies to appeal proceedings by virtue of Article 118 thereof, the unsuccessful party is to be ordered to pay the costs if they have been applied for in the successful party's pleadings. Since OHIM has applied for costs in both Case C-202/08 P and Case C-208/08 P, and American Clothing has been unsuccessful in those cases, American Clothing must be ordered to pay the costs.

On those grounds,

the Court (First Chamber) hereby:

1. Dismisses the appeal brought by American Clothing Associates NV in Case C-202/08 P;
2. Sets aside the judgment of the Court of First Instance of the European Communities of 28 February 2008 in Case T-215/06 American Clothing Associates v OHIM, in so far as it annulled the decision of the First Board of Appeal of the Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM) of 4 May 2006 (Case R 1463/2005-1) rejecting the application for registration of a sign representing a maple leaf as a Community trade mark;
3. Dismisses the action brought by American Clothing Associates NV in Case T-215/06;
4. Orders American Clothing Associates NV to pay the costs in Cases C-202/08 P and C-208/08 P.

OPINION OF ADVOCATE GENERAL

RUIZ-JARABO COLOMER

delivered on 12 May 2009 I(1)

Joined Cases C-202/08 P and C-208/08 P

American Clothing Associates SA

v

Office for Harmonisation in the Internal Market (OHIM)

and

Office for Harmonisation in the Internal Market (OHIM)

v

American Clothing Associates SA

(Appeal – Intellectual property – Regulation (EC) No 40/94 on the Community trade mark – Paris Convention for the Protection of Industrial Property – Absolute grounds for refusal to register a trade mark – Trade

marks which are identical or similar to a State emblem – Representation of a maple leaf)

I – Introduction

1. This appeal, in which a dual challenge is brought against a judgment of the Court of First Instance of 28 February 2008, (2) gives the Court of Justice the opportunity to examine the scope of the protection afforded to national emblems under Article 7(1)(h) of the Regulation on the Community trade mark ('Regulation No 40/94'), (3) in conjunction with Article 6ter of the Paris Convention. (4)

2. In the appeal in Case C-202/08 P, a clothes manufacturer, American Clothing Associates SA ('American Clothing'), criticises, for several reasons, the excessively generous protection given by the judgment under appeal to national emblems. In Case C-208/08 P, on the other hand, the Office for Harmonisation in the Internal Market ('OHIM') challenges the judgment of the Court of First Instance on the grounds that it erred in interpreting the Paris Convention as precluding the protection of State symbols in the face of service marks.

3. To analyse these matters, it is necessary to disentangle the complex network of international law and Community law, and to plumb the depths of heraldry, in order to investigate the limits of the protection afforded to national emblems in the face of attempts to appropriate them for commercial purposes.

4. The science of heraldry evokes fights and adventures from other ages, (5) such as that between Don Quixote and the Knight of the White Moon, so called because that glowing orb adorned his shield; but, fortunately, it is not a question of settling arguments regarding the 'pre-eminence of beauty' as between two ladies, (6) but of using the heraldic art to define the limits of the protection of a national emblem.

II – Legislative framework

A – International law

5. In these appeals there is discussion concerning the interpretation of Articles 1, 6, 6ter, 6sexies and 7 of the Paris Convention, given below.

6. Article 1 provides:

'...
(2) The protection of industrial property has as its object patents, utility models, industrial designs, trademarks, service marks, trade names, indications of source or appellations of origin, and the repression of unfair competition.
...'

7. Article 6 states:

'(1) The conditions for the filing and registration of trademarks shall be determined in each country of the Union [composed of the countries to which the Paris Convention applies] by its domestic legislation.
...'

8. Some points in Article 6ter (1) and (3) are particularly relevant to these proceedings, especially the following:

'(1) (a) The countries of the Union agree to refuse or to invalidate the registration, and to prohibit by appropriate measures the use, without authorisation by the

competent authorities, either as trademarks or as elements of trademarks, of armorial bearings, flags, and other State emblems, of the countries of the Union, official signs and hallmarks indicating control and warranty adopted by them, and any imitation from a heraldic point of view.

(b) ...

(c) ... The countries of the Union shall not be required to apply the said provisions when the use or registration referred to in subparagraph (a), above, is not of such a nature as to suggest to the public that a connection exists between the organisation concerned and the armorial bearings, flags, emblems, abbreviations, and names, or if such use or registration is probably not of such a nature as to mislead the public as to the existence of a connection between the user and the organisation.
...
...'

9. Article 6sexies of the Convention is also of some interest:

'The countries of the Union undertake to protect service marks. They shall not be required to provide for the registration of such marks.'

B – Community law

10. The Community trade mark is governed, fundamentally, by Regulation No 40/94, which established this industrial property right of European scope.

11. The seventh recital in the preamble to that legislation refers to the protection afforded by a Community trade mark, the function of which is in particular to guarantee the trade mark as an indication of origin, and states that such protection is absolute in the case of identity between the mark and the sign and between the goods or services; it adds that the protection applies also in cases of similarity between the mark and the sign and between the goods or services.

12. The ninth recital adds that the Community trade mark is to be regarded as an object of property which exists separately from the undertaking whose goods or services are designated by it.

13. In Regulation No 40/94, Article 1(1) is worthy of mention:

'A trade mark for goods or services which is registered in accordance with the conditions contained in this Regulation and in the manner herein provided is hereinafter referred to as a "Community trade mark".'

14. Article 7 of Regulation No 40/94, as amended, provides:

'1. The following shall not be registered:

...'

(h) trade marks which have not been authorised by the competent authorities and are to be refused pursuant to Article 6ter of the Paris Convention;
...'

III – Facts

15. On 23 July 2002 the applicant filed an application at OHIM for registration of a Community trade mark consisting of an image of a maple leaf with the letters 'rw', in capitals, below it, as follows:



16. The goods and services in respect of which registration was sought are in Classes 18, 25 and 40 of the Nice Agreement, (7) namely:

- ‘Leather and imitations of leather, and goods made of these materials and not included in other classes; animal skins; trunks and travelling bags; umbrellas, parasols and walking sticks; whips, harness and saddlery’ (Class 18);
- ‘Clothing, footwear, headgear’ (Class 25);
- ‘Tailoring; taxidermy; bookbinding; dressing, processing and finishing of skins, leather, furs and textiles; photographic film development and photographic printing; woodworking; fruit pressing; grain milling; processing, tempering and finishing of metal surfaces’ (Class 40).

17. By decision of 7 October 2005, the OHIM examiner refused to register the mark sought in respect of all the goods and services concerned, on the basis of Article 7(1)(h) of Regulation No 40/94, stating that the sign gave rise to an impression on the part of the public that it was linked to Canada, as he took the view that the maple leaf was a copy of the emblem of that State, as it appears in the communication of the International Bureau of the World Intellectual Property Organisation (WIPO) of 1 February 1967 to the States which are parties to the Paris Convention and in the WIPO database, shown below (in red):



18. By decision of 4 May 2006, the First Board of Appeal of OHIM dismissed the appeal (8) brought by American Clothing against the examiner’s decision and upheld the decision.

19. The Board of Appeal accepted that the red-coloured maple leaf was the emblem of Canada and, on the basis of a judgment of the Court of First Instance, (9) examined whether, from a heraldic point of view, the disputed sign contained an element which was identical to or an imitation of the Canadian emblem. The Board of Appeal held that the word element ‘RW’ did not preclude the application of Article 6ter (1)(a) of the Paris Convention.

20. It rejected the argument that the different colours of the maple leaves distinguished between them, since, as the application for registration did not specify any particular colour, the mark could be represented with any colour, including the vermilion of the Canadian emblem.

21. It also stated that what is in issue is the same eleven-pointed leaf, in the shape of a star on a stem, with visibly identical spacing between the points. It concluded that the relevant public would see the ideogram as an imitation of the Canadian emblem and held that registration of the mark might mislead the public as to the origin of the goods and services in respect of which it was sought, having regard to the great variety of goods and services which Canada is able to offer and promote.

22. The Board of Appeal likewise did not accept the alleged reputation, in Belgium, of the mark RIVER WOODS, since it considered that use contrary to Article 7(1)(h) of Regulation No 40/94 undermines the acquisition of distinctiveness through use.

23. Finally, it rejected the other arguments put forward by American Clothing, among them the claim that it had registered a number of similar national marks, including Canadian marks, and invoked OHIM’s previous decision-making practice concerning signs containing flags or State emblems.

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

24. On 8 August 2006, American Clothing brought an action before the Court of First Instance for annulment of the decision of the First Board of Appeal of OHIM of 4 May 2006, relying on a single plea in law, alleging infringement of Article 7(1)(h) of Regulation No 40/94.

25. The Court of First Instance examined the claim of invalidity in relation to the services in Class 40 and the goods in Classes 18 and 25.

Service marks and Article 6ter of the Paris Convention

26. As a preliminary matter, the Court examined the applicability of Article 6ter (1)(a) of the Paris Convention to service marks, in order to determine whether the trade mark sought, in referring to certain services, infringed that provision. If it did not, then OHIM’s refusal to register that mark in respect of services constituted an infringement of Article 7(1)(h) of Regulation No 40/94. (10) It also justified its intention to rule on an aspect not included in the claims of the parties by the need to avoid its decisions being based on erroneous legal considerations. (11)

27. The Court of First Instance annulled the decision of the First Board of Appeal because it referred to registration of the mark sought for the services in Class 40, on the ground that Article 6ter (1)(a) of the Paris Convention, to which Article 7(1)(h) of Regulation No 40/94 refers, does not apply to services in general.

28. To that end, it examined (12) the wording of the provision in the Paris Convention, emphasising that it refers only to ‘trade marks’. It also added that it is clear from Article 1(2), Article 6(1) and Article 6sexies of the Paris Convention that the Convention establishes a distinction between, on the one hand, ‘trade marks’ and, on the other hand, ‘service marks’. As Article 6ter refers only to trade marks, that is to say to marks for goods, it concluded that the prohibition on registration

and use established by that provision does not apply to marks designating services.

29. The judgment under appeal also pointed out that Article 7(1)(h) of Regulation No 40/94 merely refers to Article 6ter of the Paris Convention, by stating that ‘the following shall not be registered: trade marks which [...] are to be thus treated] pursuant to Article 6ter of the Paris Convention’. As Article 6ter of the Paris Convention does not concern service marks, they cannot be covered by the absolute ground for refusal established by that Community provision. In that regard, the Court of First Instance rejected OHIM’s argument that Article 7 of Regulation No 40/94 makes no distinction between marks for goods and service marks, since, according to the Court, the distinction established by Article 6ter of the Paris Convention prevails, according to the reference made to that provision by Article 7(1)(h) of Regulation No 40/94.

30. The Court inferred, from the combination of the two provisions, that the Community legislature intended not to extend the prohibition contained in Article 6ter of the Paris Convention to services, since, if it had intended otherwise, it would have included a similar prohibition in the text of Article 7 of Regulation No 40/94, thereby avoiding the distinction which it implicitly created, by the mere fact of referring to Article 6ter of the Paris Convention, between marks for goods and service marks.

31. The Court of First Instance went on to reject the possibility of relying on the judgment in ECA because, in that judgment, the Court did not adjudicate on the applicability of Article 6ter of the Paris Convention to service marks, or on the need to interpret Article 6ter of the Paris Convention widely. In fact, neither a WIPO document (13) put forward by OHIM nor Article 16 of the Trade Mark Law Treaty (‘TLT’) (14) supported such an interpretation of Article 6ter of the Paris Convention. Besides, although the European Community had signed that Treaty on 30 June 1995, it had not ratified it.

32. Finally, the Court of First Instance assumed that, as the Community legislature was aware, at the time of the adoption of Regulation No 40/94, of the importance in modern commerce of service marks, it could have extended the protection granted to State emblems by Article 6ter of the Paris Convention to this category of marks. As the legislature did not see fit to do so, the Court held that it was not for the Community judicature to take the place of the Community legislature and apply an interpretation *contra legem* of the provisions at issue.

The goods in Classes 18 and 25 (15)

33. Once the applicability of the Community provision at issue to services had been ruled out, the Court of First Instance examined it in respect of goods, starting from the assumption that it is sufficient, in order to preclude the registration of a compound trade mark under Article 7(1)(h) of Regulation 40/94, that one of its elements is a copy of a State emblem or an imitation thereof ‘from a heraldic point of view’, irrespective of how the mark is perceived overall.

34. In that regard, it considered the claims made by American Clothing that the graphic at issue would not be perceived as the emblem of the Canadian State or as an imitation thereof ‘from a heraldic point of view’, and rejected that company’s main arguments.

35. Accordingly, the Court of First Instance held that, since the application for registration did not mention any particular colour, registration in black and white would authorise the company to represent its sign in any range of colours and thus equally with a red-coloured maple leaf. Therefore, the fact that the maple leaf in the Canadian emblem is crimson is irrelevant in the present case, as it is likely that that country’s emblem will be reproduced in black and white. (16)

36. The Court rejected the alleged graphic differences between the stems, and compared the mark sought and the emblem of the Canadian State ‘from a heraldic point of view’. By a comparison ‘from a heraldic point of view’ within the meaning of Article 6ter of the Paris Convention, it meant the heraldic description of the emblem concerned and not a possible geometric explanation, which is by nature much more detailed. (17)

37. It found some differences in the design of the stems of the two leaves, particularly in the two serrations on either side of the central third of the leaf, which seemed deeper in the Canadian emblem. However, it agreed that such a detail would never appear in the heraldic description, although it might perhaps appear in a geometric description, which was of no relevance to a comparison ‘from a heraldic point of view’.

38. It upheld the finding in the decision of the OHIM Board of Appeal that the public at large, made up of average consumers, who are reasonably well informed and reasonably observant and circumspect, does not pay attention to the details of emblems and marks, such as the width of the stem of the maple leaves.

39. The Court of First Instance also rejected the argument raised by American Clothing against the finding of the First Board of Appeal that registration of the mark RW might mislead the public as to the origin of the goods and services. (18) It pointed out that the application of Article 6ter (1)(a) of the Paris Convention was not subject to the condition that there be an error on the part of the public concerned as regards the origin of the goods designated by the mark applied for or as regards the existence of a connection between the proprietor of that mark and the State whose emblem it sought to appropriate. It also rejected the argument invoked by American Clothing concerning the reputation of its mark RIVER WOODS. (19)

40. Finally, the Court likewise did not accept the argument based on registrations of other national or Community marks, which are identical to or comparable with the mark applied for or, more generally, include representations of flags or other State emblems. The Court of First Instance pointed out that the national and Community systems for registering trade marks are autonomous, and that decisions concerning registration

of signs are adopted in the exercise of circumscribed powers and are not a matter of discretion. Accordingly, the question whether an ideogram may be registered as a Community trade mark must be assessed solely on the basis of Regulation No 40/94, as interpreted by the Community judicature, and not on the basis of previous practice of the Boards of Appeal. (20)

V – Procedure before the Court of Justice and forms of order sought by the parties in both proceedings

41. The appeal in Case C-202/08 P (American Clothing Associates SA v OHIM) was received at the Court Registry on 16 May 2008, (21) while that in Case C-208/08 P (OHIM v American Clothing Associates SA) was lodged on 20 May 2008.

42. In the former case, the appellant asks the Court of Justice to set aside the judgment of the Court of First Instance in so far as it held that the OHIM First Board of Appeal had not infringed Article 7(1)(h) of Regulation No 40/94 by adopting its decision of 4 May 2006. OHIM contends that the Court should dismiss the appeal.

43. In the latter case, OHIM claims that that judgment of the Court of First Instance should be set aside in so far as it held that Article 7(1)(h) of the Community Trade Mark Regulation is not applicable to service marks. American Clothing, on the other hand, seeks ratification of that aspect of the judgment.

44. In each case, the appellant seeks an order for costs against the other party.

45. By order of 11 February 2009, the President of the Court of Justice, after hearing the parties and the Advocate General, ordered that the two cases be joined for the purposes of the oral procedure and the judgment.

46. At the hearing, held on 26 March 2009, the representatives of American Clothing and OHIM presented oral argument and answered the questions put by the members of the Court.

VI – Analysis of the appeals

47. Although it is clear that the two cases have the same subject-matter, since they both challenge the same judicial decision, the similarities end at that point. The two actions are so different that all they have in common is the identity of the contested act. Therefore, each of the complaints must be examined separately.

A – The appeal in Case C-202/08 P

1. Definition of positions

48. The appellant in this case puts forward a single ground of appeal, alleging infringement by the Court of First Instance of Article 7(1)(h) of Regulation No 40/94 and Article 6ter of the Paris Convention, based on the three arguments summarised below.

49. First, it complains that the judgment under appeal erred in its assessment of the essential function of State emblems, by not limiting the scope of their protection to situations in which doubts are raised in respect of that essential function, which would be logical, since State emblems are protected signs, like trade marks and denominations of origin, to which the same criteria for protection apply by analogy, such as the cri-

terion of the affecting of their essential function. As regards the emblems of a country, a refusal to register a mark is justified only if it affects the reference which every such national emblem makes to national identity and sovereignty.

50. Secondly, American Clothing criticises the judgment under appeal for having preferred a heraldic description to a geometric description, when Article 6ter of the Paris Convention does not protect the symbol but its artistic interpretation, as a specific graphic work. Emblems with few heraldic features are therefore easier to imitate, so a few slight differences preclude a finding of imitation from a heraldic point of view. The corollary of the judgment under appeal would be the granting to the Member States of an almost absolute monopoly over signs without properties typical of heraldry.

51. Thirdly, it criticises the Court of First Instance for having failed to examine certain circumstances specific to the sign applied for, such as the overall impression caused by compound marks, in which the distribution of a mark's components assumes great significance, so that, by underestimating that overall impression, the judgment under appeal elevates to absolute dogma the protection of national emblems contained in other trade marks 'as elements' of trade marks, within the meaning of Article 6ter (1)(a) of the Paris Convention.

52. In that respect, it criticises the Court of First Instance for not having approved registration of the sign concerned, with a 'disclaimer', as provided for in Article 38 of Regulation No 40/94, thus following the practice of the Canadian Intellectual Property Office. American Clothing submits that the Court of First Instance, by not taking into consideration the way in which that national authority operates, distorted the facts, since those points had been adequately and reliably established. Besides, OHIM should not protect national emblems more rigorously than national offices do.

53. Finally, the appellant in Case C-202/08 P complains that the judgment of the Court of First Instance omitted any reference to the circumstances in which the sign would normally be used, since the manner in which the appellant intended to use it would not have given cause for confusion, because the public would have thought of it as a decoration, without any connection with the national emblem.

54. OHIM, on the other hand, rejects all those arguments outright, maintaining that the Court of First Instance correctly interpreted the claims set out. It defends absolute protection of the emblems in three respects: (1) it does not make protection conditional on harm to their essential function; (2) it avoids the public perceiving them as a differentiating element or merely decoration; and (3) the degree of protection does not depend on whether the heraldic characteristics are more or less salient.

55. OHIM also denies that there is any error of law in the judgment under appeal, arising out of the use of the heraldic description to investigate whether there is a

possible imitation from the point of view of heraldry. It refutes the appellant's view regarding the 'disclaimer', pointing out that Article 38(2) of Regulation No 40/94 only applies where the distinctive nature of a component of a trade mark is at issue. It also disagrees that OHIM should have been guided by the experience of other industrial property registration offices, such as the Canadian Office.

56. OHIM refutes the argument that the facts were distorted, since it finds that the Court of First Instance merely stated that there was a lack of evidence regarding the practice of the Canadian office, apart from the fact that Article 6ter of the Paris Convention does not even mention the obligation to have regard to the practice of the industrial property authorities of the countries whose emblems are at issue. In short, the wording of that provision, laying down a requirement to 'refuse or to invalidate the registration' of a sign which contains a national emblem, precludes an assessment of any situation in which a trade mark would undermine the choice between two alternatives imposed by law on industrial property offices.

2. Examination of the single ground of appeal

a) Concerning the error of failing to take into account the essential function of State emblems

57. First, the appellant in Case C-202/08 P criticises the judgment under appeal for not having treated the Canadian emblem in the same way as a trade mark, because, if it had done so, it would have followed similar criteria for protection and considered the requirement that, for a registered sign to enjoy legal protection, its essential function has to be affected.

58. The analysis of these claims requires an examination of the nature of national emblems both outside and within trade mark law. Such investigations explore the significance of the inclusion of national emblems in Article 7(1)(h) of Regulation No 40/94, on which the Court of Justice has not yet commented.

i) Registered trade mark and emblem: different tasks

59. An emblem is generally understood to be any hieroglyphic, symbol or device in which a figure is represented, highlighting the graphic aspect. (22) In the legal field, on the other hand, the specialist dictionaries almost unanimously associate that word with emblems connected with the sovereignty of countries, such as flags and shields, (23) even attributing to it the characteristic of evoking the State, other territorial entities, political parties or other public bodies. (24)

60. International law provides a classic example of the flag as a reflection of submission to sovereignty; there is a custom which reserves to States the power to attribute their nationality to ships, (25) authorising them to fly the flag of that country, whose law governs the vessel, a custom which has been codified in the Montego Bay Convention. (26)

61. From a sociological point of view, however, the identification of a sign or emblem with a specific nation does not apply only to ships or aircraft, but to any of its citizens. For an evocative expression of that statement, I refer to the image of thousands of people

waving Star Spangled Banner (27) pennants during the recent ceremony to inaugurate Barack Obama as the forty-fourth President of the United States. I have not the slightest doubt, however, that every citizen has a memory of certain similar gestures of support in his place of origin or of some athlete, an Olympic champion, weeping with emotion on the podium as his nation's flag is raised to the strains of the national anthem, or when his army's troops swear allegiance to their ensign.

62. The above observations show that the links between the national emblems of a State and its subjects have their roots in the history, culture, traditions, lands, international development and even the characteristic idiosyncrasy of a people. Generally, those emblems are national symbols of which those who carry them feel, to a greater or lesser extent, proud; even where that is not the case, every member of that group glimpses his flag among a million others, because his subconscious recognises it, irrespective of his preferences.

63. On the assumption that, as the appellant claims, national emblems have 'essential functions', we should point to the function of identifying a country and that of representing its sovereignty. Within a State they therefore have the task of uniting its inhabitants; at international level, on the other hand, they make it easier to distinguish between nationalities.

64. Consequently, trade marks fulfil, in the world of commerce, a different role from that of emblems. The Court of Justice has on numerous occasions ruled on the purpose of ideograms entered in trade mark registers.

65. According to settled case-law, trade mark rights constitute an essential element in the system of undistorted competition which the EC Treaty is intended to maintain. In such a system, undertakings must attract customers by the quality of their goods or services, identifying them by means of distinctive signs. (28)

66. Against that background, the trade mark fulfils its essential function of guaranteeing the origin of the marked goods or service to the consumer or end user, by distinguishing them, without any confusion, from others which have another origin, (29) and guaranteeing that everything which bears that mark has been manufactured or supplied under the control of a single undertaking, which is responsible for its quality. (30)

67. It is unnecessary to elaborate on the differences between the so-called 'essential functions' of trade marks and national emblems. However, the contrast between the two situations is only evidence to support their being treated differently in law; it remains to be examined whether the legislature intended to afford them the same treatment in the field of industrial property law.

ii) Registered trade marks and emblems: their protection also differs

68. The case-law has already formulated guidelines for the protection of registered signs. On the basis of the 10th recital in the preamble to Directive 89/104/EEC, (31) which corresponds to the 7th recital in the preamble to Regulation No 40/94, it pointed out

that the protection afforded by the registered trade mark has the aim of guaranteeing the trade mark as an indication of origin and that in the case of similarity between the mark and another ideogram or between the goods or services, the likelihood of confusion constitutes the specific condition for protection. (32)

69. Furthermore, according to the Court of Justice, the rights of the proprietor of a registered sign, listed in Article 5(1)(b) of Directive 89/104, the counterpart of Article 9(1)(b) of Regulation No 40/94, may be invoked only if the identity or similarity both of the marks and of the goods or services which they designate, causes confusion on the part of the consumer. (33)

70. In those provisions, likelihood of confusion means the risk that the public might believe that the goods or services come from the same undertaking or from economically-linked undertakings. (34)

71. Finally, the likelihood of confusion must be appreciated globally, taking into account all relevant factors, in particular, the distinctive and dominant components, or the perception which the average consumer has of the mark as a whole, without examining every detail. (35) In order to assess the degree of similarity between the marks, it is necessary to determine the degree of visual, aural or conceptual similarity between them and to weigh up those elements, taking account of the category of goods or services in question and the circumstances in which they are marketed. (36)

72. It is therefore not difficult to understand that the protection of State emblems meets criteria which are fundamentally different from those which govern trade marks. However, in the absence of any Community case-law, guidance must be sought in the applicable legal provisions and in academic writing.

73. Originally, the Paris Convention linked the protection of national emblems with public order, (37) perhaps because it considered that those symbols belong to all the citizens, so that it is not appropriate to grant an exclusive right in favour of an undertaking. (38)

74. In the current version, which is the result of the Lisbon revision, Article 6ter of the Convention formulates absolute protection in two respects: (i) it applies to all the products and, if national law so provides, to all the services (39) in the Nice classification; (ii) it is not conditional on the creation of a link between the mark whose registration is sought and the emblem. Indeed, the second sentence of Article 6ter (1)(c) of the Convention (40) allows the registration or use of a sign if it does not mislead the public as to the existence of a connection between the undertaking which uses it and the intergovernmental organisation which is the proprietor of the emblem; it may therefore be inferred, a contrario sensu, that such a connection is not required for State emblems, but only for the emblems of those international bodies. (41)

75. Consequently, an exact replica or an imitation (42) of the emblem is enough to unleash the protection afforded to national symbols by Article 6ter, namely, not only the rejection or invalidation of the registration of the signs which seek to appropriate them, but also

the prohibition against their use without the mandatory authorisation of the competent authorities. It should be noted that, as regards absolute grounds for refusal, (43) intervention by the trade mark offices subject to the Paris Convention has to take place ex officio, whereas protection of trade marks is granted always at the request of a party.

76. Finally, it is clear that the legal institutions of invalidity and expiry, characteristic of commercial symbols, do not affect national emblems.

77. This outline of the differences between the essential function and the protection of trade marks and emblems rebuts the appellant's argument in Case C-202/08 P, which suggests the application by analogy of the same criteria for protection to both types of sign.

78. Therefore, the judgment under appeal was right to take a different course from that advocated by American Clothing, whose claims must be rejected.

b) Concerning the incorrect interpretation of 'imitation from a heraldic point of view'

79. The appellant in Case C-202/08 P criticises the judgment under appeal for having incorrectly interpreted the expression 'imitation from a heraldic point of view', in particular for having preferred a heraldic description to a geometric one, contrary to Article 6ter of the Paris Convention.

80. Behind that criticism lies a difference of opinion regarding the meaning of the periphrasis included in Article 6ter. Without case-law to support my observations, I must resort, once again, to academic writing and to the basic rules of legal interpretation.

81. First, by virtue of the aforementioned absolute protection conferred on emblems, States acquire a monopoly, as regards the registration, not the use, (44) over those symbols, although subject to certain restrictions, since it does not cover the sign which incorporates the emblem but only its heraldic expression, given that very often those official signs manifest themselves in ideograms of general use, such as an animal, a plant, stars or other similar symbols. (45) Moreover, the concept of 'national emblem' must be interpreted strictly. (46)

82. Secondly, the heraldic point of view does not entail the description of a person learned in that science. Although the legacy of heraldry is not negligible, both because of its impact on the plastic arts and because of its rich technical vocabulary, it cannot be assumed that the average consumer is familiar with that vocabulary, which, to the uninitiated, is very complex.

83. Nor does a geometric description meet the requirements of the aforementioned Article 6ter. The meticulousness which such an explanation entails would negate the protection which that provision affords to emblems, since a nuance is enough to preclude identity between two descriptions.

84. The Court of First Instance was therefore right to base the description of the Canadian emblem on the communication submitted by Canada to the WIPO Office, since that document showed the possible similarities and differences between the mark applied for and the Canadian symbol. Since only the flag with

the symbol had been registered, without further details, the judgment under appeal did not err in taking the simplest explanation of the emblem, a red-coloured maple leaf, (47) as American Clothing has not alleged any kind of error of fact or of law.

85. Thirdly, as regards ‘imitation’, the comparison does not help in determining the likelihood of confusion. It is a question of the copy having the heraldic connotations which distinguish the emblem from other signs. (48) Those particular features are found, generally, in the brief descriptions which the States which are parties to the Paris Convention send to the WIPO Office.

86. In short, in the light of the foregoing considerations, the judgment under appeal contains no error in the interpretation of the expression ‘imitation from a heraldic point of view’; the appellant’s claims in this regard must therefore be rejected.

c) Concerning the errors arising from a failure to take due consideration of certain special features of the sign for which registration as a trademark was sought

87. American Clothing complains that the Court of First Instance disregarded the ‘overall impression’ caused by compound marks. It also criticises the Court for not having advocated registration with OHIM with a disclaimer, in which it would have waived all protection for the disputed emblem, following the practice of the Canadian trade mark authorities; by not doing so, the Court distorted the clear sense of the evidence adduced by American Clothing regarding the disclaimer practice in Canada. The company also feels discriminated against, because OHIM itself has, in similar situations, given another interpretation of Article 7(1)(h) of Regulation No 40/94 and Article 6ter of the Paris Convention.

88. As regards the overall impression of the trade mark, the aforementioned absolute protection of national emblems also extends, pursuant to Article 6ter of the Paris Convention, to situations in which those symbols are only a part of another sign. No other meaning can be given to the aforementioned provision, when it adds ‘or as elements of trademarks’. If it were not interpreted in that way, the protection afforded by that provision to emblems would be completely ineffective since, by placing them in a sign with more components, it would be possible to avoid the obstacle to their registration.

89. The practice of using a disclaimer is a power which OHIM has to save the registration in some circumstances, not an obligation. In any case, the Community agency does not exercise that power, since it observes the rule that signs with a number of components cannot claim the protection of only one of them. (49) If the appellant is asking the Court of Justice to order OHIM to allow a disclaimer, it should not be forgotten that, under Article 63(6) of Regulation No 40/94, the Office is required to take the necessary measures to comply with the judgments of the Community Courts.

90. However, contrary to what American Clothing claims, the judgment under appeal does not deny the experience of the Canadian Intellectual Property Office; in paragraph 85, it merely states, convincingly, that that undertaking had not proved a series of claims in respect of that point. The appellant does not specify the way in which the clear sense of the evidence was distorted, and so this complaint, which calls in question the evaluation of the facts carried out by the Court of First Instance, hopes to have more success on appeal. However, Article 58 of its own Statute prohibits the Court of Justice from interfering in the determination of facts. (50) As the complaint of distortion, the only route by which the Court of Justice could look into the factual aspects, has not been substantiated, the claim under consideration should not be allowed.

91. Furthermore, if the appellant’s argument invoking past disputes settled by OHIM were upheld, there is established case-law to the effect that decisions concerning registration of a sign as a Community trade mark which the Boards of Appeal of OHIM are called on to take under Regulation No 40/94 are adopted in the exercise of circumscribed powers and are not a matter of discretion. Accordingly, the legality of the decisions of the Boards of Appeal must be assessed solely on the basis of that regulation, as interpreted by the Community judicature, and not on the basis of a previous decision-making practice. (51) The claim of discrimination made against the judgment under appeal therefore also fails.

92. With regard to the experience of other national authorities in respect of trade marks, the Court of First Instance, in paragraph 84 of the judgment under appeal, pointed out that the Community trade mark regime is an autonomous system governed by its own rules, which pursues specific objectives, and is fully independent of national systems. Accordingly, OHIM examines the signs solely on the basis of that Community legislation, and the decisions of the offices of the Member States do not bind it, although it may take into account, as facts, marks already registered in the countries of the European Union. (52)

93. Finally, the appellant complains that the Court of First Instance failed to consider the normal conditions of use of the trade mark applied for. In its view, the way in which it intended to use its ideogram would not have caused any confusion, because the public would have taken it to be a decoration, without associating it with the emblem.

94. However, as stated in paragraph 77 of the judgment under appeal, the application of Article 6ter of the Paris Convention is not subject to the condition that there be a possibility of error on the part of the persons concerned as regards the origin of the goods designated by the mark applied for or as regards the existence of a connection between the proprietor of the sign and the State whose emblem it reproduces. For a certain sector of academic lawyers, the ratio of Article 6ter (a) lies in the need to prevent the consumer believing that there is an ‘official’ connection between the sign and the State, merely because of the presence of the national emblem

in the mark. (53) However, although the legislation is based on that interest in avoiding the connection with the national emblem, it is not a requirement for its application. Consequently, this claim likewise cannot be upheld.

95. In the light of the foregoing considerations, after having rejected the claims of the applicant in Case C-202/08 P, it is appropriate to dismiss the single ground of appeal raised by American Clothing and, consequently, also the action in its entirety.

B – The appeal in Case C-208/08 P

1. Definition of positions

96. In its appeal, OHIM seeks the partial annulment of the judgment of the Court of First Instance, for having held that Article 7(1)(h) of Regulation No 40/94, in conjunction with Article 6ter of the Paris Convention, did not apply to service marks. (54)

97. Its claim is based on a single plea in law, the error in law committed by the Court of First Instance in interpreting the aforementioned article of the Paris Convention literally, without taking account of its spirit or its organisation. In short, OHIM advocates a broad interpretation of the provision of the Convention, on the basis of the following points:

(1) The revision of the Convention carried out in Lisbon in 1958 extended to services the obligation of the contracting States to protect trade marks, by introducing Article 6sexies, (55) since the amendment seeks to put the two categories, goods and services, on an equal footing;

(2) As is clear from Article 29(1) of Regulation No 40/94, it was not sought to treat trade marks differently from service marks;

(3) Article 16 of the TLT, on the basis of which, taken a contrario sensu, the Court of First Instance confirmed that Article 6ter of the Paris Convention did not apply to service marks, only clarifies the scope of the Convention, without altering it; and

(4) The Court of Justice has shown, at least implicitly, that it is in favour of equal treatment for both kinds of sign, since in the case known as ‘Fincas Tarragona’, (56) in response to a question referred for a preliminary ruling, the Court did not resolve, as a preliminary matter and of its own motion, the doubt regarding the applicability to service marks of Article 4(2)(d) of Directive 89/104, read in conjunction with Article 6bis of the Paris Convention, which, like Article 6ter, only mentions trade marks.

98. American Clothing, on the other hand, points out that Article 6ter is clear and unconditional, and does not apply to service marks.

99. It takes the view that the judgment in Fincas Tarragona did not examine Article 6bis of the Paris Convention, apart from the fact that the Court of First Instance had already held that it does not cover service marks. (57)

100. It also submits that Article 6sexies of the Paris Convention does not affect Article 6ter, since it can be inferred from the Lisbon Act that, at that conference, a more ambitious idea which sought to assimilate service marks to trade marks was unsuccessful.

101. It takes the view that Article 16 of the TLT does not modify Article 6ter of the Paris Convention, but completes it, extending its scope to services.

2. Analysis of the appeal

102. Although I agree with OHIM when it states that there is an error of law in the interpretation of Article 7(1)(h) of Regulation No 40/94, read in conjunction with Article 6ter of the Paris Convention, I disagree when it maintains that the error arises from the literal interpretation of the latter provision; nor do I approve of applying it extensively, by relying on Article 6sexies and the TLT, because that distorts to excess the meaning of all the articles listed.

103. The Court of First Instance misinterpreted the aim of the Paris Convention and the reference to that Convention made by Article 7 of the Regulation on the Community Trade Mark. An analysis of each of those provisions separately allows useful conclusions to be drawn.

(a) Concerning the correct interpretation of Article 6ter of the Paris Convention

104. The essential aim of the Convention is to uphold the principle of national treatment, accompanying it with minimum rules for the protection of the objects of industrial property to which it applies. (58)

105. The principle of national treatment covers the prohibition of discrimination against foreign signs, affording them the same legal protection as that given to patents, trade marks and designs at national level. It also includes a conflict of laws rule, under which, in the countries party to the Convention, industrial property cases are to be judged in accordance with the *lex loci proteccionis*, that is to say, according to the law of the State in which legal protection is sought for the invention, mark or design, in accordance with the principle of territoriality inherent in the Convention. (59)

106. Consequently, the signatories of the Paris Convention are required to apply their industrial property laws in the same way to the trade marks of their citizens and to those of the subjects of the other States Parties, who may claim, as a minimum, the protection provided under the Convention.

107. The Court of First Instance is therefore wrong partially to deny protection to emblems pursuant to Article 6ter, since, although that provision does not include service marks, it also does not need to concern itself in extenso with the scope of absolute protection for emblems. The provision in question only requires the contracting States not to register trade marks which are identical to or contain a national emblem. However, the signatory States are free to extend the scope of the rule to service marks. (60) In this respect, OHIM is correct when it describes the Paris Convention as being in the nature of a ‘minimum requirement’, not a ‘uniform law’. In Community law, there is no shortage of this kind of regulation, which authorises the Member States to exceed the requirements fixed in a directive, using the so-called ‘minimum harmonisation’ method.

108. On the other hand, contrary to OHIM’s view, Article 6sexies of the Convention does not support a broad interpretation of Article 6ter thereof. Articles

6sexies only invites the signatory States to protect service marks but does not require their registration. Consequently, the rules governing that protection of signs are adopted by each country, which may, therefore, assimilate them to trade marks or establish a special regime. In any event, except for specific references to services in the Convention, such as those in Articles 2 and 3 in conjunction with Article 5, (61) it is for the national legislature to determine the degree of equivalence of the marks designating services with those which appear on consumer goods. (62)

109. In short, the extension of the protection of national emblems to service marks does not derive from the Paris Convention, but from national or Community legislation.

b) The scope of Article 7(1)(h) of Regulation No 40/94

110. The question of whether this absolute ground for refusal also applies to service marks depends, therefore, on the Regulation on the Community trade mark and, in my view, should be answered in the affirmative.

111. First, because the seventh and ninth recitals in the preamble to that regulation, and Article 1(1) thereof, endorse the relevance of that ground, on the same conditions, to both signs: those for goods and those which designate services. Moreover, save for error or omission, the regulation contains no provision which distinguishes between them, in particular, with regard to their registration or to the rights of their proprietors.

112. Secondly, because the European legislature, in the exercise of its powers, has treated the two signs in the same way in Regulation No 40/94, and it makes no sense to claim that its intention was to restrict the protection of national emblems specifically for services, which constitute the most important sector of economic activities in the gross domestic product of all the Member States.

113. In these circumstances, I am certain that the reference in Article 7(1)(h) must be understood as made to the ground for refusing registration in Article 6ter of the Convention, but not to its supposed scope.

114. Thirdly, because I do not share the view of the Court of First Instance that, when the European legislature drafted the regulation on the Community Trade Mark, it was aware that the reference in Article 7(1)(h) restricted the possibility of national emblems being used to oppose marks to trade marks, leaving those emblems unprotected with regard to service marks. (63) I suspect, rather, that the Member States were fully aware that the Paris Convention did not involve such a restriction and that it did not curtail their power to determine the nature of the protection which they wished to guarantee service marks in the Community.

115. It is unlikely that, as the judgment under appeal suggests, in Regulation No 40/94, which was so innovative and which had to be approved unanimously in accordance with Article 235 of the EEC Treaty (now Article 308 EC), no Member State would have noticed the reduction in protection for national symbols which, according to that judgment, was the consequence of the reference in Article 7(1)(h), especially bearing in mind

the sensitivity of the Governments in respect of those emblems.

116. It is therefore appropriate to allow the single ground of appeal raised by OHIM in Case C-208/08 P relating to an error of law in the application of Article 7(1)(h) of Regulation No 40/94, in conjunction with Article 6ter of the Paris Convention, and to set aside the judgment against which OHIM has appealed.

VII – Costs

117. The solution I suggest requires that American Clothing be ordered to pay the costs of the proceedings at first instance, in accordance with the first subparagraph of Article 87(2) of the Rules of Procedure of the Court of First Instance.

118. Since it has also been unsuccessful in all its claims in Cases C-202/08 P and C-208/08 P, that undertaking must also pay the costs of both appeals, in accordance with the first paragraph of Article 122, in conjunction with the first subparagraph of Article 69(2) of the Rules of Procedure of the Court of Justice.

VIII – Conclusion

119. In the light of the foregoing considerations, I propose that the Court of Justice:

- (1) dismiss the appeal brought by American Clothing Associates SA in Case C-202/08 P against the judgment delivered on 28 February 2008 by the Fifth Chamber of the Court of First Instance in Case T-215/06;
- (2) allow the sole ground of appeal put forward by the Office for Harmonisation in the Internal Market (Trade Marks and Designs) in its appeal in Case C-208/08 P against the judgment delivered on 28 February 2008 by the Fifth Chamber of the Court of First Instance in Case T-215/06 and set aside that judgment in so far as it held that Article 7(1)(h) of Regulation No 40/94 on the Community trade mark, in conjunction with Article 6ter of the Paris Convention, did not apply to service marks;
- (3) order American Clothing Associates SA to pay the costs of the proceedings at first instance and, in particular, the costs of both the present appeals.

1 – Original language: Spanish.

2 – Case T-215/06 American Clothing Associates v OHIM [2008] ECR II-0000.

3 – Council Regulation (EC) No 40/94 of 20 December 1993 (OJ 1994 L 11, p. 1), as amended by Council Regulation (EC) No 3288/94 of 22 December 1994 for the implementation of the agreements concluded in the framework of the Uruguay Round (OJ 1994 L 349, p. 83), and, most recently, by Council Regulation (EC) No 422/2004 of 19 February 2004 (OJ 2004 L 70, p. 1).

4 – Convention for the Protection of Industrial Property, signed in Paris on 20 March 1883, as revised and amended (United Nations Treaty Series, vol. 828, No 11847, p. 108).

5 – Heraldry, which appeared in Europe in the early 12th century in jousts and tournaments, soon lost its basic function of identifying a knight and came to represent stories of alliances between noble families; it

also decorated palaces and houses, and it was this role which led to its decline, owing to the commercialisation of the heraldists (Messía de la Cerda y Pita, L.F., *Heráldica Española – El diseño heráldico*, Ed. Edimat, Madrid, 1998, pp. 19 to 22).

6 – Cervantes, M. de, *Don Quijote de la Mancha*, translated as *Don Quixote* with an introduction and notes by John Rutherford, Penguin Books, 2001, Part II, Chapter LXIV, p. 927.

7 – The Nice Agreement concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, as revised and amended.

8 – Case R 1463/2005-1.

9 – Case T-127/02 *Concept v OHIM(ECA)* [2004] ECR II-1113, paragraph 40; ('the ECA judgment').

10 – Paragraph 23 of the judgment under appeal.

11 – Paragraphs 24 and 25 of the judgment under appeal, which are based on the order of 27 September 2004 in Case C-470/02 *P UER v M6 and Others*, paragraph 69, and the order of 13 June 2006 in Case C-172/05 *P Mancini v Commission*, paragraph 41.

12 – In paragraphs 26 to 32 of the judgment under appeal.

13 – To be specific, paragraph 7 of the 'General Information on Article 6ter of the Paris Convention', available on the WIPO internet site, according to paragraph 19 of the judgment under appeal.

14 – Trade Mark Law Treaty (TLT), adopted at Geneva on 27 October 1994, in order to extend to service marks the protection granted by the Paris Convention to marks for goods; paragraph 31 of the judgment under appeal.

15 – Paragraph 59 et seq. of the judgment under appeal.

16 – The Court of First Instance based its argument on paragraphs 45 and 46 of its judgment in ECA.

17 – Referring again to the judgment in ECA, paragraph 44.

18 – Paragraph 76 et seq. of the judgment under appeal.

19 – Judgment under appeal, paragraph 81.

20 – Paragraphs 82 to 85 of the judgment under appeal.

21 – Fax of 8 May.

22 – *Diccionario de la lengua española*, Real Academia Española, 21st ed., Ed. Espasa Calpe, Madrid, 1992, p. 803. Also, *Le nouveau petit Robert, Dictionnaire de la langue française*, Ed. Dictionnaires Le Robert, Paris, 1993, p. 829.

23 – *Black's Law Dictionary*, 7th ed., Ed. West Group, St. Paul, Minneapolis (USA), 1999, p. 540, and *Creifelds Rechtswörterbuch*, 16th ed., Ed. C. H. Beck, Munich, 2000, p. 663 (under the word 'Hoheitszeichen').

24 – Thus, in particular, Cornu, G., *Vocabulaire juridique*, 8th ed., Ed. Presses Universitaires de France, 2000, p. 328.

25 – Dupuy, J.-M., *Droit international public*, 4th ed., Ed. Dalloz, Paris, 1998, p. 72.

26 – The United Nations Convention on the Law of the Sea, signed in Montego Bay (Jamaica) on 10 December 1982, in force since 16 November 1994. It was approved on behalf of the European Community by

Council Decision 98/392/EC of 23 March 1998 (OJ 1998 L 179, p. 1).

27 – Also known, affectionately, as the Stars and Stripes and Old Glory.

28 – Case C-10/89 *HAG* [1990] ECR I-3711, paragraph 13; Case C-517/99 *Merz & Krell* [2001] ECR I-6959, paragraph 21; Case C-206/01 *Arsenal Football Club* [2002] ECR I-10273, paragraph 47; and Case C-228/03 *Gillette Company and Gillette Group Finland* [2005] ECR I-2337, paragraph 25.

29 – Case C-39/97 *Canon* [1998] ECR I-5507, paragraph 28; Case C-371/02 *Björnekulla Fruktindustrier* [2004] ECR I-5791, paragraph 20; and Case C-120/04 *Medion* [2005] ECR I-8551, paragraph 23.

30 – Case 102/77 *Hoffmann-La Roche* [1978] ECR 1139, paragraph 7; Case C-299/99 *Philips* [2002] ECR I-5475, paragraph 30; and *Arsenal Football Club*, paragraph 48.

31 – First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks (OJ 1989 L 40, p. 1).

32 – *Medion*, paragraph 24; Case C-102/07 *adidas and adidas Benelux* [2008] ECR I-2439, paragraph 28; and Case C-533/06 *O2 Holdings and O2 (UK)* [2008] ECR I-4231, paragraph 47.

33 – *Medion*, paragraph 25.

34 – Case C-342/97 *Lloyd Schuhfabrik Meyer* [1999] ECR I-3819, paragraph 17; *Medion*, paragraph 26; and Case C-334/05 *P OHIM v Shaker* [2007] ECR I-4529, paragraph 33.

35 – Case C-251/95 *SABEL* [1997] ECR I-6191, paragraphs 22 and 23; *Lloyd Schuhfabrik Meyer*, paragraphs 18 and 25; Case C-425/98 *Marca Mode* [2000] ECR I-4861, paragraph 40; Case C-206/04 *P Mühlens v OHIM* [2006] ECR I-2717, paragraphs 18 and 19; and *OHIM v Shaker*, paragraph 35; also, the order in Case C-3/03 *P Matratzen Concord v OHIM* [2004] ECR I-3657, paragraph 28.

36 – *Lloyd Schuhfabrik Meyer*, paragraph 27; Case C-361/04 *P Ruiz-Picasso and Others v OHIM* [2006] ECR I-643, paragraph 37; and *OHIM v Shaker*, paragraph 36; also order of 27 April 2006 in Case C-235/05 *P L'Oréal v OHIM*, paragraph 40.

37 – Bogsch, A., 'The first Hundred Years of the Paris Convention for the Protection of Industrial Property', in *Industrial Property*, WIPO – July/August, 1983, p. 224.

38 – Lema Devesa, C., 'Artículo 7 – Motivos de denegación absolutos', in Casado Cerviño, A. and Llobregat Hurtado, M^a-L. (Coordinators), *Comentarios a los reglamentos sobre la marca comunitaria*, 2nd ed., Ed. La Ley, Madrid, 2000, p. 100.

39 – Fernández-Nóvoa, C., *Tratado sobre Derecho de Marcas*, Ed. Marcial Pons, Madrid, 2001, p. 170; the idea is implicit in footnote 82.

40 – Point 8 of this Opinion.

41 – Bodenhausen, G.H.C., *Guide to the application of the Paris Convention for the Protection of Industrial Property*, BIRPI, 1969, p. 101.

42 – Here, I am again following Fernández-Nóvoa, C., op. cit., p. 170, but applying his apt observation on Spanish law to the Community sphere.

43 – Lema Devesa, C., *op. cit.*, p. 100, disputes this description specifically because of the possibility of authorisation.

44 – Academic lawyers are unanimous in recognising the free commercialisation of national emblems, within the limits imposed by the laws of each State; *inter alia*, Fezer, K.H., *Markenrecht*, 2nd ed., Ed. C.H. Beck, Munich, 1999, p. 476.

45 – Ströbele, P., ‘Absolute Schutzhindernisse’, in Ströbele, P., and Hacker, F., *Markengesetz*, 8th ed., Ed. Heymanns, Munich, 2006, p. 411.

46 – This is how I understand the opinion expressed by Fezer, K.-H., *op. cit.*, p. 473.

47 – Paragraph 73 of the judgment under appeal.

48 – Bodenhausen, G.H.C., *op. cit.*, p. 100; Ströbele, P., *op.cit.*, p. 411.

49 – Bender, A., ‘Der Ablauf des Anmeldeverfahrens’, in Fezer, K.-H., *Handbuch der Markenpraxis – Band I Markenverfahrensrecht*, Ed. C.H. Beck, Munich, 2007, p. 585.

50 – For example, Case C-104/00 P DKV v OHIM(Companyline) [2002] ECR I-7561, paragraphs 21 and 22, and my Opinion in that case, points 59 and 60; Joined Cases C-238/99 P, C-244/99 P, C-245/99 P, C-247/99 P, C-250/99 P to C-252/99 P and C-254/99 P *Limburgse Vinyl Maatschappij and Others v Commission* [2002] ECR I-8375, paragraphs 330 and 331; also, order in Case C-326/01 P *Telefon & Buch* [2004] ECR I-1371, paragraph 35.

51 – Case C-37/03 P *BioID v OHIM* [2005] ECR I-7975, paragraphs 47 to 51; Case C-173/04 P *Deutsche SiSi-Werke v OHIM* [2006] ECR I-551, paragraph 48; order of 13 February 2008 in Case C-212/07 P *Indorata-Serviços e Gestão v OHIM*, paragraphs 43 and 44; and order of 12 February 2009 in Joined Cases C-39/08 and C-43/08 *Bild digital*, paragraph 13.

52 – See to that effect the judgments in Case C-363/99 *Koninklijke KPN Nederland* [2004] ECR I-1619, paragraphs 42 to 44; and Case C-218/01 *Henkel* [2004] I-1725, paragraphs 61 and 62, and also my opinion in the latter case, points 23 and 24. Also, the order in *Bild digital*, paragraphs 14 to 16.

53 – Bodenhausen, G.H.C., *op. cit.*, p. 99; in English law: Kitchin, D., Llewelyn, D., Mellor, J., Meade, R., Moody Stuart, T. & Keeling, D., *Kerly’s Law of Trade Marks and Trade Names*, 14th ed., Ed. Sweet & Maxwell, London, 2005, p. 219; in Spanish law, Marco Arcalá, L.A., ‘Artículo 5. Prohibiciones absolutas’, in Bercovitz Rodríguez-Cano, A. (director), *Comentarios a la Ley de Marcas*, 2nd ed., Ed. Thomson-Aranzadi, Navarra, 2008, volume I, p. 234.

54 – Paragraphs 22 to 33 of the judgment under appeal.

55 – Reproduced in point 9 of this Opinion.

56 – Case C-328/06 *Nieto Nuño* [2007] ECR I-10093.

57 – It refers to the judgment of 11 July 2007 in Case T-262/03 *Mühlens v OHIM*, paragraph 54, and to Case T-150/04 *Mühlens v OHIM* [2007] ECR II-2353, paragraph 59.

58 – Beier, F.-K., ‘One Hundred Years of International Cooperation – The Role of the Paris Convention in the

Past, Present and Future’, in *International Review of Industrial Property and Copyright Law*, volume 15, No 1/1984, p. 11; Bodenhausen, G.H.C., *op. cit.*, pp. 12 and 13.

59 – Beier, F.-K., *op. cit.*, pp. 9 and 10. Bodenhausen, G.H.C., *op. cit.*, p. 30.

60 – Bodenhausen, G.H.C., *op. cit.*, p. 99.

61 – Bodenhausen, G.H.C., *op. cit.*, p. 90.

62 – Bogsch, A., *op. cit.*, p. 229.

63 – Paragraph 32 of the judgment under appeal.