

Court of Justice EU, 15 October 2015, Debonair v OHIM

SO...?

TRADE MARK LAW

General court applied right criterion to establish likelihood of confusion between the sign ‘SÔ:UNIC’ and the family of marks beginning with ‘SO...?’

- General court looked at whether consumers were likely to establish a connection between the sign and the family of marks and whether consumers might perceive the former as a new member of the latter.

35. Such an approach cannot be regarded as incorrect in itself in so far as, in the present case, it initially consisted of ascertaining whether there was an element enabling the mark applied for to be associated with the family of marks relied on in order subsequently to examine, in the context of a global assessment, whether consumers were likely to establish a connection between that mark and that family of marks, and whether there was a possibility that consumers might perceive the former as a new member of the latter.

38. In that regard, it should be noted that, in order to complement its assessment, in paragraph 27 of the judgment under appeal the General Court made reference to the Board of Appeal’s findings, which the appellant had not disputed in its appeal, concerning the degree of similarity between the marks at issue. The General Court emphasised the fact that the Board had drawn attention to differences between the mark applied for and the family of marks relied on relating to, inter alia, the perception of the marks at issue from a conceptual point of view, and explained that the conceptual point of view was an essential element in the context of a family of marks.

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Court of Justice EU, 15 October 2015

(E. Levits, M. Berger, S. Rodin)

JUDGMENT OF THE COURT (Sixth Chamber)

15 October 2015 (*)

(Appeal — Community trade mark — Regulation No 40/94 — Article 8(1)(b) — Application for Community word mark SÔ:UNIC — Earlier national and Community word marks SO...?, SO...? ONE, SO...? CHIC — Relative grounds for refusal — Likelihood of confusion — Family of marks)

In Case C-270/14 P,

APPEAL under Article 56 of the Statute of the Court of Justice of the European Union, brought on 2 June 2014, Debonair Trading Internacional Lda, established in Funchal (Portugal), represented by T. Alkin, Barrister, appellant,

the other party to the proceedings being:

Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM), represented by V. Melgar, acting as Agent, defendant at first instance,

THE COURT (Sixth Chamber),

composed of E. Levits, acting as President of the Chamber, M. Berger (Rapporteur) and S. Rodin, Judges,

Advocate General: P. Mengozzi,

Registrar: A. Calot Escobar,

having regard to the written procedure,

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

gives the following

Judgment

1. By its appeal, Debonair Trading Internacional Lda seeks the setting aside of the judgment in Debonair Trading Internacional v OHIM – Ibercosmetica (SÔ:UNIC) (T-356/12, EU:T:2014:178) (*‘the judgment under appeal’*), by which the General Court of the European Union dismissed its action seeking the annulment of the decision of the Fourth Board of Appeal of the Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM) of 4 June 2012 (Case R 1033/2011-4) relating to opposition proceedings between the appellant and Ibercosmetica SA de CV (*‘the contested decision’*).

Legal context

2. Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark (OJ 1994 L 11, p. 1) was repealed and replaced by Council Regulation (EC) No 207/2009 of 26 February 2009 on the Community trade mark (OJ 2009 L 78, p. 1), which entered into force on 13 April 2009. Nevertheless, in view of the date on which the trade mark application in question was filed, the present dispute continues to be governed, as regards the substance, by Regulation No 40/94.

3. Article 8(1)(b) of Regulation No 40/94 was worded as follows:

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

...

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

4. Article 8(2) of that regulation provided:

‘[F]or the purposes of paragraph 1, “Earlier trade marks” means:

(a) trade marks of the following kinds with a date of application for registration which is earlier than the date of application for registration of the Community trade mark, taking account, where appropriate, of the priorities claimed in respect of those trade marks:

(i) Community trade marks;

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

Background to the dispute

5. On 3 April 2009, Ibercosmetica SA de CV filed an application with OHIM for registration of the word sign 'SÔ:UNIC' as a Community trade mark.

6. The goods in respect of which registration was sought are in Class 3 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, and correspond to the following description: *'Bleaching preparations and other substances for laundry use; cleaning, polishing, scouring and abrasive preparations; soaps; perfumery, essential oils, cosmetics, hair lotions; dentifrices'*.

7. On 4 September 2009, the appellant filed a notice of opposition pursuant to Article 42 of Regulation No 40/94 to registration of the mark applied for in respect of the goods referred to in paragraph 6 above. The opposition was based on 24 earlier national and Community registered trade marks, all containing the word element 'so...?', including:

- the Community word mark SO...?, registered on 26 February 2001;
- the United Kingdom word mark SO...? ONE, registered on 15 April 2005; and
- the Community word mark SO...? CHIC, registered on 9 January 2008.

All three of those marks cover goods in Class 3 of the Nice Agreement cited in paragraph 6 above.

8. The opposition was also based on several other earlier signs, defined by the appellant in the notice of opposition as being non-registered word marks protected in the European Union, covering the goods *'perfumery; cosmetics; deodorants'* and containing the word element 'so', usually in the context of the expression 'so...?' (*'the other earlier signs at issue'*).

9. The grounds relied on in support of the opposition were, inter alia, those referred to in Article 8(1)(b) of Regulation No 40/94 and Article 8(4) of that regulation.

10. By decision of 24 March 2011, OHIM's Opposition Division rejected that opposition.

11. The appellant filed a notice of appeal with OHIM against that rejection decision. By the contested decision, the Fourth Board of Appeal of OHIM (*'the Board of Appeal'*) dismissed the appeal. The Board of Appeal held, in essence, that (i) the opposition was not admissible to the extent that it was based on the other earlier signs at issue, and (ii) the opposition based on the earlier trade marks was unfounded, on the ground that there was no likelihood of confusion between the marks at issue. In that regard, it observed in particular that:

- the mark applied for and those earlier trade marks were visually and phonetically similar to a low degree and were conceptually dissimilar;

– as the mark applied for did not contain exactly the same initial part, corresponding to the element 'so...?', as the earlier trade marks, it could not be included in the same family of marks as that which might be formed by those earlier trade marks (*'the family of marks relied on'*).

Procedure before the General Court and the judgment under appeal

12. By application lodged at the Registry of the General Court on 6 August 2012, the appellant brought an action seeking the annulment of the contested decision.

13. In support of its action, the appellant relied on three pleas in law, the first alleging infringement of Article 8(1)(b) of Regulation No 40/94, the second alleging infringement of Rule 15(2)(b)(iii) of Commission Regulation (EC) No 2868/95 of 13 December 1995 implementing Regulation No 40/94 (OJ 1995 L 303, p. 1), and the third alleging infringement of Article 8(4) of Regulation No 40/94.

14. In its first plea, the appellant challenged the Board of Appeal's reasoning that the mark applied for could not be regarded as being part of the family of marks relied on.

15. In that regard, having recalled, in paragraph 19 of the judgment under appeal, its own case-law relating to the assessment of a likelihood of confusion where a family of marks is involved, the General Court ruled as follows:

'24 ... a family of marks exists, inter alia, when a number of marks contain a single distinctive element or repeat a single prefix or suffix taken from an original mark. Admittedly, as the applicant, in essence, observes, those two hypotheses were set out in the case-law for the purposes of defining the concept of a family of marks and not for the purposes of establishing the circumstances in which there is a likelihood of confusion between a trade mark applied for and a family of earlier marks. However, the Board of Appeal did not err in looking to those hypotheses when it examined the issue of whether the trade mark applied for could be confused with the family of marks relied on. As the applicant itself concedes, the likelihood of confusion with regard to a family of marks results from the possibility that the relevant public may believe that the mark applied for is part of the same family as that formed by the earlier marks ... For that likelihood of confusion to exist, it is therefore necessary that the mark applied for should have characteristics which might suggest that it belongs to the family of marks at issue.'

25 In the present case, the element "so... ?", which is common to the earlier marks liable to form the family of marks relied on, does not coincide with the element "sô:" in the mark applied for.'

16. In paragraph 26 of the judgment under appeal, the General Court acknowledged that the case-law cited in paragraph 19 of that judgment *'leaves open the possibility of finding, even in conditions other than those required by the two hypotheses mentioned above, that a mark belongs to a family of marks'*. However, it considered that *'that cannot be the case where the*

conditions mentioned in those hypotheses are not met and, as in the present case, no other element is adduced in support of the mark belonging to that family of marks’.

17. In paragraph 27 of that judgment, the General Court observed that *‘the Board of Appeal [had] drawn attention to other differences between the trade mark applied for and the family of marks relied on’*, in particular with regard to *‘the perception of the marks at issue from the conceptual point of view’*. In paragraphs 28 and 29 of the same judgment, it added that, given the structural differences between the marks under comparison, the Board had been *‘justified in finding that the mark applied for, viewed as a whole, did not correspond to the pattern characterising the family of marks relied on’*.

18. Regarding the goods covered by those marks, having held, in paragraph 30 of the judgment under appeal, that the fact that those goods were partly identical was irrelevant, in paragraph 31 of that judgment the General Court explained that *‘the graphic and semantic differences between the mark applied for and the family of marks relied on ... are sufficient to preclude the mark applied for from being regarded as belonging to that family of marks, irrespective of the goods covered’*.

19. Consequently, the General Court rejected the first plea in law.

20. At the end of its examination of the action as a whole, the General Court annulled the contested decision in so far as, by that decision, the Board of Appeal had — in breach of Rule 15(2)(b)(iii) of Regulation No 2868/95 — rejected as inadmissible the opposition based on the other earlier signs relied on by the appellant. It dismissed the action as to the remainder.

Forms of order sought

21. The appellant claims that the Court should:

- set aside paragraph 2 of the operative part of the judgment under appeal, which dismisses the action as to the remainder;
- refer the case back to the General Court; and
- order OHIM to pay the costs.

22. OHIM contends that the Court should:

- dismiss the appeal; and
- order the appellant to pay the costs.

Appeal

Arguments of the parties

23. The appellant relies on a single ground of appeal, namely, infringement of Article 8(1)(b) of Regulation No 40/94.

24. The appellant claims that the General Court did not apply the relevant criteria for the purposes of assessing the likelihood of confusion between a *‘family of marks’* and a later trade mark. It submits that the General Court erred in law, first, by equating the test for the existence of a family of marks, as defined by case-law, to the test for a likelihood of confusion between the mark applied for and a family of earlier trade marks, and, second, by neglecting to carry out a global assessment of the likelihood of confusion.

25. According to the appellant, the concept of a *‘family of marks’* presumes that consumers can recognise a series of registrations as a family of marks. That presumption is based on characteristics of those marks taken in isolation.

26. The concept of wrongly associating a later trade mark with a family or series of earlier trade marks is different. It pre-supposes familiarity with the series as a whole and focuses on whether the average consumer will associate a specific later trade mark with that series. At that point, a global assessment of all factors relevant to the consumer’s perception of the later trade mark must be undertaken.

27. The General Court was therefore wrong, in paragraphs 24 to 26 of the judgment under appeal, to consider that the test for the existence of a family of marks was identical to the test for a likelihood of confusion with that family and to apply the former test in order to determine, without carrying out a global assessment of all the relevant factors, the question whether there was a likelihood of confusion between the mark applied for and the family of marks relied on.

28. OHIM contends, primarily, that that argument is inadmissible, as it seeks to call in question an analysis which is factual in nature. In the alternative, it contends that the argument is unfounded.

Findings of the Court

Admissibility

29. Pursuant to Article 256(1) TFEU and the first paragraph of Article 58 of the Statute of the Court of Justice of the European Union, appeals are to be limited to points of law, as the General Court has exclusive jurisdiction to find and appraise the relevant facts and to assess the evidence.

30. However, by its argument, the appellant is calling into question not the factual comparison carried out by the General Court but the method applied by that Court for the purposes of assessing whether there was a likelihood of confusion between a family of marks and a later trade mark.

31. In so far as it accuses the General Court of not having applied the criteria identified as legally relevant by the EU judiciary in the context of its interpretation of Article 8(1)(b) of Regulation No 40/94, the point raised by the appellant constitutes a point of law which is admissible in the context of the present appeal.

Substance

32. According to settled case-law, where opposition to an application for registration of a trade mark is based on the existence of several trade marks with shared characteristics enabling them to be regarded as part of the same *‘family’* or *‘series’* of trade marks, account should be taken, in the assessment of the likelihood of confusion, of the fact that, in the case of a *‘family’* or *‘series’* of trade marks, a likelihood of confusion results from the fact that the consumer may be mistaken as to the provenance or origin of goods or services covered by the trade mark applied for and consider, erroneously, that the latter trade mark is part of that family or series of marks (see, in particular, judgment in [Union Investment Privatfonds v](#)

UniCredito Italiano, C-317/10 P, EU:C:2011:405, paragraph 54 and the case-law cited).

33. In that context, the Court has pointed out that the existence of a likelihood of confusion on the part of the public must be assessed globally, taking into account all factors relevant to the circumstances of the case (see, in particular, judgment in **Union Investment Privatfonds v UniCredito Italiano, C-317/10 P, EU:C:2011:405, paragraph 55).**

34. In the present case, regarding the likelihood of confusion between the mark applied for and the family of marks relied on, in paragraph 24 of the judgment under appeal the General Court endorsed the approach adopted by the Board of Appeal, explaining that that approach was based on criteria laid down by case-law for establishing the existence of a family of marks. The General Court justified that approach by the consideration that, if the likelihood of confusion with regard to a family of marks results from the possibility that the relevant public may believe that a mark in respect of which registration is sought is part of the same family as that formed by earlier trade marks, it is then necessary, in order for that likelihood of confusion to exist, that the mark concerned should have characteristics which might suggest that it belongs to the family of marks in question.

35. Such an approach cannot be regarded as incorrect in itself in so far as, in the present case, it initially consisted of ascertaining whether there was an element enabling the mark applied for to be associated with the family of marks relied on in order subsequently to examine, in the context of a global assessment, whether consumers were likely to establish a connection between that mark and that family of marks, and whether there was a possibility that consumers might perceive the former as a new member of the latter.

36. On that basis, in paragraph 26 of the judgment under appeal the General Court endorsed the Board of Appeal's finding that the mark applied for could not be associated with the family of marks relied on. In order to arrive at that conclusion, the General Court relied, first, on the finding, set out in paragraph 25 of that judgment, that the element 'so...?' shared by the earlier trade marks liable to form the family of marks relied on did not coincide with the element 'sô:' of the mark applied for and, second, on the lack of any other factor connecting the marks concerned.

37. However, as the appellant argues and as has been recalled in paragraph 33 above, the existence of a likelihood of confusion on the part of the public must be assessed globally, taking into account all factors relevant to the circumstances of the case.

38. In that regard, it should be noted that, in order to complement its assessment, in paragraph 27 of the judgment under appeal the General Court made reference to the Board of Appeal's findings, which the appellant had not disputed in its appeal, concerning the degree of similarity between the marks at issue. The General Court emphasised the fact that the Board had drawn attention to differences between the mark applied for and the family of marks relied on relating

to, inter alia, the perception of the marks at issue from a conceptual point of view, and explained that the conceptual point of view was an essential element in the context of a family of marks.

39. In paragraph 29 of the judgment under appeal, the General Court also examined the structure of the marks under comparison, taking into consideration the influence of both the shared element of those marks, which it identified as being the modifier 'so', and the element specific to the mark applied for — the term 'unic' — on the perception that the relevant public might have of those marks. In the context of that examination, it found that there were substantial structural differences between the marks in question.

40. It is true that, as the appellant argues, by holding in paragraph 30 of the judgment under appeal that little significance attached to the fact that the Board of Appeal, in its evaluation, had not taken account of the fact that the goods covered were, in part, identical, the General Court erred in law as it excluded taking into consideration a factor which was relevant for the purposes of assessing the relevant public's perception.

41. However, that error of law is irrelevant given that, in paragraph 31 of the judgment under appeal, the General Court found that the differences between the mark applied for and the marks constituting the family of marks relied on were sufficient, in any event, to preclude the mark applied for from being regarded as belonging to that family of marks, irrespective of the goods covered.

42. In those circumstances, it must be held that the appellant's complaint that the General Court did not carry out a global assessment of the likelihood of confusion taking all the relevant factors into account is unfounded.

43. To the extent that the appellant claims that the analysis of the likelihood of confusion carried out by the General Court is vitiated by an error in identifying the element shared by the family of marks relied on and the mark applied for — which, in its view, is constituted by the term 'so' combined with an adjective — it is sufficient to note that the assessments carried out in that regard by the General Court are of a factual nature and, as such, are not amenable to review by the Court of Justice in the context of the present appeal.

44. It follows that the appellant's ground of appeal alleging infringement of Article 8(1)(b) of Regulation No 40/94 must be rejected.

45. In the light of all of the foregoing, the appeal must be dismissed.

Costs

46. Under Article 138(1) of the Rules of Procedure of the Court of Justice, applicable to appeal proceedings by virtue of Article 184(1) of those Rules, the unsuccessful party is to be ordered to pay the costs if they have been applied for in the successful party's pleadings. As OHIM has applied for costs and the appellant has been unsuccessful, the appellant must be ordered to pay the costs relating to the present proceedings.

On those grounds, the Court (Sixth Chamber) hereby:

1. Dismisses the appeal;
 2. Orders Debonair Trading Internacional Lda to pay the costs.
- [Signatures]
* Language of the case: English.
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