

**Court of Justice EU, 15 May 2019, VM Vermögens-Management**



**TRADE MARK LAW**

**Argument that trade mark VERMÖGENSMANUFAKTUR (registered prior to IP-translator (IPPT20120619)) has been annulled only for services falling under the literal meaning of the headings of Classes 35 and 36 fails:**

- [the trade mark was protected in respect of all services in those classes and therefore annulled by the Board of Appeal in respect of all the services in Classes 35 and 36](#)

48. It should be observed that, in accordance with the approach set out in the first paragraph of Point IV of Communication No 4/03 and Point V of Communication No 2/12, the designation of the headings of Classes 35 and 36 of the Nice Agreement in the application for the Vermögensmanufaktur mark was intended to protect that mark for all the services in the alphabetical list for those classes (see, to that effect, [judgment of 16 February 2017, Brandconcern v EUIPO and Scooters India, C-577/14 P, EU:C:2017:122, paragraphs 31 and 32](#)).

[...]

51. Therefore, as rightly noted by EUIPO in its pleadings, although the contested decision was adopted before the 2016 declaration, it concerned all the services for which the contested mark was registered and, therefore, all the services in Classes 35 and 36 of the Nice Agreement, including those covered by that declaration, so that that decision declared the invalidity of that mark for all of those services.

- [statement of reasons GEU sufficient](#)

**Argument that the General Court held that the contested trade is devoid of distinctive character only because the expression Vermögensmanufaktur constitutes a laudatory reference is, is based on incorrect reading of the judgment under appeal**

- [It follows that the appellant cannot claim that the General Court's finding, as is apparent from paragraph 113 of the judgment under appeal, that the contested mark is devoid of any distinctive character is based solely on the laudatory character of that mark.](#)

80. In that regard, it should be observed, first, that the General Court noted, in paragraph 95 of that judgment, that a mark which is descriptive, within the meaning of Article 7(1)(c) of Regulation No 207/2009 is, therefore, necessarily devoid of any distinctive character.

81. Secondly, in paragraph 96 of that judgment, the General Court held that, by contrast, where a trade mark is not descriptive within the meaning of that provision it is not, therefore, necessarily distinctive and that, in such a case, it is also necessary to examine whether, intrinsically, it is able to fulfil the essential function of a trade mark, namely that of identifying the commercial origin of the goods or services in question thus enabling the consumer who acquired the goods or service designated by the mark to repeat the experience, if it proves to be positive, or to avoid it, if it proves to be negative, on the occasion of a subsequent acquisition.

**Arguments put forward by the appellant concerning the use of refused evidence by the Board of Appeal are inadmissible:**

- [arguments only concern repetition of arguments at first instance](#)

98. Therefore, it must be held that, in its appeal, the appellant confines itself, in essence, to repeating the arguments which it put forward at first instance, without stating in what way the General Court erred in law when it found, in paragraphs 134 and 144 of the judgment under appeal, that the grounds alleging that the contested annexes were possibly taken into account by the Board of Appeal were ineffective.

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**Court of Justice EU, 15 May 2019**

(E. Regan (rapporteur), C. Lycourgos, E. Juhász, M. Ilešić and I. Jarukaitis)

JUDGMENT OF THE COURT (Fifth Chamber)

15 May 2019 (\*)

(Appeal — EU trade mark — Regulation (EC) No 207/2009 — Regulation (EU) 2015/2424 — Invalidity proceedings — Word mark Vermögensmanufaktur — Declaration of invalidity — Right to a fair hearing — Examination of the facts by EUIPO of its own motion — Retrospectivity — Jurisdiction of the General Court — Statement of reasons for judgments)

In Case C-653/17 P,

APPEAL under Article 56 of the Statute of the Court of Justice of the European Union, brought on 21 November 2017,

VM Vermögens-Management GmbH, established in Düsseldorf (Germany), represented by T. Dolde and P. Homann, Rechtsanwälte, appellant,

the other parties to the proceedings being:

European Union Intellectual Property Office (EUIPO), represented by S. Hanne, acting as Agent, defendant at first instance

DAT Vermögensmanagement GmbH, established in Baldham (Germany),

intervener at first instance,

THE COURT (Fifth Chamber),

composed of E. Regan (Rapporteur), President of the Chamber, C. Lycourgos, E. Juhász, M. Ilešić and I. Jarukaitis, Judges,

Advocate General: J. Kokott,  
 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, VM Vermögens-Management GmbH seeks to have the judgment of the General Court of the European Union of 7 September 2017, VM v EUIPO — DAT Vermögensmanagement (Vermögensmanufaktur) (T-374/15, EU:T:2017:589; ‘the judgment under appeal’) set aside, by which that Court dismissed its action seeking the annulment of the decision of the Fifth Board of Appeal of the European Union Intellectual Property Office (EUIPO) of 29 April 2015 (Case R 418/2014-5) (‘the contested decision’), concerning invalidity proceedings between DAT Vermögensmanagement GmbH and VM Vermögens-Management.

#### Legal context

##### Regulation (EC) No 207/2009

2. Article 7(1) of Council Regulation (EC) No 207/2009 of 26 February 2009 on the [European Union] trade mark (OJ 2009 L 78, p. 1), entitled ‘Absolute grounds for refusal’, provides:

‘The following shall not be registered:

...

(b) trade marks which are devoid of any distinctive character;

(c) trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin or the time of production of the goods or of rendering of the service, or other characteristics of the goods or services;

...’

3. Article 65 of that regulation, entitled ‘Actions before the Court of Justice’, provides:

‘1. Actions may be brought before the Court of Justice against decisions of the Boards of Appeal on appeals.

2. The action may be brought on grounds of lack of competence, infringement of an essential procedural requirement, infringement of the Treaty, of this Regulation or of any rule of law relating to their application or misuse of power.

3. The Court of Justice has jurisdiction to annul or to alter the contested decision.

...’

4. Under Article 75 of that regulation, entitled ‘Statement of reasons on which decisions are based’:

‘Decisions of the Office shall state the reasons on which they are based. They shall be based only on reasons or evidence on which the parties concerned have had an opportunity to present their comments.’

5. Article 76 of that regulation, entitled ‘Examination of the facts by the Office of its own motion’, is worded as follows:

‘1. In proceedings before it the Office shall examine the facts of its own motion; however, in proceedings relating to relative grounds for refusal of registration,

the Office shall be restricted in this examination to the facts, evidence and arguments provided by the parties and the relief sought.

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

##### Regulation (EU) 2015/2424

6. Article 1(28) of Regulation (EU) 2015/2424 of the European Parliament and of the Council of 16 December 2015 amending Council Regulation (EC) No 207/2009 on the Community trade mark and Commission Regulation (EC) No 2868/95 implementing Council Regulation (EC) No 40/94 on the Community trade mark, and repealing Commission Regulation (EC) No 2869/95 on the fees payable to the Office for Harmonisation in the Internal Market (Trade marks and Designs) (OJ 2015 L 341, p. 21), provides: ‘Article 28 [of Regulation No 207/2009] is replaced by the following:

“Article 28

*Designation and classification of goods and services*

...

8. Proprietors of EU trade marks applied for before 22 June 2012 which are registered in respect of the entire heading of a Nice class may declare that their intention on the date of filing had been to seek protection in respect of goods or services beyond those covered by the literal meaning of the heading of that class, provided that the goods or services so designated are included in the alphabetical list for that class in the edition of the Nice Classification in force at the date of filing.

The declaration shall be filed at the Office by 24 September 2016, and shall indicate, in a clear, precise and specific manner, the goods and services, other than those clearly covered by the literal meaning of the indications of the class heading, originally covered by the proprietor’s intention. The Office shall take appropriate measures to amend the Register accordingly. The possibility to make a declaration in accordance with the first subparagraph of this paragraph shall be without prejudice to the application of Article 15, Article 42(2), Article 51(1)(a), and Article 57(2).

EU trade marks for which no declaration is filed within the period referred to in the second subparagraph shall be deemed to extend, as from the expiry of that period, only to goods or services clearly covered by the literal meaning of the indications included in the heading of the relevant class.

9. Where the register is amended, the exclusive rights conferred by the EU trade mark under Article 9 shall not prevent a third party from continuing to use a trade mark in relation to goods or services where and to the extent that the use of the trade mark for those goods or services:

(a) commenced before the register was amended; and  
 (b) did not infringe the proprietor’s rights based on the literal meaning of the record of the goods and services in the register at that time.

In addition, the amendment of the list of goods or services recorded in the register shall not give the

proprietor of the EU trade mark the right to oppose or to apply for a declaration of invalidity of a later trade mark where and to the extent that:

(a) the later trade mark was either in use, or an application had been made to register the trade mark, for goods or services before the register was amended; and

(b) the use of the trade mark in relation to those goods or services did not infringe, or would not have infringed, the proprietor's rights based on the literal meaning of the record of the goods and services in the register at that time.'

#### **Communications Nos 4/03 and 2/12**

7. The first paragraph of Point IV of Communication No 4/03 of the President of EUIPO, of 16 June 2003, concerning the use of class headings in lists of goods and services for Community trade mark applications and registrations, stated:

*'The 34 classes for goods and the 11 classes for services comprise the totality of all goods and services. As a consequence of this, the use of all the general indications listed in the class heading of a particular class constitutes a claim to all the goods or services falling within this particular class.'*

8. On 20 June 2012, the President of EUIPO adopted Communication No 2/12, repealing Communication No 4/03 and concerning the use of class headings in lists of goods and services for Community trade mark applications and registrations. Point V of that communication provided:

*'As regards [EU] trade marks registered before the entry into force of [Communication No 2/12] which use all the general indications listed in the class heading of a particular class, [EUIPO] considers that the intention of the applicant, in view of the contents of the previous Communication No 4/03, was to cover all the goods or services included in the alphabetical list of that class in the edition in force at the time when the filing was made.'*

#### **Background to the dispute**

9. The background to the dispute, as set out in paragraphs 1 to 16 of the judgment under appeal, may, for the purposes of the present proceedings, be summarised as follows.

10. On 18 December 2009, the appellant, VM Vermogens-Management, filed an application for registration of an EU trade mark with EUIPO pursuant to Regulation No 207/2009. Registration as a mark was sought for the word sign 'Vermögensmanufaktur' ('the contested mark').

11. The services in respect of which registration was sought are in Classes 35 and 36 of the Nice Agreement concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, as revised and amended ('the Nice Agreement'), and correspond, for each of those classes, to the following description:

– Class 35: 'Advertising; business management; business administration; office functions';

– Class 36: 'Insurance; financial affairs; monetary affairs; asset management, financial consultancy; real estate affairs.'

12. On 8 February 2011, the EU trade mark application was published in Community Trade Marks Bulletin No 26/2011. On 18 May 2011, the contested mark was registered under number 8770042.

13. On 30 July 2012, the intervener at first instance, DAT Vermögensmanagement, filed an application with EUIPO for a declaration that the contested mark was invalid for all of the services for which it was registered, under Article 52(1)(a) of Regulation No 207/2009, read in conjunction with Article 7(1)(b) and (c) of that regulation ('the application for a declaration of invalidity').

14. On 15 January 2013, the appellant submitted observations seeking the dismissal of the application for a declaration of invalidity in its entirety. On 7 June 2013, the intervener at first instance submitted its observations on the appellant's observations dated 15 January 2013 and submitted Annexes 7 to 25, referred to in paragraph 3 of the contested decision. It also requested an extension of time in order to adduce additional evidence from the Deutsches Patent- und Markenamt (German Patent and Trade Marks Office), which it had requested permission to consult but which it had not yet received.

15. On 12 August 2013, the appellant requested an extension of time in order to submit observations, which was granted by the Cancellation Division.

16. On 23 August 2013, the intervener at first instance submitted further observations, to which Annexes 26 to 30, referred to in paragraph 3 of the contested decision ('the contested annexes'), were attached. The Cancellation Division mistakenly classified the intervener's observations as the appellant's observations and served them, as such, on 2 September 2013, on the intervener at first instance. It also informed the two parties that the adversarial part of the proceedings was closed. On the same day, the Cancellation Division, having realised its error, cancelled the communication sent to the appellant.

17. On 14 October 2013, EUIPO notified the appellant that the request for an extension of time submitted by the intervener at first instance on 7 June 2013 had been refused, on the ground that the intervener had not stated the reasons for its request, and that the intervener's observations of 23 August 2013 would not be taken into account. EUIPO informed the appellant that a copy of the intervener at first instance's letter of 23 August 2013 was sent to it for information purposes only.

18. On 30 October 2013, the appellant submitted its observations on the intervener at first instance's observations dated 7 June 2013.

19. On 8 November 2013, the Cancellation Division sent the intervener at first instance the appellant's observations of 30 October 2013, stating that those observations related to the observations of 23 August 2013 and again closed the adversarial part of the proceedings.

20. On 10 December 2013, the Cancellation Division rejected the application for a declaration of invalidity in its entirety. In essence, it based its decision on the fact that it was not possible for the German word 'Manufaktur' to have a concrete meaning as regards the services covered because of their intangible nature. Consequently, in its view, the combination of the German words 'Vermögen' and 'Manufaktur' had, on the date on which the application for registration of the contested mark was filed, a distinctive character and was not descriptive of the services.

21. On 5 February 2014, the intervener at first instance filed a notice of appeal with EUIPO against the decision of the Cancellation Division, pursuant to Articles 58 to 64 of Regulation No 207/2009.

22. By the contested decision, the Fifth Board of Appeal of EUIPO allowed that appeal. It found, first, that the documents submitted to it by the appellant and by the intervener at first instance were merely items of evidence supplementing and reinforcing the evidence which had already been submitted before the Cancellation Division and, therefore, it exercised its discretion, under Article 76(2) of Regulation No 207/2009 to admit them. Second, it held that the contested mark was descriptive and devoid of distinctive character. Consequently, it annulled the Cancellation Division's decision and declared the contested mark invalid for the services in Classes 35 and 36 of the Nice Agreement.

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

23. By application lodged at the Court Registry on 9 July 2015, the appellant brought an action for annulment of the contested decision. The appellant put forward four pleas in law in support of that action, alleging, first, infringement of Article 75 of Regulation No 207/2009, in that the Board of Appeal had taken into account the observations submitted by the intervener at first instance on 23 August 2013, although they had been rejected as being out of time, secondly, infringement of Article 76 of that regulation, in that the Board of Appeal included, of its own motion, in its examination, facts that the parties did not submit in due time and, thirdly, infringement of Article 7(1)(c) of that regulation which led the Board of Appeal to conclude that the contested mark was descriptive of the services concerned and, fourth and lastly, infringement of Article 7(1)(b) of that regulation, in that the Board of Appeal wrongly concluded that the contested mark was devoid of distinctive character.

24. After the action was brought, on 15 November 2016, EUIPO informed the General Court that, on 23 September 2016, the appellant had filed a declaration under Article 28(8) of Regulation No 207/2009, as amended by Regulation 2015/2424 ('the 2016 declaration'), in order to specify the services which it had intended to cover at the time of the application for registration of the contested mark. EUIPO stated that, according to the new list of services, published on 7 November 2016 in the European Trade Marks Bulletin, in addition to the services referred to in paragraph 11 of

the present judgment, the services designated by the contested mark, in Classes 35 and 36 of the Nice Agreement, corresponded, for each of those classes, to the following description:

– Class 35: '*Auctioneering services; business research; consumers (commercial information and advice for -)(consumer advice shop); economic forecasting; commercial information agencies; business investigation; marketing studies; ... news clipping services; opinion polling; price comparison services; public relations services; sponsorship search*';

– Class 36: '*Financial consulting; financial information; insurance consultancy; insurance information; safe deposit services; financial sponsorship; deposit of valuables*'.

25. In its observations on EUIPO's letter of 15 November 2016, the appellant requested the General Court, in the alternative, to confirm the contested decision only in respect of the services in Classes 35 and 36 within the meaning of the Nice Agreement, referred to in paragraph 11 of the present judgment, and to rule that the contested mark remained legally registered for the services covered by the 2016 declaration, and, in the further alternative, to confirm the contested decision only in respect of the services in Classes 35 and 36 within the meaning of the Nice Agreement, referred to in paragraph 11 of the present judgment, and to remit the case to the Cancellation Division of EUIPO for an initial examination concerning the services covered by the 2016 declaration.

26. By the judgment under appeal, the General Court dismissed the appellant's action in its entirety.

#### **Forms of order sought by the parties before the Court of Justice**

27. The appellant claims that the Court of Justice should:

- set aside the judgment under appeal;
- remit the case to the General Court; and
- order EUIPO to pay the costs.

28. EUIPO contends that the Court of Justice should:

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

#### **The appeal**

29. In support of its appeal, the appellant puts forward six grounds of appeal, alleging, first, infringement of Article 65(2) and (3) of Regulation No 207/2009, read in conjunction with Articles 17 and 47 of the Charter of Fundamental Rights of the European Union ('the Charter'), secondly, infringement of the first sentence of Article 36 of the Statute of the Court of Justice of the European Union, thirdly, infringement of Article 7(1)(c) of Regulation No 207/2009, fourthly, infringement of Article 7(1)(b) of that regulation, fifthly, infringement of Article 75 of that regulation and, sixthly, infringement of Article 76 of that regulation.

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

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

30. By its first two grounds of appeal, the appellant claims that the General Court misconstrued Article

65(2) and (3) of Regulation No 207/2009, read in conjunction with Articles 17 and 47 of the Charter, by refusing to recognise, in essence, that, by virtue of the retrospective effect of the amendment of the EU trade marks register ('the register') following its 2016 declaration, the contested decision had declared the contested mark invalid only for the services covered by the literal meaning of the heading of Class 35 and 36 of the Nice Agreement and that, therefore, the registrability of that mark for the services recently added by that declaration could not at any time have been verified. The appellant also criticises the General Court for having thereby vitiated the judgment under appeal by a failure to state reasons.

31. In the first place, the General Court held, in paragraph 152 of the judgment under appeal, that, by its arguments, the appellant requested the alteration of the contested decision, as provided for in Article 65(3) of Regulation No 207/2009.

32. The General Court noted, in paragraph 153 of that judgment, that Article 65(2) of that regulation permitted it to annul or to alter a decision of a Board of Appeal of EUIPO only on grounds of lack of competence, infringement of an essential procedural requirement, infringement of the Treaty, of that regulation or of any rule of law relating to their application, or misuse of power.

33. Having observed that, according to the Court of Justice's case-law, the General Court cannot annul or alter such a decision on grounds which come into existence subsequent to its adoption, it found, in paragraph 154 of the judgment under appeal, that the 2016 declaration was adopted after the contested decision and, accordingly, rejected as inadmissible, in paragraph 155 of that judgment, the heads of claim put forward by the appellant in its observations, referred to in paragraph 25 above.

34. However, the appellant submits that those principles must be excluded if it has the result that its interests, which are protected by fundamental principles, are affected without any factual justification or detailed reasoning, which is the case here.

35. Following [the judgment of 19 June 2012](#), Chartered Institute of Patent Attorneys (C-307/10, EU:C:2012:361), Article 28(8) of Regulation No 207/2009, as amended by Regulation No 2015/2424, provided, in order to protect the legitimate expectations of proprietors of EU trade marks, a transitional period during which those proprietors, who had relied on EUIPO's practice then in force and had registered their marks for the entire class heading of classes of the Nice Agreement, could declare that their intention, on the date of filing of their application, was to seek protection of goods or services beyond the literal meaning of the heading of those classes, provided that the goods or services so designated are included in the alphabetical list of those classes of the Nice Agreement.

36. In referring, in particular, in that provision, to the intention of the proprietor of an EU trade mark on the date of submission of the application, it was understood

that the amendment of the register following a declaration made on the basis of Article 28(8) of Regulation No 207/2009, as amended by Regulation 2015/2424, gave retrospective effect from the date of filing of the application for registration of the EU trade mark.

37. According to the appellant, the General Court, therefore, should have regarded the contested mark as if, at the time of the contested decision, it had been registered not only in respect of the general indications of the headings of Classes 35 and 36 within the meaning of the Nice Agreement, but also for the services newly added by the 2016 declaration.

38. The General Court failed to have regard to the retrospective effect of the amendment of the register resulting from the 2016 declaration by stating, in paragraph 154 of the judgment under appeal, that the appellant's claims were based on a fact which came to light after the adoption of the contested decision.

39. In so doing, the General Court deprived the appellant of the opportunity to verify the registrability, as an EU trade mark, of the term 'Vermögensmanufaktur' in respect of the services which were added by the 2016 declaration and, therefore, unjustifiably undermined the protection of the appellant's right to intellectual property, referred to in Article 17 of the Charter, and infringed its right to a hearing, which follows from Article 47 of the Charter.

40. In the second place, the appellant submits that the reasoning followed by the General Court, in paragraphs 149 to 155 of the judgment under appeal, which led it to dismiss as inadmissible the arguments on the basis of which the appellant requested it to acknowledge, in essence, that the contested decision had not declared the contested mark invalid for the services covered by the 2016 declaration, is vitiated by a failure to state reasons.

41. It has consistently been held that the statement of reasons on which a judgment of the General Court is based must clearly and unequivocally disclose the reasoning followed in such a way as to enable the persons concerned to ascertain the reasons for the decision taken and the Court to exercise its power of review. The appellant submits that, although the General Court's reasoning may be implicit, that court must nevertheless examine to the required standard all the heads of claim and main points of the parties' submissions.

42. By way of reasoning, the General Court held, in paragraphs 152 to 154 of the judgment under appeal, that it cannot annul or alter the contested decision on grounds which came to light subsequent to its adoption, without examining the retrospective effect of the amendment of the register following the 2016 declaration. Notwithstanding the observations submitted by the appellant, the General Court thus failed to examine an essential point of its submissions.

43. In addition, the appellant submits in its reply that the reasoning of the Board of Appeal regarding the alleged impossibility of registering, as an EU trade mark, the term 'Vermögensmanufaktur', in respect of

the general indications of the headings of Classes 35 and 36 of the Nice Agreement, cannot be simply transposed to services which were added by the 2016 declaration.

44. Such transposition is possible only for services which have a sufficiently direct and specific link with the general indications of the class headings of the Nice Agreement to the point where they form a uniform category of services.

45. In the appellant's view, neither EUIPO nor the General Court established that the reasoning relating to the alleged impossibility of registering the contested mark was applicable not only to the general indications of the headings of Classes 35 and 36 of the Nice Agreement, but also to the services newly added by the 2016 declaration.

46. EUIPO submits that the first two grounds of appeal are unfounded.

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

47. In so far as the appellant alleges that the General Court, in paragraphs 149 to 155 of the judgment under appeal, first, infringed Article 65(2) and (3) of Regulation No 207/2009, read in conjunction with Articles 17 and 47 of the Charter and, secondly, vitiated the judgment under appeal by failing to state reasons, it should be observed that the arguments that it advances are based on the premiss that the registration of the contested mark, and thus the contested decision subject to review on appeal by the General Court, related only to the general indications of the headings of Classes 35 and 36 of the Nice Agreement, with the result that the protection of that mark was extended, by virtue of the 2016 declaration, to the services added by that declaration, which were therefore not the subject of the contested decision declaring the contested mark invalid.

48. It should be observed that, in accordance with the approach set out in the first paragraph of Point IV of Communication No 4/03 and Point V of Communication No 2/12, the designation of the headings of Classes 35 and 36 of the Nice Agreement in the application for the Vermögensmanufaktur mark was intended to protect that mark for all the services in the alphabetical list for those classes (see, to that effect, [judgment of 16 February 2017, Brandconcern v EUIPO and Scooters India, C-577/14 P, EU:C:2017:122, paragraphs 31 and 32](#)).

49. It follows that, at the time of its registration, the protection enjoyed by the contested mark already included the services covered by the 2016 declaration. In that regard, it should be noted that the third subparagraph of Article 28(8) of Regulation No 207/2009, as amended by Regulation No 2015/2424, provides that trade marks such as those at issue in the main proceedings for which no declaration is filed are to be deemed to extend, from 24 September 2016, only to goods or services clearly covered by the literal meaning of the indications included in the heading of the relevant class of the Nice Agreement.

50. Thus, contrary to what the appellant claims, the 2016 declaration was not intended to add new services

to the protection enjoyed by the contested mark, but to ensure that, following the expiry of the period referred to in the third subparagraph of Article 28(8) of Regulation No 207/2009, as amended by Regulation 2015/2424, the services covered by that declaration continue to enjoy such protection even though they are not clearly covered by the literal meaning of the indications included in the headings of Class 35 and 36 of the Nice Agreement.

51. Therefore, as rightly noted by EUIPO in its pleadings, although the contested decision was adopted before the 2016 declaration, it concerned all the services for which the contested mark was registered and, therefore, all the services in Classes 35 and 36 of the Nice Agreement, including those covered by that declaration, so that that decision declared the invalidity of that mark for all of those services.

52. Consequently, in so far as they are based on a premiss which does not correspond to the extent of the protection actually enjoyed by the contested mark, the arguments expounded by the appellant in the first two grounds of appeal are based on a premiss that is wrong in law.

53. It should also be noted that, in paragraph 154 of the judgment under appeal, the General Court provided a statement of reasons enabling the appellant to know why it dismissed its applications for amendment of the contested decision. Therefore, the judgment under appeal is not vitiated, in that regard, by a failure to state reasons.

54. The first two grounds of appeal must therefore be rejected.

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

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

55. By its third ground of appeal, the appellant complains that the General Court infringed Article 7(1)(c) of Regulation No 207/2009 in finding that the contested mark was descriptive for all the services covered by that mark, with the exception of 'advertising' services and 'office functions'.

56. In the first place, the judgment under appeal is based on incorrect conclusions as regards the perception by the relevant public of the term 'Vermögensmanufaktur'.

57. The General Court found, first, in paragraph 53 of that judgment, that that public was able to understand the meaning of the German words 'Vermögen' and 'Manufaktur'. Secondly, in paragraphs 57 and 58 of that judgment, it found that the combination of those two words had a clear and unambiguous meaning, namely 'asset manufactory', which did not go beyond the sum of the information provided by those two elements, and it concluded from this that the relevant public was able to understand that the contested mark referred to a structure or a particular place in which services, with a thematic content which was very specific and had a close relationship with assets and finances, were produced or offered, in a non-standardised manner.

58. According to the appellant, the word 'Manufaktur' is used in everyday language only with regard to goods.

Therefore, as regards services, the word 'Vermögensmanufaktur' will trigger, in the relevant public, a process of reflection and will not be directly and immediately linked to individualised, high-quality services.

59. In the second place, the General Court found that the contested mark was descriptive in relation to 'business management' and 'business administration' services, in Class 35 of the Nice Agreement, on the basis of a misinterpretation of Article 7(1)(c) of Regulation No 207/2009.

60. First of all, in paragraph 73 of the judgment under appeal, the General Court observed that the word 'Manufaktur' can refer to the place where services are provided and that the term 'Vermögensmanufaktur' can thus be regarded as indicating such a place. Therefore, the General Court found that 'business management' and 'business administration' services can be provided in such an 'asset manufactory'.

61. Next, in paragraph 74 of that judgment, the General Court stated that the word 'Manufaktur' can refer to individualised, high-quality services, so that the term 'asset manufactory' describes the intended purpose of 'business management' and 'business administration' services, in the sense that those services are understood as high quality services enabling assets to be acquired on an individual basis.

62. According to the appellant, contrary to what is required under Article 7(1)(c) of Regulation No 207/2009, the contested mark does not consist exclusively of an indication serving to designate, in trade, the intended purpose of such services. 'Business management' and 'business administration' services are intended to guarantee the operational and commercial success of a business. They do not therefore have the intended purpose of asset acquisition.

63. Similarly, any indication concerning 'particularly high quality' services or 'individually tailored services' does not provide meaningful information regarding the intended purpose of those services.

64. In the third place, the appellant states that the General Court also based its decision on an incorrect interpretation of Article 7(1)(c) of Regulation No 207/2009 in order to conclude, in paragraphs 66 to 69 of the judgment under appeal, that the contested mark is descriptive of the services in Class 36 of the Nice Agreement.

65. Such reasoning is based solely on the claim that the word 'Vermögensmanufaktur' will be understood as being the place where services falling within Class 36 are provided. However, it is purely the provider of those services which is thus designated and not a characteristic of those services.

66. Moreover, the reasoning of the judgment under appeal is contradictory. While the General Court assumes, in paragraphs 46 and 47 of that judgment, that the word 'Manufaktur' is perceived beyond its original meaning as referring to high-quality services, it is apparent from paragraph 69 of that judgment that, as regards the services in Class 36 of the Nice Agreement,

that word must retain its original meaning and refer to the specific place where the services in question are provided.

67. EUIPO submits that the third ground of appeal is manifestly unfounded.

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

68. It should be borne in mind that, under Article 256 TFEU and the first paragraph of Article 58 of the Statute of the Court of Justice of the European Union, an appeal lies on points of law only. The General Court has exclusive jurisdiction to find and appraise the relevant facts and to assess the evidence. The appraisal of those facts and the assessment of that evidence thus does not, 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 6 September 2018, Bundesverband Souvenir — Geschenke — Ehrenpreise v EUIPO, C-488/16 P, EU:C:2018:673, paragraph 29](#) and the case-law cited).

69. It must be stated that, under the pretext of an alleged misinterpretation of Article 7(1)(c) of Regulation No 207/2009 and alleged contradictory reasoning in the judgment under appeal, the appellant merely disputes the factual findings made by the General Court both as regards the perception of the mark applied for by the relevant public and in relation to its descriptive character having regard to the services in Classes 35 and 36 of the Nice Agreement.

70. Thus, the fact of the matter is that the appellant invites the Court of Justice to substitute its analysis for that carried out by the General Court in its definitive assessment of the facts and evidence without, however, pleading, in that regard, distortion of those facts and that evidence.

71. Consequently, the third ground of appeal must be rejected as inadmissible.

#### **The fourth ground of appeal Arguments of the parties**

72. By its fourth ground of appeal, the appellant criticises the General Court for having misapplied Article 7(1)(b) of Regulation No 207/2009 from which the General Court concluded, in paragraph 113 of the judgment under appeal, that the contested mark was devoid of any distinctive character.

73. The appellant submits, first, that, in paragraph 110 of that judgment, the General Court confines itself to stating that, having regard to the services concerned, that mark is perceived, clearly and directly, by the relevant public as referring to high-quality services and as giving rise to a reasonable expectation on the part of that public that the provision of these services will bring it a financial gain.

74. Next, in paragraph 111 of that judgment, the General Court merely stated that the contested mark is neither sufficiently original or resonant nor sufficiently unusual in terms of its formal structure so as not to require at least some interpretation, thought or analysis on the part of the relevant public, whereas, according to the case-law of the Court of Justice ([judgment of 21 January 2010, Audi v OHIM, C-398/08 P](#),

[EU:C:2010:29, paragraph 47](#)), the existence of such characteristics is not a necessary condition for establishing the distinctive character of a laudatory reference.

75. Thus, inter alia in paragraphs 112 and 113 of the judgment under appeal, the General Court gave reasons for its conclusion that the contested mark is devoid of any distinctive character merely by claiming that it would be perceived by the relevant public as a laudatory reference or promotional information as to the effectiveness of the services concerned.

76. In doing so, the General Court disregarded the case-law of the Court of Justice, according to which such a finding is not sufficient for the purposes of concluding that a mark has no distinctive character, since that mark may be perceived at the same time as promotional information and as an indication of origin, endowed with distinctive character ([judgment of 21 January 2010, Audi v OHIM, C-398/08 P, EU:C:2010:29, paragraph 44](#)).

77. The General Court therefore, according to the appellant, neither proved nor gave sufficient reasons for the contested mark's lack of distinctive character, such a lack of distinctive character cannot, moreover, according to the appellant, be justified by the alleged descriptiveness of the term 'Vermögensmanufaktur', since the conditions laid down in Article 7(1)(c) of Regulation No 207/2009 were not fulfilled.

78. EUIPO submits that the fourth ground of appeal is manifestly unfounded.

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

79. The appellant's submission that the General Court erred in law in finding, in essence, that the contested mark was devoid of any distinctive character, within the meaning of Article 7(1)(b) of Regulation No 207/2009, by virtue of the mere fact that the expression 'Vermögensmanufaktur' constitutes a laudatory reference, is based on a misreading of the judgment under appeal.

80. In that regard, it should be observed, first, that the General Court noted, in paragraph 95 of that judgment, that a mark which is descriptive, within the meaning of Article 7(1)(c) of Regulation No 207/2009 is, therefore, necessarily devoid of any distinctive character.

81. Secondly, in paragraph 96 of that judgment, the General Court held that, by contrast, where a trade mark is not descriptive within the meaning of that provision it is not, therefore, necessarily distinctive and that, in such a case, it is also necessary to examine whether, intrinsically, it is able to fulfil the essential function of a trade mark, namely that of identifying the commercial origin of the goods or services in question thus enabling the consumer who acquired the goods or service designated by the mark to repeat the experience, if it proves to be positive, or to avoid it, if it proves to be negative, on the occasion of a subsequent acquisition.

82. Moreover, in paragraph 99 of the judgment under appeal, the General Court also observed that, according to the Court of Justice's case-law, the laudatory connotation of a word mark does not mean that it

cannot be appropriate for the purposes of guaranteeing to consumers the origin of the goods or services which it covers. Thus, a mark can be perceived by the relevant public both as a promotional formula and as an indication of the commercial origin of the goods or services that it designates ([judgment of 21 January 2010, Audi v OHIM, C-398/08 P, EU:C:2010:29, paragraph 45](#)).

83. However, in paragraph 111 of the judgment under appeal, the General Court observed that the contested mark is neither sufficiently original, nor resonant, nor has a formally unusual structure so as to require at least some interpretation, thought or analysis on the part of the relevant public, so that that public is thus led to associate that sign immediately with the services that it designates.

84. In those circumstances, the General Court concluded from the foregoing that it could not be accepted that an undertaking could monopolise the term 'Vermögensmanufaktur' as an EU trade mark, where that term does not permit the relevant public to distinguish the services provided by that undertaking from those provided by another undertaking in the same business sector.

85. Therefore, the General Court found, in paragraph 112 of that judgment, that the relevant public is not led to perceive in the contested mark, beyond its being promotional information, an indication of a specific commercial origin enabling it to repeat the experience, if it proves to be positive, or to avoid it, if it proves to be negative, on the occasion of a subsequent acquisition.

86. It follows that the appellant cannot claim that the General Court's finding, as is apparent from paragraph 113 of the judgment under appeal, that the contested mark is devoid of any distinctive character is based solely on the laudatory character of that mark.

87. It follows from the foregoing that the fourth ground of appeal must be rejected as unfounded.

#### **The fifth and sixth grounds of appeal Arguments of the parties**

88. By its fifth and sixth grounds of appeal, the appellant submits that by holding, in paragraphs 123 to 133 and 135 to 148 of the judgment under appeal, that contested Annexes 26 to 30 produced by the intervener at first instance were not conclusively taken into account by the Board of Appeal in its assessment of the registrability of the contested mark, the General Court infringed, first, the second sentence of Article 75 of Regulation No 207/2009, according to which EUIPO's decisions may be based only on reasons on which the parties concerned have had an opportunity to present their comments, and, second, Article 76(2) of that regulation, under which EUIPO may disregard facts or evidence which are not submitted in due time by the parties concerned.

89. As regards contested Annexes 27, 29 and 30, the General Court found, in paragraphs 125 and 141 of the judgment under appeal, that they were not expressly mentioned in the Board of Appeal's assessment.



90. Although the appellant accepts that the Board of Appeal did not expressly refer to those annexes, it maintains that paragraphs 29 and 40 of the contested decision repeat the words of contested Annex 29. Consequently, according to the appellant, that annex was taken into consideration by the Board of Appeal, without it having the opportunity to submit its observations on the contested annexes.

91. Furthermore, since the General Court rejected the heads of claim alleging infringement of the second sentence of Article 75 and Article 76(2) of Regulation No 207/2009 solely on the ground that contested Annexes 27, 29 and 30 were not expressly referred to in the contested decision, it did not check whether those annexes were key factors in the Board of Appeal's assessment or merely additional evidence.

92. As regards contested Annexes 26 and 28, the General Court considered, *inter alia*, in paragraphs 128, 132 and 142 of the judgment under appeal, that they were not decisive for the purposes of the Board of Appeal's assessment and that they were merely additional evidence.

93. As regards contested Annex 28, it specifically concerns the same German trade mark 'Finanzmanufaktur' as that referred to in contested Annex 29, which was reproduced verbatim by the Board of Appeal. It is therefore clear that the Board of Appeal also took Annex 28 into account in its assessment.

94. As regards contested Annex 26, it concerned a decision of the German Patent and Trade Mark Office regarding the registrability of the mark 'Kreditmanufaktur'. As the reasoning for that decision was reproduced almost verbatim by the Board of Appeal, the General Court's assertion that that annex was merely additional evidence and was not decisive in the Board of Appeal's assessment is incorrect.

95. EUIPO submits that the fifth and sixth grounds of appeal are manifestly unfounded.

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

96. In so far as it is possible to observe similarities between the contested annexes and the statement of reasons for the contested decision, as the appellant submits, the criticism of the reference made to evidence which was not submitted in good time and on which the parties had not had the opportunity to submit their observations cannot be refuted. However, it should be noted that, in paragraphs 128, 130 and 131 of the judgment under appeal, the General Court held that the Board of Appeal could have based its reasoning on other annexes submitted by the intervener at first instance, which are referred to, *inter alia*, in paragraphs 43 and 50 of the judgment under appeal, and in respect of which it is not disputed that they were produced in due time, that the appellant was aware of them and that it had the opportunity to submit its observations in relation to them.

97. The General Court concluded from the foregoing, in paragraphs 132 and 142 of that judgment, that the contested annexes were not decisive for the purposes of

the assessment carried out by the Board of Appeal and that they were merely additional evidence.

98. Therefore, it must be held that, in its appeal, the appellant confines itself, in essence, to repeating the arguments which it put forward at first instance, without stating in what way the General Court erred in law when it found, in paragraphs 134 and 144 of the judgment under appeal, that the grounds alleging that the contested annexes were possibly taken into account by the Board of Appeal were ineffective.

99. Consequently, the fifth and sixth grounds of appeal must be rejected as inadmissible.

100. It follows that the appeal must be dismissed in its entirety.

#### **Costs**

101. In accordance with Article 184(2) of the Rules of Procedure of the Court of Justice, where the appeal is unfounded, the Court is to make a decision as to costs.

102. Under Article 138(1) of those Rules, which applies 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.

103. Since EUIPO has applied for costs and the appellant has been unsuccessful, the appellant must be ordered to bear its own costs and to pay those incurred by EUIPO.

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

1. Dismisses the appeal;
  2. Orders VM Vermögens-Management GmbH to bear its own costs and to pay the costs incurred by the European Union Intellectual Property Office (EUIPO).
- [Signatures]

\* Language of the case: German.