

Court of Justice EU, 30 May 2018, Tsujimoto v EUIPO



## TRADE MARK LAW

General Court was fully entitled to conclude that word mark KENZO ESTATE of which registration was applied for was similar to the earlier word mark KENZO:

- [mark applied for consists of earlier mark + element that lacks distinctiveness](#)

It is clear from paragraphs 31 to 33 of the judgments under appeal that, for the purposes of assessing the similarity between the marks at issue, the General Court held that (i) the mark in respect of which registration is sought consists exclusively of the earlier mark to which the ‘estate’ element has been added, which lacks distinctiveness, and (ii) since, in principle, consumers usually pay more attention to the beginning of a sign than to its end, the relevant consumers would pay less attention to that term and would focus on the first and most distinctive element, namely the term ‘kenzo’.

59. In those circumstances, since the two marks at issue are word marks, one of which consists exclusively of the earlier mark with the addition of an element that lacks distinctiveness, the General Court was fully entitled to conclude that those marks, each considered as a whole, were similar.

Use of appellant’s forename in mark applied for does not constitute a due cause:

- [the weighing of the different interests involved cannot undermine the essential function of the earlier mark to guarantee the origin of the product](#)

The mere fact that the term ‘kenzo’ which is a component of the mark KENZO ESTATE corresponds to the appellant’s forename is irrelevant to the issue of whether the use of that term constitutes due cause within the meaning of Article 8(5) of Regulation No 207/2009, since, as stated in essence by the Advocate General in point 38 of her Opinion, the weighing of the different interests involved cannot undermine the essential function of the earlier mark, which is to guarantee the origin of the product.

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Court of Justice EU, 30 May 2018

(...)

JUDGMENT OF THE COURT (Tenth Chamber)

30 May 2018 (\*)

(Appeal — EU trade mark — Applications for registration of the word mark KENZO ESTATE — Earlier EU word mark KENZO — Regulation (EC) No

207/2009 — Article 8(5) — Relative ground for refusal of registration — Reputation — Due cause)

In Joined Cases C-85/16 P and C-86/16 P,

TWO APPEALS under Article 56 of the Statute of the Court of Justice of the European Union, lodged on 11 February 2016,

Kenzo Tsujimoto, residing in Osaka (Japan), represented by A. Wenninger-Lenz, M. Ring and W. von der Osten-Sacken, Rechtsanwälte, appellant

the other parties to the proceedings being:

European Union Intellectual Property Office (EUIPO), represented by A. Folliard-Monguiral, acting as Agent, defendant at first instance,

Kenzo, established in Paris (France), represented by P. Roncaglia, G. Lazeretti, F. Rossi and N. Parrotta, avvocati,

intervener at first instance,

THE COURT (Tenth Chamber),

composed of E. Levits, President of the Chamber, A. Borg Barthet (Rapporteur) and M. Berger, Judges,

Advocate General: E. Sharpston,

Registrar: A. Calot Escobar,

having regard to the written procedure,

after hearing the [Opinion of the Advocate General](#) at the sitting on 7 December 2017,

gives the following

### Judgment

1. By his appeals, Mr Kenzo Tsujimoto asks the Court to set aside the judgments of the General Court of the European Union of 2 December 2015, *Tsujimoto v OHIM — Kenzo (KENZO ESTATE)* (T-414/13, not published, EU:T:2015:923), and of 2 December 2015, *Tsujimoto v OHIM — Kenzo (KENZO ESTATE)* (T-522/13, not published, EU:T:2015:922) (together, ‘the judgments under appeal’), by which the General Court dismissed his actions seeking the annulment of the decisions of the Second Board of Appeal of the European Union Intellectual Property Office (EUIPO) of 22 May 2013 (Case R 333/2012-2), and of 3 July 2013 (Case R 1363/2012-2), respectively, both concerning opposition proceedings between Kenzo and Mr Tsujimoto.

### Legal context

2. The applications for registration at issue were made by the appellant, one under Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark (OJ 1994 L 11, p. 1), as amended (‘Regulation No 40/94’), the other under Council Regulation (EC) No 207/2009 of 26 February 2009 on the [European Union] trade mark (OJ 2009 L 78, p. 1), which came into force on 13 April 2009, codifying and repealing Regulation No 40/94.

3. Article 8(5) of Regulation No 207/2009, that article being headed ‘Relative grounds for refusal’, provides:

*‘Upon opposition by the proprietor of an earlier trade mark within the meaning of paragraph 2, the trade mark applied for shall not be registered where it is identical with, or similar to, the earlier trade mark and is to be registered for goods or services which are not similar to those for which the earlier trade mark is*

registered, where, in the case of an earlier [EU] trade mark, the trade mark has a reputation in [the European Union] and, in the case of an earlier national trade mark, the trade mark has a reputation in the Member State concerned and where the use without due cause of the trade mark applied for would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark.’

4. Article 76(2) of that regulation, that article being headed ‘Examination of the facts by the Office of its own motion’, provides:

*‘The Office may disregard facts or evidence which are not submitted in due time by the parties concerned.’*

5. The rules implementing Regulation No 40/94 are laid down by Commission Regulation (EC) No 2868/95 of 13 December 1995 (OJ 1995 L 303, p. 1), as amended by Commission Regulation (EC) No 1041/2005 of 29 June 2005 (OJ 2005 L 172, p. 4) (‘the implementing regulation’). The implementing regulation also applies to Regulation No 207/2009.

6. Rule 19(1) and (2) of the implementing regulation, that rule being headed ‘Substantiation of the opposition’, provide:

*‘(1) The Office shall give the opposing party the opportunity to present the facts, evidence and arguments in support of his opposition or to complete any facts, evidence or arguments that have already been submitted pursuant to Rule 15(3), within a time limit specified by it and which shall be at least 2 months starting on the date on which the opposition proceedings shall be deemed to commence in accordance with Rule 18(1).*

*(2) Within the period referred to in paragraph 1, the opposing party shall also file proof of the existence, validity and scope of protection of his earlier mark or earlier right, as well as evidence proving his entitlement to file the opposition. In particular, the opposing party shall provide the following evidence:...*’

7. Rule 20(1) of the implementing regulation, that rule being headed ‘Examination of the opposition’, provides:

*‘If until expiry of the period referred to in Rule 19(1) the opposing party has not proven the existence, validity and scope of protection of his earlier mark or earlier right, as well as his entitlement to file the opposition, the opposition shall be rejected as unfounded.’*

8. The third subparagraph of Rule 50(1) of the implementing Regulation provides:

*‘Where the appeal is directed against a decision of an Opposition Division, the Board shall limit its examination of the appeal to facts and evidence presented within the time limits set in or specified by the Opposition Division in accordance with the Regulation and these Rules, unless the Board considers that additional or supplementary facts and evidence should be taken into account pursuant to Article 74(2) of the Regulation.’*

**Background to the disputes and the judgments under appeal**

**Case C-85/16 P**

9. On 21 January 2008 the appellant filed an application for international registration designating the European Union, notification of which was given to EUIPO on 13 March 2008, pursuant to Regulation No 40/94.

10. The mark in respect of which registration is sought is the word sign KENZO ESTATE.

11. The goods in respect of which international registration is sought are in Class 33 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: ‘Wine; alcoholic beverages of fruit; western liquors (in general)’.

12. The application for registration was published in Community Trade Marks Bulletin No 12/2008 of 17 March 2008.

13. On 16 December 2008 Kenzo filed a notice of opposition, pursuant to Article 41 of Regulation No 207/2009, to the international registration of the mark applied for in respect of all the goods referred to in paragraph 11 above.

14. The opposition was based on the earlier Community word mark KENZO, which was registered on 20 February 2001 under number 720706 in respect of goods in, inter alia, Classes 3, 18 and 25 of the Nice Agreement corresponding, for each of those classes, to the following description:

– Class 3: ‘Bleaching preparations and other substances for laundry use; cleaning, polishing, scouring and abrasive preparations; soaps; perfumery, essential oils, cosmetics, hair lotions; toothpaste’;

– Class 18: ‘Leather and imitations of leather, belts, bags, hand bags, trunks and suitcases, sling bags, travelling bags and other luggage; leashes, pocket wallets, briefcases, pouches (leatherware), purses, key cases (leatherware), boxes and cases of leather, imitations of leather, card holders, cheque book holders, attaché cases, make-up cases, travelling sets (leatherware); toilet and make-up bags (not fitted), animal skins, hides; umbrellas, parasols and walking sticks; whips, harness and saddlery’, and

– Class 25: ‘Clothing, footwear (except orthopaedic footwear), headgear’.

15. The ground relied on in support of the opposition was that set out in Article 8(5) of Regulation No 207/2009.

16. By decision of 20 December 2011, the Opposition Division rejected the opposition.

17. On 15 February 2012 Kenzo filed a notice of appeal with EUIPO, pursuant to Articles 58 to 64 of Regulation No 207/2009, against the decision of the Opposition Division.

18. By decision of 22 May 2013, the Second Board of Appeal of EUIPO upheld the appeal. According to the Board of Appeal, the three cumulative conditions for the application of Article 8(5) of Regulation No 207/2009 were satisfied in the present case. As regards the first condition, the Board of Appeal observed that the marks at issue were highly similar for a non-

negligible part of the relevant public. As regards the second condition, the Board found, contrary to the Opposition Division, that Kenzo had established that the earlier trade mark had a reputation. As regards the third condition, the Board found that it seemed highly likely that the mark in respect of which registration was sought, for the use of which no due cause had been demonstrated, would ride on the coat-tails of the earlier trade mark with a reputation in order to benefit from the power of attraction, the reputation and the prestige of that mark and to exploit, without paying any financial compensation, the marketing effort expended by the proprietor of that mark in order to create and maintain the image of that mark. The Board therefore concluded that there was a risk that the use of the protection applied for in respect of the international registration within the European Union would take unfair advantage of the reputation of the earlier mark, within the meaning of Article 8(5) of Regulation No 207/2009.

19. By application lodged at the Registry of the General Court on 8 August 2013, the appellant brought an action for annulment of the contested decision. In support of his action, the appellant relied on two pleas in law: (i) infringement of Article 76(2) of Regulation No 207/2009, and (ii) infringement of Article 8(5) of that regulation

20. The General Court rejected those pleas and accordingly dismissed the action in its entirety.

#### **Case C-86/16 P**

21. On 18 August 2009 the appellant filed an application for an international registration designating the European Union, notification of which was given to EUIPO on 5 November 2009, pursuant to Regulation No 207/2009.

22. The mark in respect of which registration is sought is the word sign 'KENZO ESTATE'.

23. The goods and services in respect of which registration is sought are in Classes 29, 30, 31, 35, 41 and 43 of the Nice Agreement, and correspond, for each of those classes, to the following description:

– Class 29: 'Olive oil (for food); grape seed oil (for food); edible oils and fats; raisins; processed vegetables and fruits; frozen vegetables; frozen fruits; raw pulses; processed meat products; processed seafood';

– Class 30: 'Confectionery, bread and buns; wine vinegar; olive dressing; seasonings (other than spices); spices; sandwiches; pizzas; hot dogs (sandwiches); meat pies; ravioli';

– Class 31: 'Grapes (fresh); olives (fresh); fruits (fresh); vegetables (fresh); seeds and bulbs';

– Class 35: 'Marketing research on wine; providing information on wine sales; advertising and publicity services; import-export agencies; retail services or wholesale services for foods and beverages; retail services or wholesale services for liquor';

– Class 41: 'Educational and instruction services relating to general knowledge of wine; educational and instruction services relating to general knowledge of obtaining the sommelier certification; arranging and conducting of examination of wine and simulation test

thereof; testing and certifying of sommelier certification; arranging, conducting and organization of seminars on wine; arranging, conducting and organization of seminars on sommelier certification; providing electronic publications on wine; providing electronic publications on sommelier certification; publication of books on wine; publication of books on sommelier certification; providing facilities for educational training on wine; providing facilities for educational training on sommelier certification', and – Class 43: 'Providing foods and beverages; providing temporary accommodation'.

24. The application for registration was published in Community Trade Marks Bulletin No 44/2009 of 16 November 2009.

25. On 12 August 2010 Kenzo filed a notice of opposition, pursuant to Article 41 of Regulation No 207/2009, to registration of the mark applied for in respect of all the goods and services referred to in paragraph 23 above.

26. The opposition was based on the earlier Community word mark KENZO, which was registered on 20 February 2001 under the number 720706 in respect of goods in, inter alia, Classes 3, 18 and 25 of the Nice Agreement, corresponding, for each of those classes, to the description specified in paragraph 14 above.

27. The ground relied on in support of the opposition was that set out in Article 8(5) of Regulation No 207/2009.

28. By decision of 24 May 2012, the Opposition Division rejected the opposition.

29. On 23 July 2012 Kenzo filed a notice of appeal with EUIPO against the Opposition Division's decision, pursuant to Articles 58 to 64 of Regulation No 207/2009.

30. By decision of 3 July 2013, the Second Board of Appeal of EUIPO upheld the appeal in part. According to the Board of Appeal, the three cumulative conditions for the application of Article 8(5) of Regulation No 207/2009 were satisfied in this case in respect of the services covered by the registration applied for. As regards the first condition, the Board of Appeal observed that the marks at issue were highly similar. As regards the second condition, the Board found, contrary to the Opposition Division, that Kenzo had established that the earlier trade mark had a reputation. As regards the third condition, the Board found that it seemed highly likely that, for the services covered by the mark in respect of which registration is sought, for the use of which no due cause had been demonstrated, that mark would ride on the coat-tails of the earlier trade mark with a reputation in order to benefit from the power of attraction, the reputation and the prestige of the earlier mark and to exploit, without paying any financial compensation, the marketing effort expended by the proprietor of the earlier mark in order to create and maintain the image of that mark.

31. By contrast, the Board of Appeal found that the goods in Classes 29 to 31 of the Nice Agreement and covered by the registration applied for were not



regarded as luxury goods and that they were not invariably associated with the world of glamour or fashion. The Board took the view that they are common mass-consumed foodstuffs that are bought in any local shop and that they have only a peripheral relation with Kenzo's goods. The Board found that Kenzo had failed to justify why the registration applied for would take unfair advantage of, or be detrimental to, the distinctive character or reputation of the earlier KENZO mark. The Board of Appeal rejected the opposition for those goods.

32. By application lodged at the Registry of the General Court on 26 September 2013, the appellant brought an action for the annulment of the decision of 3 July 2013. In support of his action, he relied on two pleas in law: (i) infringement of Article 76(2) of Regulation No 207/2009, (ii) infringement of Article 8(5) of that regulation.

33. The General Court rejected those pleas and accordingly dismissed the action in its entirety.

#### **Procedure before the Court and forms of order sought**

34. By order of the President of the Court of 18 May 2016, Cases C-85/16 P and C-86/16 P were joined for the purposes of the written and oral procedure and the judgment.

35. By his appeals, the appellant submits that the Court should:

- set aside the judgments under appeal;
- give a final ruling on the disputes;
- order EUIPO and Kenzo to pay the costs, including the costs incurred in the proceedings before the Board of Appeal.

36. EUIPO and Kenzo contend that the Court should dismiss the appeals and order the appellant to pay the costs.

#### **The appeals**

37. In support of his appeals, the appellant relies on two grounds of appeal, namely the infringement of Article 76(2) and of Article 8(5), respectively, of Regulation No 207/2009.

#### **The first ground of appeal**

##### **Arguments of the parties**

38. By his first ground of appeal, the appellant submits that the General Court erred in law in finding, in paragraph 23 of each of the judgments under appeal, that the Board of Appeal had rightly found that proof of use and proof of reputation were indissociably linked, in such a way that the former could be adduced as the latter. The appellant submits that the General Court, in so ruling, overlooked the fact that the discretion exercised by the Board of Appeal under Article 76(2) of Regulation No 207/2009 was limited by Rule 20(1) and by Rule 19(1) and (2) of the implementing regulation.

39. According to the appellant, it is clear from those provisions that an opposition based on Article 8(5) of Regulation No 207/2009 must be rejected if the Opponent fails to prove the reputation of the earlier trade mark within the period specified by EUIPO to prove the existence and validity of the earlier right. It is

submitted that that interpretation was confirmed by the judgment of 13 June 2002, *Chef Revival USA v OHIM — Massagué Marín (Chef)* (T-232/00, EU:T:2002:157, paragraph 44).

40. It is further submitted that it is clear from paragraph 23 of each of the judgments under appeal that, like the Board of Appeal, the General Court wrongly took into consideration the documents lodged after the expiry of the period specified in order to prove the genuine use of the earlier mark, namely Annexes 1 to 21 to Kenzo's observations, for the purposes of assessing the reputation of that mark. According to the appellant, neither Regulation No 207/2009 nor the implementing regulation provides that the documents produced to prove use, and lodged after the expiry of the period specified for adducing evidence of earlier rights, may serve to prove the reputation of the earlier mark.

41. Kenzo contends, primarily, that the first ground of appeal is inadmissible. In the alternative, it considers that that ground is also unfounded. EUIPO contends that the first ground of appeal is unfounded.

#### **Findings of the Court**

42. As regards the admissibility of the first ground of appeal, it must be borne in mind that, in accordance with Article 256 TFEU and the first paragraph of Article 58 of the Statute of the Court of Justice of the European Union, appeals lie on points of law only. The General Court consequently has exclusive jurisdiction to find and evaluate the relevant facts and to assess the evidence. The appraisal of those facts and evidence does not, therefore, save where they distort the evidence, constitute a point of law which is subject, as such, to review by the Court of Justice on appeal (see, *inter alia*, [judgment of 2 September 2010, Calvin Klein Trademark Trust v OHIM, C-254/09 P, EU:C:2010:488](#), paragraph 49 and the case-law cited).

43. In that regard, it is sufficient to find that the first ground of appeal raises a point of law, concerning the Board of Appeal's discretion under Article 76(2) of Regulation No 207/2009, taking into account Rule 20(1) and Rule 19(1) and (2) of the implementing regulation. The first ground of appeal is therefore admissible.

44. With regard to the substance of that ground of appeal, it must be remembered that the Court held, in essence, in its [judgment of 3 October 2013, Rintisch v OHIM \(C-120/12 P, EU:C:2013:638\)](#), that the discretion available to the Board of Appeal under Article 76(2) of Regulation No 207/2009 must be exercised within the confines of the provisions of the third subparagraph of Rule 50(1), and not of Rule 20(1), of the implementing regulation. The Court held, in particular, in paragraph 32 of that judgment, that the implementing regulation expressly provides that, when examining an action brought against a decision of the Opposition Division, the Board of Appeal has discretion — deriving from the third subparagraph of Rule 50(1) of the implementing regulation and from Article 76(2) of Regulation No 207/2009 — to decide whether or not to take into account additional or supplementary facts or evidence which were not

submitted within the time limits set or specified by the Opposition Division. Consequently, when dealing with such an action, those provisions give the Board of Appeal the option of admitting or excluding documents, submitted out of time, that relate to the existence, validity and scope of the protection of an earlier mark.

45. In paragraph 38 of that judgment, the Court recalled that, when EUIPO is called upon to give a decision in the context of opposition proceedings, the exercise of its discretion for the purposes of taking into account evidence or facts submitted out of time is subject to the twofold condition that, first, the material which has been produced late is, on the face of it, likely to be genuinely relevant to the outcome of the opposition brought before it; and, second, that the stage of the proceedings at which the late submission takes place and the circumstances surrounding it do not argue against such matters being taken into account.

46. In the present case, the General Court recalled, in the first place, in paragraphs 16 and 17 of the judgments under appeal, that case-law of the Court and rightly stated, in paragraph 18 of each of those judgments, that it was not appropriate to construe the Board of Appeal's discretion in the light of Rule 20(1) of the implementing regulation, but solely in the light of the third subparagraph of Rule 50(1) of that regulation.

47. Secondly, the General Court examined, in paragraphs 19 to 23 of the judgments under appeal, whether the Board of Appeal could in the present case take account of that evidence, provided that it was likely to be genuinely relevant and if the stage of the proceedings and certain circumstances of the case allowed it. In paragraph 23 of each of those judgments, the General Court held that that was the case, on the ground that 'in stating that proof of use and proof of reputation are indissociably linked and that only an excessive and illegitimate formalism would dictate that the proof of use could not be adduced as proof of reputation, the Board of Appeal exercised its discretion under Article 76(2) of Regulation No 207/2009 to decide that it was appropriate to take that evidence into consideration'.

48. In so ruling, the General Court correctly applied Article 76(2) of Regulation No 207/2009, read in conjunction with the third subparagraph of Rule 50(1) of the implementing regulation. It follows that the first ground of appeal must be rejected as being unfounded.

#### **The second ground of appeal**

49. By his second ground of appeal, alleging infringement of Article 8(5) of Regulation No 207/2009, the appellant considers that the General Court erred in law when assessing each of the four conditions laid down in that provision, on the basis of which an application for registration of a mark may be refused. The ground of appeal is therefore divided into four parts, alleging an error of law committed by the General Court in its assessment of the similarity of the conflicting marks, of the reputation of the earlier mark, of the absence of unfair advantage and, lastly, of

whether there was due cause for the use of the mark in respect of which registration is sought.

#### **The first part of the second ground of appeal**

##### **– Arguments of the parties**

50. By the first part of his second ground of appeal, the appellant submits that the General Court erred in law by finding, in paragraphs 31 to 33 of the judgments under appeal, that the marks at issue were similar while failing, in that regard, to compare those marks, each considered as a whole. He takes the view that the General Court wrongly undertook the requisite comparison with the earlier mark in the light solely of one of the components of the mark in respect of which registration is sought. He claims that, if the General Court had undertaken the necessary comparison of the visual, phonetic and conceptual differences between the marks at issue, it would have concluded that there was no similarity between them. According to the appellant, the 'Estate' element occupies significant space in the mark in respect of which registration is sought, as it is composed of six letters and is therefore longer than the 'Kenzo' element, composed of five letters. It is also argued that the 'Estate' element significantly increases the length of that mark visually and phonetically, and gives rise to significant differences between the conflicting marks, as much in terms of how they sound as of their rhythm.

51. The appellant submits next that the General Court failed to give reasons for its finding that the dominant element of the KENZO ESTATE mark is the 'kenzo' element. The appellant takes the view, on the contrary, that the 'estate' element has distinctive character so far as concerns the goods and services covered by the mark in respect of which registration is sought. Even if there were a link between that term and those goods and services, it is not so direct as to deprive the 'estate' element of any distinctive character and automatically make the 'kenzo' element the dominant element.

52. Last, the appellant criticises the General Court for wrongly rejecting the application of the case-law stemming from the judgments of 7 May 2009, *Klein Trademark Trust v OHIM — Zafra Marroquinos (CK CREACIONES KENNYA)* (T-185/07, EU:T:2009:147), and of 2 September 2010, [Calvin Klein Trademark Trust v OHIM \(C-254/09 P, EU:C:2010:488\)](#), in paragraph 34 of each of the judgments under appeal.

53. Kenzo and EUIPO contend that the first part of the second ground of appeal is inadmissible and, in any event, unfounded.

##### **– Findings of the Court**

54. With regard to the admissibility of the first part of the second ground of appeal, it must be noted that the argument put forward by the appellant, whereby he maintains that the General Court erred in law by failing to compare the marks at issue, each considered as a whole, and in failing to apply the judgments of 7 May 2009, *Klein Trademark Trust v OHIM — Zafra Marroquinos (CK CREACIONES KENNYA)* (T-185/07, EU:T:2009:147), and of 2 September 2010, [Calvin Klein Trademark Trust v OHIM \(C-254/09](#)

[P, EU:C:2010:488](#)), together with the argument that the General Court failed to give reasons for the finding that the dominant component of the KENZO ESTATE mark is the ‘kenzo’ element, raise points of law. Those arguments are admissible in an appeal, in accordance with the case-law recalled in paragraph 42 of the present judgment.

55. By contrast, the appellant’s argument whereby he maintains that the ‘estate’ element is distinctive is inadmissible since, by that argument, the appellant seeks in reality to challenge the finding of fact made by the General Court in paragraph 33 of each of the judgments under appeal, that the word ‘estate’, in association with the goods and services covered by the applications for registration, lacked distinctive character for a significant part of the relevant consumers.

56. So far as concerns, in the first place, the merits of the argument that the General Court failed to compare the conflicting marks, each considered as a whole, it should be remembered that according to settled case-law, the existence of a link between the earlier mark and the mark in respect of which registration is sought, within the meaning of Article 8(5) of Regulation No 207/2009, must be assessed globally, account being taken of all factors relevant to the circumstances of the case, including in particular the degree of distinctiveness of the earlier mark and the degree of similarity between the marks at issue, which requires the existence, in particular, of elements of visual, aural or conceptual similarity (see [judgments of 23 October 2003, Adidas-Salomon and Adidas Benelux, C-408/01, EU:C:2003:582](#), paragraph 28, and of 24 March 2011, Ferrero v OHIM, C-552/09 P, EU:C:2011:177, paragraphs 52 and 64).

57. In the present case, the General Court stated, in paragraphs 31 and 32 of the judgments under appeal, that the fact that a mark consists exclusively of the earlier mark, to which another word has been added, is an indication that the two trade marks are similar and that, in principle, consumers usually pay more attention to the beginning of a sign than to its end. As regards the lack of distinctiveness of the ‘estate’ element, the General Court noted, in paragraph 33 of each of the judgments under appeal, that ‘[f]or English speakers, that word may denote the place of cultivation and production of wine as “estate” means “a large piece of landed property”’. The General Court accordingly held that the Board of Appeal had rightly found that the relevant consumers would pay less attention to that term and would focus on the first and most distinctive element, namely the term ‘kenzo’.

58. It is clear from paragraphs 31 to 33 of the judgments under appeal that, for the purposes of assessing the similarity between the marks at issue, the General Court held that (i) the mark in respect of which registration is sought consists exclusively of the earlier mark to which the ‘estate’ element has been added, which lacks distinctiveness, and (ii) since, in principle, consumers usually pay more attention to the beginning of a sign than to its end, the relevant consumers would

pay less attention to that term and would focus on the first and most distinctive element, namely the term ‘kenzo’.

59. In those circumstances, since the two marks at issue are word marks, one of which consists exclusively of the earlier mark with the addition of an element that lacks distinctiveness, the General Court was fully entitled to conclude that those marks, each considered as a whole, were similar.

60. As regards, in the second place, the appellant’s submission as to a failure to give reasons for the judgments under appeal in respect of the dominant character of the ‘Kenzo’ element, that must be rejected as being unfounded.

61. In paragraph 32 of each of the judgments under appeal, the General Court recalled the case-law according to which, in principle, consumers usually pay more attention to the beginning of a sign than to its end. In paragraph 33 of each of those judgments, the General Court held that the word ‘estate’, in association with the goods covered by the mark in respect of which registration is sought, lacked distinctiveness for a significant part of the relevant consumers. The General Court concluded that ‘the Board of Appeal was right to find that the relevant consumers would pay less attention to that term and would focus on the first and most distinctive element, which is the term “kenzo”’.

62. As regards, in the third place, the appellant’s argument that the General Court wrongly discounted the application of the judgments of 7 May 2009, *Klein Trademark Trust v OHIM — Zafra Marroquinos (CK CREACIONES KENNYA)* (T-185/07, EU:T:2009:147), and of 2 September 2010, [Calvin Klein Trademark Trust v OHIM \(C-254/09 P, EU:C:2010:488\)](#), that argument must also be rejected as being unfounded.

63. As the General Court rightly found in paragraph 34 of each of the judgments under appeal, the facts of the cases giving rise to the judgments cited in the preceding paragraph differ from those of the present cases, since it suffices to find that, in the former cases, the marks at issue were a mark for which registration was sought that consisted of a word sign and earlier marks represented by figurative signs, whereas, in the present cases, the marks at issue are both word marks. Accordingly, the General Court considered that, in the cases giving rise to the judgments cited, the distinctive and dominant elements of the marks at issue were not the same, whereas, in the present case, the General Court held that the term ‘kenzo’, common to the marks at issue, is also their most distinctive element.

64. It follows that the first part of the second ground of appeal must be rejected in its entirety.

#### **The second part of the second ground of appeal – Arguments of the parties**

65. By the second part of the second ground of appeal, the appellant submits that the General Court erred in law by considering, in paragraph 41 of each of the judgments under appeal, that the Board of Appeal had rightly confirmed that the earlier mark KENZO had a reputation in the European Union for clothing,



cosmetics and perfume, when the evidence produced to that end had been submitted out of time and should not have been taken into consideration.

66. Kenzo and EUIPO contend that the second part of that ground of appeal must be rejected as being unfounded.

**– Findings of the Court**

67. It must be noted that, in paragraph 41 of each of the judgments under appeal, the General Court's assessment relates to the appellant's argument that the Board of Appeal should not have taken into account the evidence produced by Kenzo before the Opposition Division prior to 17 May 2010, in Case C-85/16 P, and prior to 14 February 2011, in Case C-86/16 P, in order to demonstrate the reputation of the earlier mark, since that evidence was not accompanied by any explanation. The General Court found, in the same paragraph 41, that on the effective date of the international registration of the mark KENZO ESTATE in those two cases, namely 21 January 2008 and 18 August 2009, respectively, the reputation of the earlier mark had been demonstrated, in the light of the evidence submitted in earlier cases on which the Opposition Division relied in the present cases.

68. Consequently, the appellant cannot validly maintain, in the second part of the second ground of appeal, that the General Court erred in law in paragraph 41, by taking into account evidence concerning the reputation of the earlier mark KENZO submitted out of time, since the General Court's assessment did not relate to the late submission of that evidence.

69. In those circumstances, the second part of the second ground of appeal must be rejected as being ineffective.

**The third part of the second ground of appeal**

**– Arguments of the parties**

70. By the third part of the second ground of appeal, the appellant submits that the General Court erred in law in finding that the use of the mark KENZO ESTATE, in respect of which registration is sought, took unfair advantage of the reputation of the earlier mark, when it did not conduct a global assessment of the marks at issue taking into account all the relevant factors in the present cases, which extend to the nature of the goods or services for which those marks are registered, including the degree of closeness or dissimilarity of those goods or services. He therefore submits that design, colour and scent are relevant elements for the success of clothing, perfumes and cosmetics, namely products covered by the earlier mark, while none of those aspects could constitute an element creating added value for the goods covered by the mark in respect of which registration is sought. Moreover, taking into account the very different nature of the commercial sectors at issue, the appellant argues that it is highly unlikely that the image of exclusivity and luxury attached to clothing, perfumes or cosmetics could be transferred to one of the products covered by the mark in respect of which registration is sought, which covers everyday goods available in supermarkets.

71. The appellant submits in addition that the reasons stated by the General Court are based on mere supposition and speculation and are not supported by any evidence.

72. Kenzo and EUIPO contend that the third part of the second ground of appeal must be rejected as being unfounded.

**– Findings of the Court**

73. It must be noted that, in so far as, by his argument, the appellant criticises the General Court for failing to take into account the very different nature and aspects of the goods and services covered by the marks at issue, that argument must be rejected as being inadmissible, in accordance with the case-law recalled in paragraph 42 of the present judgment. By that argument, the appellant seeks, in reality, to challenge the finding of fact made by the General Court in that regard in paragraphs 50 to 53 of the judgments under appeal, according to which, in essence, the goods and services covered by the mark in respect of which registration is sought may, like the clothing, perfumes and cosmetics covered by the earlier mark, be part of the luxury sector.

74. In so far as, by his argument, the appellant submits that the General Court failed to carry out a global assessment of all the relevant factors in order to assess the risk of taking an unfair advantage of the reputation of the earlier mark, and that the General Court failed to give adequate reasons for its assessment in that regard, it is clear that the appellant raises a point of law which is admissible in an appeal, in accordance with the case-law recalled in paragraph 42 of the present judgment.

75. However, that argument is based on a misreading of the judgments under appeal.

76. It should be noted that, in paragraphs 45 to 49 of the judgments under appeal, the General Court recalled the relevant case-law in order to determine, in the present case, whether the use of the mark in respect of which registration is sought takes unfair advantage of the reputation of the earlier mark. In paragraphs 50 and 51 of those judgments, it examined the nature and degree of closeness of the goods and services concerned. The General Court confirmed, in paragraph 53 of each of the judgments under appeal, the Board of Appeal's assessment concerning the existence of a link that could be established between the goods covered by the earlier mark and the goods and services designated by the mark in respect of which registration is sought, namely being part of the luxury sector. In paragraph 54 of each of those judgments, the General Court upheld the Board of Appeal's assessment that it was highly likely that that mark could take unfair advantage of the reputation of the earlier mark, basing its finding on the existence of a link between the goods and services covered by the marks at issue, the substantial reputation of the earlier mark, the high degree of similarity between those marks and the sophisticated and iconic image conveyed by the earlier mark. In paragraph 56 of the judgment under appeal in Case C-86/16 P, the General Court added that the services in Classes 35 and 43 of the Nice Agreement, covered by the application

for registration, might nonetheless appear to be services ancillary to the production and sale of wine.

77. In those circumstances, the General Court cannot be criticised for failing to undertake a global assessment of all the relevant factors in order to assess whether the mark in respect of which registration is sought would take unfair advantage of the reputation of the earlier mark or for failing adequately to state reasons for that assessment.

78. As a result, the third part of the second ground of appeal must be rejected as being inadmissible in part and unfounded in part.

#### **The fourth part of the second ground of appeal**

##### **– Arguments of the parties**

79. By the fourth part of the second ground of appeal, the appellant submits that the judgments under appeal are vitiated by a failure to state reasons, since the General Court, for the purposes of rejecting the fourth part of the second plea in law brought before it, merely confirmed the Board of Appeal's finding that 'no due cause had been demonstrated'.

80. The appellant submits that the Board of Appeal and the General Court also erred in law by failing to take sufficient account of the fact that in the composition of the mark KENZO ESTATE, the 'kenzo' element designates the appellant's forename. He states that he has not sought to take unfair advantage of the reputation of the earlier mark and that he has not acted in bad faith.

81. Kenzo contends that the fourth part of the second ground of appeal is unfounded. EUIPO contends that, inasmuch as the error alleged by the appellant is directed against the decisions of Boards of Appeal, it is, on that basis, inadmissible. In any case, according to EUIPO, that part of the ground of appeal is unfounded.

##### **– Findings of the Court**

82. As regards the first argument put forward in support of the fourth part of the second ground of appeal, concerning a failure to state reasons, it should be remembered that, according to settled case-law, the Court of Justice does not require the General Court to provide an account which follows exhaustively and one by one all the arguments put forward by the parties to the case, and that the General Court's reasoning may therefore be implicit, on condition that it enables the persons concerned to know why it has not upheld their arguments and provides the Court of Justice with sufficient material for it to exercise its power of review (judgment of 11 May 2017, *Dyson v Commission*, C-44/16 P, EU:C:2017:357, paragraph 38 and the case-law cited).

83. It is apparent from paragraph 58 of the judgment under appeal in Case C-85/16 P, and from paragraph 59 of the judgment under appeal in Case C-86/16 P, that the General Court examined the appellant's argument that the use of his forename in the mark in respect of which registration is sought constituted due cause, within the meaning of Article 8(5) of Regulation No 207/2009, allowing him to use that sign. The General Court found that while the Board of Appeal's response to that argument was succinct, it was

nevertheless sufficient, since Regulation No 207/2009 does not confer any unconditional right to register a name or a forename as an EU trade mark. The General Court concluded that the fact that Kenzo is the appellant's forename was not enough to constitute due cause, within the meaning of that provision.

84. It follows that the General Court cannot be criticised for failing to state its reasons for rejecting the appellant's argument.

85. So far as concerns the second argument put forward in support of the fourth part of the second ground of appeal, that the use of the appellant's forename in the mark in respect of which registration is sought constitutes due cause, within the meaning of Article 8(5) of Regulation No 207/2009, it should be noted that that argument is inadmissible in so far as it is directed against the decisions of 22 May and 3 July 2013 of the Second Board of Appeal (order of 26 May 2016, *Dairek Attoumi v EUIPO*, C-578/15 P, not published, EU:C:2016:377, paragraph 26 and the case-law cited).

86. In so far as that argument is directed against the judgments under appeal, it should be remembered that the Court has already interpreted the concept of 'due cause', provided for in Article 5(2) of 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), as meaning that it may not only include objectively overriding reasons but may also relate to the subjective interests of a third party using a sign which is identical or similar to the mark with a reputation (judgment of 6 February 2014, *Leidseplein Beheer and de Vries*, C-65/12, EU:C:2014:49, paragraph 45).

87. Furthermore, the Court has also stated that since Article 5(2) and Article 4(4)(a) of First Directive 89/104 are worded in essentially identical terms and are designed to give trade marks with a reputation the same protection, the interpretation given for the former provision applied to the latter (see, in particular, [judgments of 27 November 2008, Intel Corporation, C-252/07, EU:C:2008:655](#), paragraph 25, and of [9 January 2003, Davidoff, C-292/00, EU:C:2003:9](#), paragraph 17).

88. Since the wording of Article 4(4)(a) of First Directive 89/104 is identical to that of Article 8(5) of Regulation No 207/2009, the Court's interpretation so far as concerns Article 5(2) of that First Directive may also be transposed to Article 8(5) of Regulation No 207/2009.

89. Accordingly, as is stated by the Advocate General in [point 34 of her Opinion](#), the protection conferred by that Article 8(5) to trade marks with a reputation is extended. The specific condition of that protection consists of a use without due cause of a sign, identical or similar to a registered mark, which would take unfair advantage of, or would be detrimental to, the distinctive character or the reputation of that mark (see, inter alia, judgment of 6 February 2014, *Leidseplein Beheer and de Vries*, C-65/12, EU:C:2014:49, paragraph 33 and the case-law cited).



90. Nevertheless, as is clear from Article 8(5) of Regulation No 207/2009, the user of a sign similar to a mark with reputation may rely on ‘due cause’ for the purposes of using that sign, that being an expression of the general objective of that regulation, which is to strike a balance between, on the one hand, the interests of the proprietor of a trade mark in safeguarding the essential function of that mark and, on the other, the interests of a third party in using, in the course of trade, such a sign for the purposes of denoting the goods and services that it markets (see, to that effect, judgment of 6 February 2014, *Leidseplein Beheer and de Vries*, C-65/12, EU:C:2014:49, paragraphs 41 and 43).

91. In so doing, the claim by a third party that there is due cause for using a sign which is similar to a mark with a reputation cannot lead to the recognition, for the benefit of that third party, of the rights connected with a registered mark, but rather obliges the proprietor of the mark with a reputation to tolerate the use of the similar sign (judgment of 6 February 2014, *Leidseplein Beheer and de Vries*, C-65/12, EU:C:2014:49, paragraph 46).

92. In the present case, in paragraph 54 of each of the judgments under appeal, the General Court upheld the Board of Appeal’s finding that, in essence, it was highly likely that the mark in respect of which registration is sought would take unfair advantage of the earlier mark. In paragraph 58 of the judgment under appeal in Case C-85/16 P and in paragraph 59 of the judgment under appeal in Case C-86/16 P, the General Court held that the use of the appellant’s forename, that is, *Kenzo*, in the composition of the mark *KENZO ESTATE* was not enough to constitute due cause for the use of that sign, within the meaning of Article 8(5) of Regulation No 207/2009.

93. The General Court did not err in law in finding that the appellant had failed to establish the existence of due cause in his favour for the use of the sign at issue.

94. The mere fact that the term ‘kenzo’ which is a component of the mark *KENZO ESTATE* corresponds to the appellant’s forename is irrelevant to the issue of whether the use of that term constitutes due cause within the meaning of Article 8(5) of Regulation No 207/2009, since, as stated in essence by the Advocate General in [point 38 of her Opinion](#), the weighing of the different interests involved cannot undermine the essential function of the earlier mark, which is to [guarantee the origin of the product](#).

95. The General Court was therefore fully entitled to consider, in weighing the interests involved, that, taking into account the extended protection granted by Regulation No 207/2009 to trade marks with reputation, the Board of Appeal was entitled to find that no due cause had been demonstrated by the appellant and that, as a result, the latter wanted, by the applications for registration made on 21 January 2008 and 18 August 2009, to take unfair advantage of the reputation of the trade mark *KENZO*, registered on 20 February 2001.

96. It follows that the second argument put forward in support of the fourth part of the second ground of

appeal must be rejected as being unfounded. As a result, the second ground of appeal must also be rejected.

97. It follows from all the foregoing that the appeals must be dismissed in their entirety.

#### Costs

98. In accordance with Article 184(2) of the Rules of Procedure of the Court of Justice, where an appeal is unfounded, the Court is to make a decision as to costs. Under Article 138(1) of those Rules, applicable to appeal proceedings by virtue of Article 184(1) thereof, the unsuccessful party is to be ordered to pay the costs if they have been applied for in the successful party’s pleadings. Since EUIPO and *Kenzo* have applied for costs and Mr *Tsujimoto* has been unsuccessful, Mr *Tsujimoto* must be ordered to pay the costs.

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

1. Dismisses the appeals;
2. Orders Mr *Kenzo Tsujimoto* to pay the costs.

Levits

Borg Barthet

Berger

Delivered in open court in Luxembourg on 30 May 2018.

A. Calot Escobar (Registrar)

E. Levits (President of the Tenth Chamber)

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#### OPINION OF ADVOCATE GENERAL SHARPSTON

delivered on 7 December 2017(1)

Joined Cases C-85/16 P and C-86/16 P

*Kenzo Tsujimoto*

v

European Union Intellectual Property Office (EUIPO)  
(Appeals — Application to register a European Union trade mark — ‘*KENZO ESTATE*’ — Earlier European Union trade mark ‘*KENZO*’ — Relative grounds for refusal — Article 8(5) of Regulation (EC) No 207/2009 — Interpretation of the expression ‘where the use without due cause of the trade mark applied for would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark’ — Whether the use of a person’s forename constitutes use with due cause)

1. By these appeals Mr *Kenzo Tsujimoto* (‘Mr *Tsujimoto*’) asks the Court to set aside two judgments of the General Court of 2 December 2015, *Tsujimoto v OHIM* (2) and *Tsujimoto v OHIM*. (3) The Court has asked me to focus on one part of Mr *Tsujimoto*’s appeal in this Opinion, namely the interpretation of the relative grounds for refusal to register a trade mark set out in Article 8(5) of Council Regulation (EC) No 207/2009 on the Community trade mark. (4) The issue for consideration is whether the word mark ‘*KENZO ESTATE*’, which Mr *Tsujimoto* sought to register as a European Union trade mark, falls within the meaning of the expression ‘use without due cause of the trade mark applied for’ in that provision. Mr *Tsujimoto* argues that because that mark is comprised partly of his forename ‘*Kenzo*’, its registration would constitute use

with due cause and therefore Article 8(5) of Regulation No 207/2009 does not apply.

**Regulation No 207/2009**

2. Recital 7 states that ‘the rights in an [EU] trade mark should not be obtained otherwise than by registration, and registration should be refused in particular if the trade mark is not distinctive, if it is unlawful or if it conflicts with earlier rights’.

3. Article 8 sets out the grounds for determining whether an application for registration of a trade mark should be refused where opposition proceedings have been brought by the proprietor of an earlier trade mark. Those grounds are twofold. Registration of the trade mark applied for is refused ‘if it is identical with the earlier trade mark and the goods or services for which registration is applied for are identical with the goods or services for which the earlier trade mark is protected’ (Article 8(1)(a)). Registration is also refused ‘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’ (Article 8(1)(b)). For the purposes of Article 8(2), an earlier trade mark means, inter alia, EU trade marks (Article 8(2)(a)(i)).

4. Article 8(5) states, ‘upon opposition by the proprietor of an earlier trade mark within the meaning of paragraph 2, the trade mark applied for shall not be registered where it is identical with, or similar to, the earlier trade mark and is to be registered for goods or services which are not similar to those for which the earlier trade mark is registered, where, in the case of an earlier [EU] trade mark, the trade mark has a reputation in the [European Union] and, in the case of an earlier national trade mark, the trade mark has a reputation in the Member State concerned and where the use without due cause of the trade mark applied for would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark’. (5)

5. Similar wording to Article 8(5) is used in Article 9 (‘Rights conferred by an [EU] trade mark’) in Section 2 (‘Effects of EU trade marks’). Article 9(1) lists the circumstances in which the proprietor of an EU trade mark is entitled to prevent all third parties not having his consent from using signs in the course of trade. These include, in Article 9(1)(c), using ‘any sign which is identical with, or similar to, the [EU] trade mark in relation to goods or services which are not similar to those for which the [EU] trade mark is registered, where the latter has a reputation in the [European Union] and where use of that sign without due cause takes unfair advantage of, or is detrimental to, the distinctive character or the repute of the [EU] trade mark’. (6)

6. Section 2 also includes Article 12 (‘Limitation of the effects of an [EU] trade mark’). That article provides that:

*‘An [EU] trade mark shall not entitle the proprietor to prohibit a third party from using in the course of trade:*

*(a) his own name or address;*

*(b) indications concerning the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of the goods or of rendering of the service, or other characteristics of the goods or service;*

*(c) the trade mark where it is necessary to indicate the intended purpose of a product or service, in particular as accessories or spare parts, provided he uses them in accordance with honest practices in industrial and commercial matters.’*

7. Under Article 15 of Regulation No 207/2009, if within a period of five years following registration the proprietor has not put the EU trade mark to genuine use in connection with the goods or services in respect of which it is registered certain sanctions may apply. Likewise (pursuant to Article 51) the proprietor’s rights can be declared to be revoked if within a continuous period of five years the trade mark has not been put to genuine use. In the same vein, Article 54 provides that where the proprietor has acquiesced for a period of five successive years in the use of a later EU trade mark in the European Union while being aware of such use, he is no longer entitled to apply for a declaration of invalidity or to oppose the use of the later trade mark.

**Background to the current proceedings**

**Case C-85/16 P**

8. On 21 January 2008 Mr Tsujimoto filed an application for international registration of the word sign ‘KENZO ESTATE’ (‘the trade mark applied for’) as a trade mark in the then European Community. The goods for which registration was sought were in class 33 of the Nice Agreement; (7) they corresponded to the description: ‘Wine; alcoholic beverages of fruit; western liquors (in general)’. On 17 March 2008 that application was published in the Community Trade Marks Bulletin No 12/2008. On 16 December 2008 Kenzo SA (the intervener before the General Court (‘Kenzo’)) filed a notice of opposition pursuant to Article 41 of Regulation No 207/2009, invoking Article 8(5) thereof. The opposition was based on the earlier EU mark ‘KENZO’ registered on 20 February 2001 for goods in, inter alia, classes 3, 18 and 25 of the Nice Classification. (8) On 20 December 2011 the Opposition Division rejected the opposition. Kenzo challenged that decision before the Board of Appeal.

9. On 22 May 2013 the Board of Appeal upheld Kenzo’s challenge in its entirety. It considered that the three cumulative conditions in Article 8(5) were met: (i) the marks at issue were highly similar for a non-negligible part of the relevant public; (ii) contrary to the view of the Opposition Division, the earlier mark had established a reputation; and (iii) the mark for which registration was sought would ride on the coat-tails of the earlier mark. The Board of Appeal concluded that there was a risk that the trade mark which Mr Tsujimoto sought to register would take unfair advantage of the reputation of the earlier trade

mark 'KENZO' for the purposes of Article 8(5) of Regulation No 207/2009.

10. On 8 August 2013 Mr Tsujimoto lodged an appeal against that decision with the General Court. He raised two pleas in law. He claimed that the Board of Appeal had infringed Article 76(2) (9) and Article 8(5) of Regulation No 207/2009. The General Court dismissed the action in its entirety and ordered Mr Tsujimoto to pay the costs.

#### **Case C-86/16 P**

11. On 18 August 2009 Mr Tsujimoto filed a further application for international registration of the word sign 'KENZO ESTATE' ('the trade mark applied for') as a trade mark in the then European Community. The goods and services for which registration was sought are in classes 29, 30, 31, 35, 41 and 43 of the Nice Classification. (10) The application for registration was published in the Community Trade Marks Bulletin No 44/2009 of 16 November 2009. On 12 August 2010 Kenzo filed a notice of opposition pursuant to Article 41 of Regulation No 207/2009 invoking Article 8(5) thereof. The opposition was again based on the earlier word mark 'KENZO' registered on 20 February 2001 for goods in, inter alia, classes 3, 18 and 25 of the Nice Classification.

12. By a decision of 24 May 2012 the Opposition Division rejected Kenzo's opposition. On 23 July 2012 Kenzo challenged that decision before the Board of Appeal which upheld Kenzo's challenge in part by a decision of 3 July 2013. The Board of Appeal found, with regard to the goods in classes 29 to 31 (covered by the registration applied for by Mr Tsujimoto), that they were not regarded as luxury goods and that they were not invariably associated with the world of glamour or fashion. It took the view that they were common mass-consumed foodstuffs that could be bought in any corner shop and that they had only a peripheral relation with Kenzo's goods. The Board of Appeal therefore rejected the opposition in respect of those goods. However, it upheld the opposition in relation to services and goods in classes 35, 41 and 43 of the Nice Classification.

13. On 26 September 2013 Mr Tsujimoto lodged an appeal against that decision in the General Court. He claimed that the Board of Appeal had infringed Article 76(2) and Article 8(5) of Regulation No 207/2009. The General Court dismissed the action in its entirety and ordered Mr Tsujimoto to pay the costs.

#### **The appeals and the procedure before the Court of Justice**

14. Mr Tsujimoto asks the Court in the two cases at issue to:

- set aside the judgment of the General Court;
- give a final ruling on the dispute;
- order EUIPO and Kenzo to pay the costs of the proceedings, including the proceedings before the Board of Appeal.

15. EUIPO and Kenzo ask the Court to dismiss both appeals and to order Mr Tsujimoto to pay the costs of the proceedings.

16. In both cases Mr Tsujimoto raises two grounds of appeal. First, he claims that the General Court erred in

law in interpreting Article 76(2) of Regulation No 207/2009. By the second ground, which is divided into four pleas, Mr Tsujimoto complains that the General Court infringed Article 8(5) of that regulation. The fourth plea of that ground is the same in both C-85/16 P and C-86/16 P. That plea raises a new point of law and I shall therefore focus solely upon that point in this Opinion.

Fourth plea of the second ground of appeal — misinterpretation of Article 8(5) of Regulation No 207/2009 — use 'without due cause' of the trade mark applied for

17. Mr Tsujimoto argues that the General Court erred in law. The sign which he sought to register (KENZO ESTATE) includes his forename: thus use of that sign was with due cause. Mr Tsujimoto also submits that the General Court's reasoning is inadequate as it merely states that 'no due cause has been demonstrated'. He contends that that court floundered by failing to rule that the Board of Appeal should have given reasons for its conclusion that the use of Mr Tsujimoto's forename in the sign KENZO ESTATE was use without due cause.

#### **The judgments under appeal**

18. The General Court held that the Board of Appeal was correct in deciding that registration of the trade mark which Mr Tsujimoto had applied for would pose a risk of an unfair advantage to the reputation of the earlier trade mark. It confirmed the Board's finding that Mr Tsujimoto's mark '... would ride on the coat-tails of the earlier trade mark in order to benefit from the power of attraction, the reputation and the prestige of that mark and to exploit, without paying any financial compensation, the marketing effort expended by [Kenzo] in order to create and maintain the mark's image'. (11)

19. The General Court recalled in its judgment that Mr Tsujimoto maintained that the Board of Appeal infringed Article 8(5) of Regulation No 207/2009 as it had failed to take into account the argument that he simply sought to register his forename as a trade mark. (12) The General Court ruled as follows:

*'It must be pointed out that the Board of Appeal responded to the applicant's argument by stating that "no due cause [had] been demonstrated" (paragraph 50 of the contested decision). Admittedly, that is a laconic response, but it is adequate. Regulation No 207/2009 does not provide any unconditional right to register a name as a Community trade mark (see, to that effect, judgment of 25 May 2011, Prinz von Hannover v OHIM (Representation of a coat of arms), T-397/09, EU:T:2011:246, paragraph 29), let alone to register a forename as a trade mark. Consequently, the fact that the applicant's forename is Kenzo is not enough to constitute due cause for the use of the mark in respect of which registration is sought, for the purposes of Article 8(5) of Regulation No 207/2009 ... It follows that the fourth part of the second plea must be rejected.'* (13)

#### **Assessment**

##### **The obligation to state reasons**



20. Mr Tsujimoto's argument that the General Court's reasoning in its judgments is inadequate is essentially a complaint that the General Court failed to state reasons for upholding the Board of Appeal's decisions finding that the use of his forename in the trade mark applied for was use without due cause for the purposes of Article 8(5) of Regulation No 207/2009.

21. The obligation to state reasons derives from Article 36 of the Statute of the Court of Justice which is applicable to the General Court by virtue of the first paragraph of Article 53 of that statute and from Article 117 of the Rules of Procedure of the General Court. (14) It is settled case-law that the Court does not require the General Court to provide an account which follows exhaustively and one by one all the arguments put forward by the parties to the case, and that the General Court's reasoning may therefore be implicit, on condition that it enables the persons concerned to know why the General Court has not upheld their arguments and provides the Court of Justice with sufficient material for it to exercise its power of review. (15)

22. It is clear from the judgments under appeal that the General Court examined Mr Tsujimoto's argument concerning the use of his forename. The General Court took the view that whilst the Board of Appeal's response to that argument was 'laconic' it was nonetheless adequate. (16) It is true that the General Court has not set out in detail its view of the interpretation of Article 8(5) of Regulation No 207/2009. However, that court stated expressly that it considered that an assertion that use of a forename of itself amounts to due cause for the purposes of that provision is insufficient. I am therefore of the view that it is possible to establish from the General Court's decision why that court rejected Mr Tsujimoto's plea in that respect.

#### **Article 8(5) of Regulation No 207/2009**

23. The essence of Mr Tsujimoto's case is that he should be entitled to register the trade mark KENZO ESTATE because he uses the word 'Kenzo' in good faith as it is his forename.

24. I disagree with Mr Tsujimoto. In my view it does not follow from the fact that Kenzo is his forename that use of the trade mark which he sought to register would constitute use 'with due cause' for the purposes of Article 8(5) of Regulation No 207/2009. The word mark Kenzo was registered in 2001: some eight years before Mr Tsujimoto's application for registration. The rights in that mark are protected under Regulation No 207/2009 and the protection afforded is not displaced simply because Kenzo happens to be a relatively common forename in Japan.

25. I shall start my analysis with some preliminary observations. It is common ground that the word mark Kenzo is the 'earlier trade mark' for the purposes of Article 8(2)(a)(i) of Regulation No 207/2009 in the cases at issue. In paragraph 54 of its judgments the General Court confirmed the finding of the Board of Appeal that Mr Tsujimoto's mark would 'ride on the

coat-tails of the earlier trade mark' and thus cause injury to the proprietor, Kenzo.

26. As regards the interpretation of Article 8(5) of Regulation No 207/2009, it should first be borne in mind that the expression 'use without due cause of the trade mark applied for' is not defined in that regulation. That concept must therefore be interpreted in the light of the overall scheme and objectives of the system of which it forms part, and, in particular, must take into account the context of the provision which contains it. (17)

27. Second, within the system established by Regulation No 207/2009 Article 8 is entitled 'Relative grounds for refusal'. It lays down the rules for resolving disputes where an earlier trade mark establishes rights for the proprietor at a time when a subsequent application for registration is made. Article 9 sets out the rights that an EU trade mark confers on the proprietor. Under that provision he has the right to prevent all third parties (not having his consent) from using an identical or similar sign in relation to goods or services which are identical with those for which the EU trade mark is registered (Article 9(1)(a)). He may also prevent the use of any sign where, because of its identity with, or similarity to, the EU trade mark and the identity or similarity of the goods or services covered by that trade mark and the sign, there exists a likelihood of confusion on the part of the public (Article 9(1)(b)). The wording of Article 9(1)(c) (which deals with 'use without due cause') is similar to the last condition in Article 8(5). I consider that these two provisions should be interpreted consistently with a view to ensuring that Regulation No 207/2009 is interpreted in a coherent manner. (18)

28. Third, Regulation No 207/2009 and the Trade Mark Directive share a common historical background and their common aim is to establish a European trade mark regime. (19) The parallel provisions to Articles 8(5) and 9(1)(c) of Regulation No 207/2009 in that directive are Articles 4(4)(a) and 5(2) respectively. It therefore seems to me that it is appropriate to refer to existing case-law interpreting the parallel provisions in the Trade Mark Directive in any examination of Article 8(5) of Regulation No 207/2009. The Court has already ruled that the interpretation of Article 5(2) of the Trade Mark Directive applies equally to Article 4(4)(a) of that directive. (20) I consider that the same approach holds with regard to Articles 8(5) and 9(1)(c) of Regulation No 207/2009.

29. Regarding the scheme of Regulation No 207/2009, the Court's ruling in *Levi Strauss* (21) provides some useful guidance which I consider may be applied by analogy. The legislative scheme requires consequences to be drawn from the proprietor's conduct in determining the scope of protection of those rights. (22)

30. Thus, Article 15 provides that if, following completion of the registration procedure, the proprietor has not put the trade mark to genuine use in the Member State concerned in connection with the goods or services in respect of which it is registered, or if such use has been suspended during an uninterrupted period

of five years, that trade mark is to be subject to the sanctions provided for in Regulation No 207/2009, unless there are proper reasons for non-use. Under Article 51 of Regulation No 207/2009, the rights of the proprietor of the EU trade mark are liable to be revoked, if the mark has not been put to genuine use within a continuous period of five years or if it has become, in consequence of its proprietor's conduct, the common name for a product or service. Finally, under Article 54, where the proprietor of an earlier trade mark has acquiesced, for a period of five successive years, in the use of a later trade mark registered in the European Union while being aware of such use, he is in principle no longer entitled on the basis of the earlier trade mark either to apply for a declaration that the later trade mark is invalid or to oppose the use of the later trade mark in respect of the goods or services for which the later trade mark has been used. (23)

31. Those provisions indicate that the purpose of Regulation No 207/2009 is generally to strike an appropriate balance. The interests of the proprietor of a trade mark are to safeguard its essential function within the European Union. That function 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 that product or service from others which have another origin. The proprietor must be protected against competitors wishing to take unfair advantage of the status and reputation of his trade mark by selling products illegally bearing that mark. The other part of the balancing exercise comprises the interests of other economic operators in having trade marks capable of denoting their products and services. (24)

32. It follows that the protection of rights that the proprietor of a trade mark derives under Regulation No 207/2009 is not unconditional, since in order to maintain the balance between those two sets of interests that protection is limited in particular to those cases in which the proprietor shows himself to be sufficiently vigilant by opposing the use of signs by other operators likely to infringe his mark. (25) That is precisely the position in the instant cases where Kenzo has actively opposed the registration of the trade mark applied for. Kenzo thus seeks to safeguard the essential function of the earlier trade mark.

33. Within the scheme of Regulation No 207/2009, does Mr Tsujimoto's application to register a trade mark which includes his forename amount to use with due cause for the purposes of Article 8(5) of that regulation? (26)

34. The Court's ruling in *Leidseplein Beheer and de Vries*, which concerns Article 5(2) of the Trade Mark Directive, sets out some principles that may usefully be taken into account in examining Article 8(5) of Regulation No 207/2009. The Court there stated that the protection afforded to a trade mark with a reputation is extensive. In the present matter Kenzo has demonstrated the existence of a form of injury to the earlier mark in so far as there is a finding that Mr Tsujimoto's mark would ride on the coat-tails of that

trade mark. (27) Accordingly, the onus is on Mr Tsujimoto to establish that he nevertheless has due cause for registering KENZO ESTATE. (28) The concept of 'due cause' may not only include objectively overriding reasons but may also relate to the subjective interests of a third party using a sign which is identical or similar to the mark with a reputation. That concept cannot lead to the recognition for Mr Tsujimoto's benefit of the rights connected with a registered mark. Rather, where due cause is established it obliges the proprietor of the mark with a reputation (here, Kenzo) to tolerate the use of a similar sign. (29)

35. It seems to me that applying those principles here, the balance does not lie in Mr Tsujimoto's favour.

36. In *Leidseplein Beheer and de Vries*, it was common ground that the third party (Mr de Vries, holder of the sign at issue) had registered that sign and established use before the proprietor who sought to rely on Article 5(2) of the Trade Mark Directive (*Red Bull GmbH*) had registered its own trade mark. (30) However, here Mr Tsujimoto applied to register the sign KENZO ESTATE eight years after the EU trade mark Kenzo had been registered. (31)

37. Thus, no question arises as to whether Mr Tsujimoto's sign was accepted by, and what its reputation was with, the relevant public. Against that background, the bare fact that Mr Tsujimoto would like to use his forename as a trade mark does not tip the balance in his favour for the purposes of the balancing exercise to be conducted when considering whether he can demonstrate use with due cause.

38. If more weight were to be given to the fact that Mr Tsujimoto's forename is Kenzo than to the injury caused to the proprietor of the established EU trade mark, that would substantially undermine the protection afforded by Regulation No 207/2009. Categorising such use automatically as use with due cause would mean that any earlier trade mark comprised of a name would be stripped of its essential function.

39. The concept of using names as trade marks is far from being unusual. (32) Thus, the Court has held that in cases where there is a likelihood of confusion within the meaning of Article 8(1)(b) of Regulation No 207/2009, it is appropriate to take account of factors specific to the case at issue, such as whether the person concerned is well known. (33) It seems clear that where a name is registered as a trade mark under Regulation No 207/2009, the essential function of the mark is to safeguard the proprietor's interests under that regulation. It cannot follow (as Mr Tsujimoto asserts) that simply because the mark which he sought to register is made up partly of his forename, that that constitutes use with due cause.

40. As regards the aims of the relative grounds of refusal, recital 7 of Regulation No 207/2009 states that 'registration should be refused in particular if the trade mark is not distinctive, if it is unlawful or if it conflicts with earlier rights'. That indicates that registration should be refused if it is considered that the mark for

which registration is sought would conflict with an earlier trade mark for the purposes of Article 8(5). The wording of that provision refers to situations where use of the mark applied for would take unfair advantage of, or be detrimental to, the distinctive character or repute of the earlier trade mark. The General Court's statement in paragraph 54 of the judgments under appeal, upholding the Board of Appeal's finding that the trade mark which Mr Tsujimoto sought to register 'would ride on the coat-tails of Kenzo's earlier mark' is a clear indication that that court considered that Mr Tsujimoto's mark would take unfair advantage of the earlier trade mark.

41. I conclude that use of Mr Tsujimoto's forename in the sign which he sought to register does not constitute use with due cause for the purposes of Article 8(5) of Regulation No 207/2009.

42. I add for the sake of good order that a proprietor of an EU trade mark is not entitled to prohibit a third party from using in the course of trade his own name or address, provided he uses them in accordance with honest practices in industrial or commercial matters. (34) Thus, Regulation No 207/2009 ensures that a person in Mr Tsujimoto's situation is not prevented from using his forename as a name in the course of trade as a result of Kenzo's prior registration.

43. That is consistent with Article 7 of the Charter which guarantees the right to respect for a person's private and family life. The Court has repeatedly ruled that a person's name is a constituent element of his identity and private life. We identify ourselves by using our names. A person's name is also a link to his family and ancestry or heritage and concerns his private and family life. (35) However, the fact that Kenzo has registered a common forename (which happens to be Mr Tsujimoto's forename) as a trade mark does not go so far as to impinge on his private or family life.

#### Costs

44. In accordance with Article 137 of the Rules of Procedure of the Court of Justice, a decision as to costs shall be given in the judgment which closes these proceedings.

#### Conclusion

45. In the light of the foregoing considerations I propose that the Court should:

- reject the fourth plea of the second ground of appeal as being unfounded; and
- make the appropriate order for costs pursuant to the Rules of Procedure of the Court of Justice at the close of these proceedings.

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1. Original language: English.

2. Judgment of 2 December 2015, *Tsujimoto v OHIM — Kenzo (KENZO ESTATE)*, T-414/13, not published, EU:T:2015:923.

3. Judgment of 2 December 2015, *Tsujimoto v OHIM — Kenzo (KENZO ESTATE)*, T-522/13, not published, EU:T:2015:922. I refer to T-414/13 and T-522/13 together in this Opinion as 'the judgments under appeal'.

4. OJ 2009 L 78, p. 1. Regulation No 207/2009 repealed and replaced Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark (OJ 1994 L 11, p. 1). That regulation was in force when Mr Tsujimoto sought to register the trade mark at issue in T-414/13. The numbering of the relevant provisions remained the same. Regulation No 207/2009 was amended several times. It is the original version of that regulation which applied when Mr Tsujimoto sought to register the trade mark at issue in T-522/13. I shall refer to the points when Mr Tsujimoto sought registration as 'the material time'. That regulation was repealed and replaced by Regulation (EU) 2017/1001 of the European Parliament and of the Council of 14 June 2017 on the European Union trade mark (OJ 2017 L 154, p. 1) with effect from 1 October 2017. The material provisions of Regulation No 207/2009 remain unchanged in Regulation 2017/1001.

5. Directive 2008/95/EC of the European Parliament and of the Council of 22 October 2008 to approximate the laws of the Member States relating to trade marks (OJ 2008 L 299, p. 25) ('the Trade Mark Directive'). Directive 2008/95 repealed and replaced First Council Directive 89/104/EEC of 21 December 1988 (OJ 1989 L 40, p. 1). The latter directive was in force when Mr Tsujimoto sought to register the trade mark at issue in T-414/13. The numbering and the relevant provisions remained the same in Directive 2008/95 which applied when Mr Tsujimoto sought to register the trade mark at issue in T-522/13. Directive 2008/95 has provisions which reflect the wording of Article 8(5) of Regulation No 207/2009. That directive has since been repealed and will be replaced by Directive (EU) 2015/2436 of the European Parliament and of the Council of 16 December 2015 (OJ 2015 L 336, p. 1) with effect from 15 January 2019. At the material time the parallel provisions of Directive 2008/95 were in Article 4(3) concerning trade marks registered in the European Union and Article 4(4)(a) in relation to trade marks registered in a Member State. The numbering of those provisions has changed in Directive 2015/2436. Article 4(3) and 4(4)(a) of Directive 2008/95 are now Article 5(3)(a) of the new directive.

6. The wording of Article 9(1)(c) of Regulation No 207/2009 is reflected in Article 5(2) of Directive 2008/95. That provision is now Article 10(2)(c) in Directive 2015/2436.

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 ('the Nice Classification').

8. Those classes correspond to the following descriptions: class 3, 'bleaching preparations and other substances for laundry use'; class 18, 'leather and imitations of leather, belts, bags, hand bags'; class 25, 'clothing footwear, headgear'.

9. Article 76(2) of Regulation No 207/2009 permits EUIPO to disregard facts or evidence which are not submitted in due time by the parties concerned. It has no bearing on the question raised by Mr Tsujimoto's plea regarding the relative grounds for refusal to



register a trade mark set out in Article 8(5) of Regulation No 207/2009 and the use of the forename 'Kenzo'.

10. They correspond to the following description: class 29, 'Olive oil (for food); grape seed oil (for food); edible oils and fats; raisins; processed vegetables and fruits; frozen vegetables; frozen fruits; raw pulses; processed meat products; processed seafood'; class 30, 'Confectionery, bread and buns; wine vinegar; olive dressing; seasonings (other than spices); spices; sandwiches; pizzas; hot dogs (sandwiches); meat pies; ravioli'; class 31, 'Grapes (fresh); olives (fresh); fruits (fresh); vegetables (fresh); seeds and bulbs'; class 35, 'Marketing research on wine; providing information on wine sales; advertising and publicity services; import-export agencies; retail services or wholesale services for foods and beverages; retail services or wholesale services for liquor'; class 41, inter alia, 'Educational and instruction services relating to general knowledge of wine; educational and instruction services relating to general knowledge of obtaining the sommelier certification'; and class 43, 'Providing foods and beverages; providing temporary accommodation'.

11. Paragraph 54 of the judgments under appeal.

12. Paragraph 57 of the judgment under appeal in T-414/13: the corresponding passage in T-522/13 is paragraph 58.

13. See paragraphs 58 and 59 of Case T-414/13 (EU:T:2015:923) and paragraphs 59 and 60 of Case T-522/13 (EU:T:2015:922), which are drafted in identical terms.

14. Judgment of 11 May 2017, *Dyson v Commission*, C-44/16 P, EU:C:2017:357, paragraph 37 and the case-law cited.

15. Judgment of 11 May 2017, *Dyson v Commission*, C-44/16 P, EU:C:2017:357, paragraph 38 and the case-law cited.

16. See paragraph 58 in T-414/13 (EU:T:2015:923) and the corresponding paragraph 59 in T-522/13 (EU:T:2015:922), cited in point 19 above.

17. Judgment of 6 February 2014, *Leidseplein Beheer and de Vries*, C-65/12, EU:C:2014:49, paragraph 28.

18. See by analogy, judgment of 9 January 2003, *Davidoff*, C-292/00, EU:C:2003:9, paragraph 17.

19. See Von Mühlendhal, A., Botis, D., Maniatis, S., Wiseman, I., *Trade Mark Law in Europe* (third edition), published by Oxford University Press 2016, paragraphs 231 and 262. See also Commission press Release IP/15/4823 of 21 April 2015.

20. Judgment of 27 November 2008, *Intel Corporation*, C-252/07, EU:C:2008:655, paragraphs 24 and 25.

21. Judgment of 27 April 2006, C-145/05, EU:C:2006:264.

22. Judgment of 27 April 2006, *Levi Strauss*, C-145/05, EU:C:2006:264, paragraph 27. See also point 27 above.

23. Judgment of 27 April 2006, *Levi Strauss*, C-145/05, EU:C:2006:264, paragraph 28.

24. Judgment of 27 April 2006, *Levi Strauss*, C-145/05, EU:C:2006:264, paragraphs 15 and 29.

25. Judgment of 27 April 2006, *Levi Strauss*, C-145/05, EU:C:2006:264, paragraph 30.

26. Judgment of 6 February 2014, *Leidseplein Beheer and de Vries*, C-65/12, EU:C:2014:49, paragraph 43.

27. See point 11 above.

28. Judgment of 6 February 2014, *Leidseplein Beheer and de Vries*, C-65/12, EU:C:2014:49, paragraphs 39 to 44.

29. Judgment of 6 February 2014, *Leidseplein Beheer and de Vries*, C-65/12, EU:C:2014:49, paragraphs 45 and 46.

30. Judgment of 6 February 2014, *Leidseplein Beheer and de Vries*, C-65/12, EU:C:2014:49, paragraphs 50 and 52 and the case-law cited.

31. See points 8 and 11 above.

32. Certain celebrities have registered their names as trade marks, such as Frank Sinatra, Elvis, Beyoncé, Michael Jordan, Arnold Schwarzenegger and David Beckham.

33. Judgment of 24 June 2010, *Becker v Harman International Industries*, C-51/09 P, EU:C:2010:368, paragraphs 36 and 37.

34. Article 12 of Regulation No 207/2009, indent (a).

35. Judgment of 22 December 2010, *Sayn-Wittgenstein*, C-208/09, EU:C:2010:806, paragraph 52; see further judgment of 8 June 2017, *Freitag*, C-541/15, EU:C:2017:432, paragraphs 33 to 36.