

Court of Justice of the EU, 4 March 2020, EUIPO v Equivalenza Manufactory



TRADEMARK

General Court erred in law by taking into account the circumstances under which the goods in question are marketed at the stage of assessing the similarity of the conflicting signs:

- in case-law of the CJEU, although those circumstances have been applied differently in either the assessment of the similarity of the conflicting signs or the global assessment of the likelihood of confusion
- however, consideration of the conditions under which the goods in question were marketed falls within the phase of the assessment of the likelihood of confusion and not within that of the assessment of the similarity of the conflicting signs, which must be carried out in the light of the intrinsic qualities of the conflicting signs

Indeed, as noted by the Advocate General in paragraphs 69, 73 and 74 of his Opinion, the assessment of the similarity of the conflicting signs - which is only one of the stages of the analysis of the likelihood of confusion within the meaning of Article 8(1)(b) of Regulation No 207/2009 - implies a comparison of the conflicting signs in order to determine whether those signs are visually, phonetically and/or conceptually similar. While that comparison must be based on the overall impression left by those signs in the memory of the relevant public, it must nevertheless be made in the light of the intrinsic qualities of the conflicting signs (see, by analogy, judgment of 2 September 2010, Calvin Klein Trademark Trust v OHIM, C-254/09 P, EU:C:2010:488, paragraph 46).

72 However, as EUIPO rightly states, taking into account the circumstances under which goods or services covered by two conflicting signs are marketed, for the purpose of comparing those signs, could lead to the absurd result that the same signs could be considered either similar or different depending on the goods and

services to which they relate and the circumstances under which those goods and services are marketed.

General Court erred in law in finding that the phonetic similarity is neutralised by the conceptual difference and then refraining from assessing likelihood of confusion:

- only in the exceptional case in which at least one of the conflicting signs has a clear, fixed and immediately comprehensible meaning in the eyes of the relevant public may the assessment of likelihood of confusion be dispensed with on the ground that, despite the existence of certain elements of visual or phonetic similarity between them, those signs give a different overall impression due to their pronounced conceptual nature
- by no means established that this is the case

EUIPO correctly concluded that a likelihood of confusion exists between the figurative sign applied for BLACK LABEL by equivalenza and the figurative mark LABELL:

- average degree of visual conformity

First, it appears that the conflicting signs visually have in common the five letters “l”, “a”, “b”, “e” and “l”, which are depicted in white capital letters in ordinary font on a darker background. Those letters form one of the word elements of the sign whose registration is sought, and the first five letters of the only dominant word element of a total of six letters that make up the earlier mark.

92 In contrast, the signs in question differ primarily from the point of view of their colours and graphic elements. Given their size, those elements form a not insignificant part of the visual impression of those signs. Moreover, although the four-sided shape and the two stylised leaves of the sign whose registration is sought are relatively simple in themselves, their combination has a significant impact on the visual impression of that sign.

93 Secondly, these signs differ in that the sign whose registration is sought contains the word “black” and the words “by equivalenza”. While the latter words occupy a subordinate position within the sign whose registration is sought, the first word is marked by its bold letters and its central position.

- average degree of phonetic conformity

Second, the conflicting signs share phonetically the term “label”, or “labell”, which is pronounced the same way by the relevant public. However, they differ in that the earlier mark consists only of the word “labell”, which is composed of two syllables, while the sign whose registration is sought consists of four words and contains a total of nine syllables. However, following the Board of Appeal, it must be assumed that consumers will not pronounce the words “by equivalenza”, since they occupy a subordinate position within the sign whose registration is sought, and will be inclined, in view of the length of the four words, to abbreviate the expression “black label by equivalenza” by pronouncing only its first two words.

- conceptual difference not such as to neutralise similarity

Thirdly, from a conceptual point of view, it is important to note that it has not been established that the relevant public understands the meaning of the English word “label” in such a way that the earlier mark will be understood as consisting of a fancy word without meaning. However, the relevant public will understand the adjective “black”, which is a basic word in English, as describing a colour, and will also be able to understand the words “by equivalenza” as indicating that the goods in question come from Equivalenza Manufactory. [...] In so far as Equivalenza Manufactory argues that the conceptual differences between the conflicting signs are such as to neutralise the elements of similarity of those signs, it is sufficient to note that, according to the case-law cited in paragraph 74 of this judgment, such neutralisation requires that at least one of the two signs must have a clear and fixed meaning in the eyes of the relevant public, such that that public is capable of understanding it immediately.

- average distinctiveness
- average attention level of the relevant audience
- identical goods
- presence of the terms “black” and “by equivalenza” not sufficient to exclude likelihood of confusion

Indeed, first, it is clear from the grounds set out in paragraphs 89 to 96 of this judgment that, despite the presence of the aforementioned terms, the conflicting signs are visually and phonetically similar to a medium degree, which is duly taken into account in the present global assessment of the likelihood of confusion. Secondly, the adjective “black” is a purely descriptive term for a basic colour and the words “by equivalenza” have no similar designation in the earlier mark.

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Court of Justice EU, 4 March 2020

(M. Vilaras, S. Rodin, D. Šváby, K. Jürimäe (rapporteur) and N. Piçarra)

JUDGMENT OF THE COURT (Fourth Chamber)

4 March 2020 (*)

(Appeal — EU trade mark — Regulation (EC) No 207/2009 — Article 8(1)(b) — Likelihood of confusion — Assessment of the similarity of the signs at issue — Global assessment of the likelihood of confusion — Consideration of marketing circumstances — Counteraction of a phonetic similarity through visual and conceptual differences — Conditions for counteraction)

In Case C-328/18 P,

APPEAL under Article 56 of the Statute of the Court of Justice of the European Union, brought on 17 May 2018, European Union Intellectual Property Office (EUIPO), represented by J.F. Crespo Carrillo, acting as Agent, appellant,

the other party to the proceedings being:

Equivalenza Manufactory SL, established in Barcelona (Spain), represented by G. Macías Bonilla, G. Marín Raigal and E. Armero Lavie, abogados, applicant at first instance,

THE COURT (Fourth Chamber),

composed of M. Vilaras, President of the Chamber, S. Rodin, D. Šváby, K. Jürimäe (Rapporteur) and N. Piçarra, Judges,

Advocate General: H. Saugmandsgaard Øe,

Registrar: A. Calot Escobar,

having regard to the written procedure,

after hearing [the Opinion of the Advocate General](#) at the sitting on 14 November 2019,

gives the following

Judgment

1 By its appeal, the European Union Intellectual Property Office (EUIPO) requests that the Court set aside the judgment of the General Court of the European Union of 7 March 2018, *Equivalenza Manufactory v EUIPO — ITM Entreprises (BLACK LABEL BY EQUIVALENZA)* (T-6/17, not published, EU:T:2018:119; *the judgment under appeal*), by which the General Court annulled the decision of the Second Board of Appeal of EUIPO of 11 October 2016 (Case R 690/2016-2) relating to opposition proceedings between ITM Entreprises SAS and Equivalenza Manufactory SL (*the decision at issue*).

Legal context

2 Council Regulation (EC) No 207/2009 of 26 February 2009 on the [European Union] trade mark (OJ 2009 L 78, p. 1) was repealed and replaced with effect from 1 October 2017 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). Nevertheless, given the date on which the application for registration at issue in the present case was filed, namely 16 December 2014, which is decisive for the purposes of identifying the substantive law applicable, the present dispute is governed by the substantive provisions of Regulation No 207/2009.

3 Article 8(1)(b) of that regulation states:

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

...

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

Background to the dispute

4 The background to the dispute is set out in paragraphs 1 to 10 of the judgment under appeal. For the purposes of the examination of the appeal filed by the EUIPO, those paragraphs may be summarised as follows.

5 On 16 December 2014, Equivalenza Manufactory filed with EUIPO an application for registration of an EU trade mark for the following figurative sign:



6 The goods in respect of which registration was sought fall in particular within Class 3 of the Nice Agreement concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, as revised and amended, and correspond to the following description: ‘*Perfumery*’.

7 The EU trade mark application was published in Community Trade Marks Bulletin No 240/2014 of 19 December 2014.

8 On 18 March 2015, ITM Entreprises filed a notice of opposition against the registration of the mark applied for in respect of the goods referred to in paragraph 6 of the present judgment, on the ground that there was a likelihood of confusion, within the meaning of Article 8(1)(b) of Regulation No 207/2009.

9 The opposition was based, inter alia, on the earlier figurative mark, reproduced below, that is the subject of international registration No 1079410, designating Belgium, Bulgaria, the Czech Republic, Denmark, Estonia, Greece, Croatia, Latvia, Lithuania, Luxembourg, Hungary, the Netherlands, Austria, Poland, Portugal, Romania, Slovenia and Slovakia, registered on 1 April 2011 and covering ‘*Cologne, deodorants for personal use (perfume) [and] perfumes*’:



10 By decision of 2 March 2016, the Opposition Division upheld the opposition filed by ITM Entreprises on account of the existence of a likelihood of confusion on the part of the relevant public in the Czech Republic, Hungary, Poland and Slovenia.

11 By the decision at issue, the Second Board of Appeal of EUIPO dismissed the appeal brought by Equivalenza Manufactory against the decision of the Opposition Division. The Board of Appeal found that the relevant public was composed of the general public of those four Member States with an average level of attention, and that the goods in question were identical. As regards the comparison of the signs at issue, the Board of Appeal considered that those signs had an

average degree of visual and phonetic similarity and that they were conceptually dissimilar. Following a global assessment of the likelihood of confusion, within the meaning of Article 8(1)(b) of Regulation No 207/2009, it concluded that such a likelihood was present on the part of the relevant public.

The proceedings before the General Court and the judgment under appeal

12 By application lodged at the Registry of the General Court on 4 January 2017, Equivalenza Manufactory brought an action for the annulment of the decision at issue.

13 In support of its action, it raised a single plea in law, alleging infringement of Article 8(1)(b) of Regulation No 207/2009.

14 First, in the judgment under appeal, the General Court noted that the signs at issue produce a different overall impression visually, that there is an average degree of phonetic similarity and that there was a conceptual difference between them resulting from the presence of the word ‘*black*’ and the element ‘*by equivalenza*’ in the sign for which registration is sought. Second, the General Court, in assessing the similarity of those signs as a whole and taking into account the circumstances in which the goods in question were marketed, held that, by reason of their visual and conceptual differences, those signs were not similar for the purpose of Article 8(1)(b) of Regulation No 207/2009.

15 Therefore, as one of the cumulative conditions for the application of that provision was not satisfied, the General Court held, in paragraph 56 of the judgment under appeal, that the Board of Appeal had erred in law in finding that there was a likelihood of confusion within the meaning of that provision.

16 By the judgment under appeal, the General Court therefore upheld the single plea in law raised by Equivalenza Manufactory and thus annulled the decision at issue.

Forms of order sought by the parties

17 By its appeal, EUIPO claims that the Court should:

- set aside the judgment under appeal; and
- order Equivalenza Manufactory to pay the costs.

18 Equivalenza Manufactory contends that the Court should:

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

The appeal

19 In support of its appeal, EUIPO raises a single ground of appeal, alleging infringement of Article 8(1)(b) of Regulation No 207/2009. That ground of appeal is composed of four parts.

The first part of the single ground of appeal

Arguments of the parties

20 By the first part of the single ground of appeal, EUIPO alleges that the General Court vitiated the visual comparison of the signs at issue by a contradiction in reasoning.

21 Thus, on the one hand, by holding, in paragraph 29 of the judgment under appeal, that the Board of Appeal could not conclude that there was no similarity

between the signs at issue because of the presence in both signs of the five letters 'l', 'a', 'b', 'e' and 'l', written in white capital letters, the General Court confirmed the existence of a low degree of visual similarity between those signs. On the other hand, by stating, in paragraphs 32 and 33 of that judgment, that the overall impression produced by each of those signs was visually different, the General Court implicitly ruled out any finding of visual similarity between those signs.

22 EUIPO adds, moreover, that the element 'label', common to the signs at issue, is devoid of meaning for the relevant public and is therefore distinctive.

23 Equivalenza Manufactory contends that the General Court correctly held, without contradicting itself, that the few elements of visual similarity were insufficient to counteract the obvious visual differences between the signs at issue. According to Equivalenza Manufactory, it is appropriate to carry out a visual comparison of those signs by having regard to all the elements, both word and graphic, of which those signs are composed.

24 Equivalenza Manufactory maintains that the fact, as pointed out by EUIPO, that the element 'label', common to the signs at issue, is distinctive does not mean that it is the only element endowing those signs with distinctive character or that it is the dominant element. In any event, that argument is rather a conceptual comparison.

Findings of the Court

25 As a preliminary point, it must be borne in mind that the question whether the grounds of a judgment of the General Court are contradictory or inadequate is a question of law which is amenable to judicial review on appeal (judgments of 18 December 2008, *Les Éditions Albert René v OHIM*, C-16/06 P, EU:C:2008:739, paragraph 74, and of 5 July 2011, *Edwin v OHIM*, C-263/09 P, EU:C:2011:452, paragraph 63).

26 In paragraph 29 of the judgment under appeal, the General Court noted that the findings of the Board of Appeal, set out in paragraph 28 of that judgment, first, that the signs at issue had the five letters 'l', 'a', 'b', 'e' and 'l' in common and, second, that the element 'black label' of the sign for which registration is sought and the element 'labell' of the earlier mark were written in white capital letters, 'could not lead the Board of Appeal to conclude that there is no similarity between the signs at issue'. In so doing, the General Court suggested that, as EUIPO rightly points out, those signs were, at the very least, similar to a low degree.

27 However, in paragraph 32 of the judgment under appeal, the General Court found that, despite those similarities, the signs at issue conveyed different overall visual impressions. The General Court thus ruled out any finding of similarity, even of a low degree, between those signs.

28 It follows that, by suggesting, on the one hand, that the signs at issue were, at the very least, visually similar to a low degree and, on the other hand, by excluding any visual similarity between them, the General Court vitiated its assessment by contradictory reasoning.

29 That conclusion is not called into question by Equivalenza Manufactory's argument that the General Court correctly held that the elements of visual similarity found were insufficient to counteract the visual differences between the signs at issue. That argument is based on a misreading of the judgment under appeal. Thus, as is apparent from paragraph 26 of the present judgment, the General Court did not merely point out some elements of visual similarity between the signs at issue. On the contrary, the General Court implicitly but clearly stated in paragraph 29 of the judgment under appeal that those elements led to the conclusion that there is, at the very least, a low degree of visual similarity between those signs, thus contradicting the conclusion reached in paragraph 32 of that judgment.

30 Having regard to the foregoing considerations, the first part of the single ground of appeal must be upheld.

The second part of the single ground of appeal Arguments of the parties

31 By the second part of the single ground of appeal, EUIPO questions the merits of the conceptual comparison of the signs at issue carried out by the General Court.

32 First, EUIPO submits that the General Court failed to take account of the important nuances set out by the Board of Appeal in paragraphs 28 and 31 of the decision at issue, from which it emerged that the conceptual difference identified by the Board of Appeal was limited and, ultimately, irrelevant. By contrast, the General Court found, in paragraphs 45 and 54 of the judgment under appeal, that there was a conceptual difference between the signs at issue. According to EUIPO, the General Court failed to give reasons for that departure from the more nuanced considerations in that decision.

33 Second, EUIPO claims that the General Court misinterpreted the content of its judgment of 30 November 2006, *Camper v OHIM — JC (BROTHERS by CAMPER)* (T-43/05, not published, EU:T:2006:370, paragraph 79), which was quoted by the General Court itself and disregarded the conclusions which the Board of Appeal had drawn therefrom in paragraph 28 of the decision at issue.

34 Equivalenza Manufactory disputes the merits of the second part of the single ground of appeal.

Findings of the Court

35 In paragraphs 42 to 46 of the judgment under appeal, the General Court held that the Board of Appeal correctly found that there was a conceptual difference between the signs at issue 'resulting from the presence, in the sign [for which registration is sought], of the word "black" and the element "by equivalenza"'.

36 However, as EUIPO submits, it is apparent from a reading of paragraphs 28 and 31 of the decision at issue that the Board of Appeal found a conceptual difference between those signs only in so far as the sign for which registration is sought contained the adjective 'black'.

37 It follows that the General Court erroneously reversed the conclusion reached by the Board of Appeal. 38 However, there was nothing to prevent the General Court from carrying out, in the present case, its own assessment of the conceptual similarity of the signs at

issue, provided that that similarity was disputed before it (see, to that effect, judgment of 18 December 2008, *Les Éditions Albert René v OHIM*, C-16/06 P, EU:C:2008:739, paragraphs 47 and 48).

39 It follows that the argument alleging the error, as set out in paragraph 37 of the present judgment, must be rejected as ineffective.

40 As to the remainder, in so far as EUIPO challenges, before the Court of Justice, the General Court's assessment of the conceptual similarity of the signs at issue, it must be noted that that assessment is of a factual nature and, save in the case of distortion, is not subject to review by the Court of Justice on appeal (see, to that effect, judgment of 2 September 2010, *Calvin Klein Trademark Trust v OHIM*, C-254/09 P, EU:C:2010:488, paragraph 50). Since EUIPO has not demonstrated or even alleged distortion, that argument must be rejected as inadmissible.

41 Accordingly, the second part of the single ground of appeal must be rejected as being in part inadmissible and in part ineffective.

The third and fourth parts of the single ground of appeal

Arguments of the parties

42 By the third part of its single ground of appeal, EUIPO submits that the General Court has infringed Article 8(1)(b) of Regulation No 207/2009 as a result of a methodological error, in so far as it examined the circumstances in which the goods in question are marketed and the buying habits of the relevant public at the stage of comparing the signs at issue.

43 The assessment of the degree of similarity between those signs should be carried out objectively, without taking into account the buying habits of the relevant public or the circumstances in which the goods in question are marketed. In accordance with the judgment of 22 June 1999, *Lloyd Schuhfabrik Meyer* (C-342/97, EU:C:1999:323, paragraph 27), only after that degree has been objectively determined should it be necessary, at the stage of the global assessment of the likelihood of confusion, to examine the circumstances in which the goods in question are marketed and to assess the importance that must be attributed, in the light of those circumstances, to one or other degree of visual, phonetic or conceptual similarity.

44 The method followed by the General Court, moreover, leads to absurd results in that, depending on what goods are at issue, the signs would be declared similar or not.

45 By the fourth part of the single ground of appeal, EUIPO criticises the General Court for having infringed Article 8(1)(b) of Regulation No 207/2009 by committing errors of law affecting the assessment of the similarity of the signs at issue.

46 In the first place, EUIPO disputes the method that the General Court used, in so far as it failed to take account of all the elements of similarity and difference between the signs at issue in the global assessment. Thus, EUIPO claims that the General Court, in paragraph 28 of the judgment under appeal, was too hasty in excluding from its assessment all the elements

of visual similarity between those signs on account of the visual differences noted as part of a first global assessment of those signs. It then used those visual differences in a second global assessment of those signs, in paragraph 53 of that judgment, to counteract their phonetic similarity. That double counteraction, which relied on the same differences and the overall impression produced by the signs at issue, constitutes an error of law and distorts the principles established by the case-law.

47 In the second place, EUIPO submits that the General Court erred in its methodology in that it counteracted the average degree of phonetic similarity of the signs at issue at the stage of the assessment of the similarity of those signs and that it prematurely decided not to carry out any global assessment of the likelihood of confusion.

48 First, the counteraction of visual and/or phonetic similarities on account of conceptual differences must take place at the stage of the global assessment of the likelihood of confusion, carried out on the basis of all the elements of similarity and dissimilarity that were initially identified. That counteraction cannot consist simply in ignoring similarities previously noted.

49 Second, it cannot be ruled out that the phonetic similarity alone of the signs at issue may create a likelihood of confusion, the existence of which should be examined following a global assessment of that likelihood of confusion.

50 Lastly, the global assessment of the likelihood of confusion can be omitted only where any similarity, even faint, between the signs at issue is excluded, which would not be the case where a degree of similarity is found with regard to one of the three relevant aspects, namely, visual, phonetic or conceptual. Where a similarity, even faint, is found, the global assessment of the likelihood of confusion must be carried out.

51 Equivalenza Manufactory challenges the merits of the third and fourth parts of the single ground of appeal.

52 As regards the third part of the single ground of appeal, although Equivalenza Manufactory accepts, in essence, the explanations of EUIPO, summarised in paragraph 43 of the present judgment, as regards the method of analysis, as set out in the judgment of 22 June 1999, *Lloyd Schuhfabrik Meyer* (C-342/97, EU:C:1999:323), it claims, nonetheless, that the General Court followed that method in the present case. According to Equivalenza Manufactory, as a first step, the General Court evaluated — in an individualised, objective and detailed manner — the degrees of visual, phonetic and conceptual similarity between the signs at issue before, as a second step, carrying out the global assessment of their similarity or the assessment of the likelihood of confusion, taking account, at that stage only, of the buying habits of the relevant public.

53 As regards the fourth part of the single ground of appeal, Equivalenza Manufactory points out from the outset that, in order to assess the degree of similarity between two signs at issue, it may be appropriate to evaluate the importance to be attached to the visual, phonetic and conceptual factors, taking account of the category of goods in question and the circumstances in

which they are marketed. Those goods, namely perfumes, are always viewed before they are purchased, as the General Court rightly stated in paragraph 51 of the judgment under appeal. Greater importance should therefore be attached to visual similarities in the assessment of the similarity of the signs at issue as a whole or in the global assessment of the likelihood of confusion.

54 In the first place, while criticising the lack of clarity of EUIPO's arguments, Equivalenza Manufactory submits that the method applied by the General Court is not vitiated by any error of law. The General Court carried out two separate assessments, finding, first, that the signs at issue were visually different in the light of their elements of visual similarity and dissimilarity and, next, that those signs were different overall in the light of their significant visual and conceptual differences, irrespective of the minor similarities taken into account, and in view of the weak impact of the phonetic aspect on the category of goods concerned.

55 In the second place, Equivalenza Manufactory argues that it follows from a purposive interpretation of paragraph 46 et seq. of the judgment under appeal that the General Court carried out a global assessment of the likelihood of confusion. In any event, the General Court would have reached the same conclusion if it had taken into account the few similarities between the signs at issue at the stage of assessing the similarity of those signs as a whole or, subsequently, at the stage of the global assessment of the likelihood of confusion.

Findings of the Court

56 By the third and fourth parts of the single ground of appeal, which must be examined together, EUIPO, in essence, criticises the General Court for having used an incorrect method to examine the likelihood of confusion for the purposes of Article 8(1)(b) of Regulation No 207/2009. EUIPO thus claims that the General Court was not entitled, at the stage of assessing the similarity of the signs at issue as a whole, to take account of the ways in which the goods in question are marketed and counteract the similarities between those signs in order to rule out any similarity between them and dispense with a global assessment of the likelihood of confusion.

57 In that respect, it must be recalled that, in accordance with the settled case-law of the Court, the existence of a risk of confusion in the mind of the public must be assessed as a whole by taking account of all the relevant factors of the case in question (judgments of 11 November 1997, [SABEL](#), C-251/95, EU:C:1997:528, paragraph 22, and of 8 May 2014, [Bimbo v OHIM](#), C-591/12 P, EU:C:2014:305, paragraph 20), which include inter alia the degree of similarity between the signs at issue and the goods or services in question and also the strength of the earlier mark's reputation and its degree of distinctive character, whether inherent or acquired through use (judgment of 24 March 2011, [Ferrero v OHIM](#), C-552/09 P, EU:C:2011:177, paragraph 64).

58 The global assessment of the likelihood of confusion must, so far as concerns the visual, phonetic or conceptual similarity of the signs at issue, be based on

the overall impression given by those signs. The perception of the signs by the average consumer of the goods or services in question plays a decisive role in the global assessment of that likelihood of confusion. The average consumer normally perceives a mark as a whole and does not engage in an analysis of its various details (judgments of 11 November 1997, [SABEL](#), C-251/95, EU:C:1997:528, paragraph 23; of 22 June 1999, [Lloyd Schuhfabrik Meyer](#), C-342/97, EU:C:1999:323, paragraph 25; and of 22 October 2015, [BGW](#), C-20/14, EU:C:2015:714, paragraph 35).

59 That global assessment of a likelihood of confusion implies some interdependence between the relevant factors and, in particular, the similarity between the signs at issue and that of the goods or services covered. Accordingly, a low degree of similarity between the goods or services may be offset by a high degree of similarity between the signs at issue, and vice versa (judgments of 22 June 1999, [Lloyd Schuhfabrik Meyer](#), C-342/97, EU:C:1999:323, paragraph 19, and of 18 December 2008, [Les Éditions Albert René v OHIM](#), C-16/06 P, EU:C:2008:739, paragraph 46 and the case-law cited).

60 That being said, where there is no similarity between the earlier mark and the sign for which registration is sought, the reputation of or the well-known nature attaching to the earlier mark and the fact that the goods or services concerned are identical or similar are not sufficient for it to be found that there is a likelihood of confusion within the meaning of Article 8(1)(b) of Regulation No 207/2009 (see, to that effect, judgments of 12 October 2004, [Vedial v OHIM](#), C-106/03 P, EU:C:2004:611, paragraph 54, and of 2 September 2010, [Calvin Klein Trademark Trust v OHIM](#), C-254/09 P, EU:C:2010:488, paragraph 53). Since it is a necessary condition for the application of Article 8(1)(b) of Regulation No 207/2009 that the signs at issue be identical or similar, that provision is manifestly inapplicable where the General Court has ruled out any similarity between the signs at issue. It is only if there is some similarity, even faint, between those signs that the General Court must carry out a global assessment in order to ascertain whether, notwithstanding the low degree of similarity between them, there is, on account of the presence of other relevant factors such as the reputation or recognition enjoyed by the earlier mark, a likelihood of confusion in the mind of the relevant public (see, to that effect, judgment of 24 March 2011, [Ferrero v OHIM](#), C-552/09 P, EU:C:2011:177, paragraphs 65 and 66 and the case-law cited).

61 In the present case, it is in accordance with the case-law cited in the preceding paragraph of the present judgment, which is, in essence, referred to in paragraph 16 of the judgment under appeal, that the General Court held, in paragraphs 55 and 56 of that judgment, that the signs at issue were, according to an overall impression, not similar — since one of the cumulative conditions for the application of Article 8(1)(b) of Regulation No 207/2009 was missing — so that the Board of Appeal

erred in law in finding that there was a likelihood of confusion.

62 The General Court reached that conclusion after an assessment comprising, in essence, two stages.

63 First, the General Court proceeded, in paragraphs 26 to 45 of the judgment under appeal, to compare the signs at issue visually, phonetically and conceptually. In essence, it found, in paragraphs 32, 39 and 45 of the judgment under appeal, that the signs at issue were visually and conceptually dissimilar but had an average degree of phonetic similarity.

64 Second, in paragraphs 46 to 54 of the judgment under appeal, the General Court carried out an assessment of the similarity of the signs at issue as a whole, which is the subject of the parts of the single ground of appeal presently under consideration.

65 In that context, it held, as is clear from paragraphs 48 and 51 to 53 of that judgment, that, having regard to the circumstances in which the goods in question were marketed, the visual aspect of the signs at issue, in relation to which those signs were different, was more important in assessing the overall impression produced by them than the phonetic and conceptual aspects of those signs. In addition, the General Court held, in paragraph 54 of that judgment, that the signs at issue were conceptually different because of the presence, in the sign for which registration is sought, of the elements 'black' and 'by equivalenza'.

66 Consequently, it follows from the judgment under appeal that the General Court declined to carry out a global assessment of the likelihood of confusion on the ground that the signs at issue were not, according to an overall impression, similar. After assessing the similarity of those signs as a whole, the General Court concluded, in essence, that, despite their average degree of phonetic similarity, those signs were not similar on account of their visual dissimilarities, which are dominant in the light of the marketing circumstances, and their conceptual differences.

67 That assessment is vitiated by errors of law.

68 In that regard, first, the Court has held that, in order to assess the degree of similarity between the signs at issue, it is necessary to determine the degree of visual, phonetic or conceptual similarity between them and, where appropriate, to assess the importance to be attached to those various factors, taking account of the category of goods or services in question and the circumstances in which they are marketed (judgments of 22 June 1999, [Lloyd Schuhfabrik Meyer](#), C-342/97, EU:C:1999:323, paragraph 27, and of 12 June 2007, [OHIM v Shaker](#), C-334/05 P, EU:C:2007:333, paragraph 36).

69 Admittedly, as the Advocate General has in essence stated in points 53 to 55 of his Opinion, that case-law has given rise to divergent applications by the EU Courts, in that it has been possible to take account of the marketing circumstances at the stage, as the case may be, of the assessment of the similarity of the signs at issue or the global assessment of the likelihood of confusion.

70 However, it should be made clear that, although the marketing circumstances are a relevant factor in the application of Article 8(1)(b) of Regulation No 207/2009, they are to be taken into account at the stage of the global assessment of the likelihood of confusion and not at that of the assessment of the similarity of the signs at issue.

71 As the Advocate General observed in points 69, 73 and 74 of his Opinion, the assessment of the similarity of the signs at issue, which is only one of the stages in the examination of the likelihood of confusion within the meaning of Article 8(1)(b) of Regulation No 207/2009, involves comparing the signs at issue in order to determine whether those signs are visually, phonetically and conceptually similar. Although that comparison must be based on the overall impression made by those signs on the relevant public, account must nevertheless be taken of the intrinsic qualities of the signs at issue (see, by analogy, judgment of 2 September 2010, [Calvin Klein Trademark Trust v OHIM](#), C-254/09 P, EU:C:2010:488, paragraph 46).

72 However, as EUIPO rightly argues, taking into account the circumstances in which the goods or services covered by the two signs at issue are marketed for the purposes of comparing those signs could lead to the absurd result that the same signs could be classified as similar or different depending on the goods and services they cover and the circumstances in which they are marketed.

73 It follows from the foregoing that the General Court erred in law by taking account, in paragraphs 48 to 53 and 55 of the judgment under appeal, of the circumstances in which the goods in question were marketed at the stage of an assessment of the similarity of the signs at issue as a whole and by giving precedence, by reason of those circumstances, to the visual differences between those signs over their phonetic similarity.

74 Second, in so far as the General Court also emphasises, at the stage of its assessment of the similarity of the signs at issue as a whole, their conceptual dissimilarity, it must be borne in mind that, in accordance with the case-law of the Court, the global assessment of the likelihood of confusion implies that conceptual differences between two signs may counteract phonetic and visual similarities between them, provided that at least one of those signs has, from the point of view of the relevant public, a clear and specific meaning, so that the public is capable of grasping it immediately (judgment of 18 December 2008, [Les Éditions Albert René v OHIM](#), C-16/06 P, EU:C:2008:739, paragraph 98; see also, to that effect, judgments of 12 January 2006, [Case C-361/04 P, Ruiz-Picasso and Others v OHIM](#), EU:C:2006:25, paragraph 20, and of 23 March 2006, [Mühlens v OHIM](#), C-206/04 P, EU:C:2006:194, paragraph 35).

75 In that regard, the Court has held, in paragraph 44 of the judgment of 5 October 2017, [Wolf Oil v EUIPO](#) (C-437/16 P, not published, EU:C:2017:737), that the assessment of the conditions of such a counteraction forms part of the assessment of the similarity of the signs

at issue which follows the assessment of the visual, phonetic and conceptual similarities between them. However, it should be noted that that consideration is intrinsically linked to the exceptional case in which at least one of the signs at issue has, from the perspective of the relevant public, a clear and specific meaning which can be grasped immediately by that public. It follows that it is only if those conditions are satisfied that, in accordance with the case-law cited in the preceding paragraph of the present judgment, the General Court may dispense with the global assessment of the likelihood of confusion on the ground that, by reason of the marked conceptual differences between the signs at issue and the clear and specific meaning which can be grasped immediately by the relevant public of at least one of those signs, those signs produce a different overall impression, despite the existence, between them, of certain elements of similarity visually or phonetically.

76 By contrast, in the absence, in the case of either of the signs at issue, of such a clear and specific meaning which can be grasped immediately by the relevant public, the General Court cannot counteract it by dispensing with a global assessment of the likelihood of confusion. In such a case, rather, it falls to the General Court to carry out a global assessment of that likelihood taking into account all the similarities and differences noted in the same way as the other relevant elements, such as the level of attention of the relevant public (see, to that effect, judgment of 12 January 2006, [Ruiz-Picasso and Others v OHIM](#), C-361/04 P, EU:C:2006:25, paragraphs 21 and 23) or the degree of distinctive character of the earlier mark.

77 It follows that the General Court erred in law in so far as, in paragraphs 54 and 55 of the judgment under appeal, it sought to counteract the phonetic similarity of the signs at issue in the light of their conceptual dissimilarity and dispensed with the global assessment of the likelihood of confusion, even though it did not in any way find, or even verify, that, in the present case, at least one of the signs at issue had, for the relevant public, a clear and specific meaning, so that that public is likely to grasp it immediately.

78 It follows from the foregoing that the third and fourth parts of the single ground of appeal must be upheld, without it being necessary to consider the other arguments put forward by EUIPO concerning an alleged double counteraction of the visual similarities between the signs at issue.

79 Accordingly, in view of the conclusions reached in paragraphs 30 and 78 of the present judgment, the judgment under appeal should be set aside.

The action before the General Court

80 In accordance with the first paragraph of Article 61 of the Statute of the Court of Justice of the European Union, if the decision of the General Court is set aside, the Court of Justice may itself give final judgment in the matter, where the state of the proceedings so permits. That is so in the present case.

Arguments of the parties

81 In support of its claims for annulment of the decision at issue, Equivalenza Manufactory submits that

the Board of Appeal committed errors of assessment at the stage of the visual, phonetic and conceptual comparisons of the signs at issue, thereby vitiating the global assessment of the likelihood of confusion.

82 First, as regards the comparison of the signs at issue, Equivalenza Manufactory claims that the Board of Appeal erred in its finding that those signs were visually similar. In essence, the Board of Appeal erroneously reduced the sign for which registration is sought to the word element 'label', and, more specifically, to the five letters comprising it, ignoring the value and distinctive character of its other word and figurative elements.

83 As regards phonetic similarity, given that the signs at issue have a different intonation and rhythm, those signs will have a clearly different sound.

84 Conceptually, the words 'label' and 'black' are common words in English, understood by relevant consumers, whereas the word 'labell' has no meaning and would thus be considered a fanciful word. Although the Board of Appeal rightly found that those signs were thus different in that respect, it failed to give sufficient weight to that difference in its comparison of those signs.

85 Second, as regards the global assessment of the likelihood of confusion, Equivalenza Manufactory maintains that the differences between the signs at issue are more significant than the similarities between them. Many perfumes are marketed under signs with the word element 'label', so the relevant public is able to identify that word. A list of brands produced by Equivalenza Manufactory substantiates that claim. It should be taken into account that perfumes are always bought on sight. It cannot be assumed that the sign for which registration is sought would be perceived as a variant of the earlier mark in view of the differences between the visual elements of the signs at issue, which are figurative signs.

86 EUIPO disputes all those arguments.

Findings of the Court

87 As a preliminary point, it should be borne in mind that it is common ground between the parties that the relevant public is composed of the general public in the Czech Republic, Hungary, Poland and Slovenia, showing an average level of attention. It is also common ground between the parties that the goods are identical.

88 As regards the comparison of the signs at issue, the Board of Appeal found, in paragraphs 24 to 28 of the decision at issue, that the signs were visually and phonetically similar to an average degree and that, in so far as the adjective 'black' would be understood by the relevant public, they were conceptually different.

89 In that regard, it should be noted that the sign for which registration is sought is a figurative sign comprising the word element 'black label', written in white capital letters in the middle of a black geometric quadrilateral shape surmounted by two stylised leaves. At the bottom of that sign are the words 'by equivalenza', written diagonally in a smaller black font on a white background. The figurative elements of that sign, as well as the stylisation of its word elements, are relatively simple. In view of its central positioning and size, the word element 'black label' is the dominant element of that sign, in that it will particularly attract the

consumer's attention. That element appears as a whole, in which the adjective *'black'* is highlighted by appearing in bold at the beginning of the element.

90 The earlier mark consists of the word element *'labell'* written in white capital letters in a blue oval. Its oval shape, its colour and the font used are not very original. The positioning of the word *'labell'* in the centre of that shape, as well as the contrast between the white colour of those letters in relation to the blue background, highlights the word element *'labell'*.

91 First, it thus appears that, visually, the signs at issue share the five letters *'l', 'a', 'b', 'e'* and *'l'* which appear in white capital letters and in a common font on a darker background. Those letters constitute one of the word elements of the sign for which registration is sought and the first five letters of the single and dominant word element, consisting of a total of six letters, of the earlier mark.

92 By contrast, the signs at issue differ, on the one hand, in their colours and graphic elements. Given their size, those elements occupy a significant place in the visual impression of those signs. Moreover, while the quadrilateral shape and the two stylised leaves of the sign for which registration is sought are, in themselves, relatively simple, their combination has a considerable influence on the visual impression of that sign.

93 On the other hand, those signs differ because of the presence, in the sign for which registration is sought, of the word *'black'* and the words *'by equivalenza'*. Although the latter occupy a secondary place in the sign for which registration is sought, the former is emphasised because of its bold characters and its central position.

94 In the light of the factors mentioned in paragraphs 89 to 93 of the present judgment, it must be held that the Board of Appeal was right to find that the signs at issue had an average degree of visual similarity.

95 Second, phonetically, the signs at issue share the common word *'label'* or *'labell'*, which will be pronounced in the same way by the relevant public. By contrast, they differ in that, whereas the earlier mark is composed of the word *'labell'* alone, comprising two syllables, the sign for which registration is sought is composed of four words and contains nine syllables in total. However, it must be considered likely, as the Board of Appeal observed, that consumers will not pronounce the words *'by equivalenza'* since they occupy a secondary position in the sign for which registration is sought and that, in view of the length of the four words, consumers will tend to abbreviate the expression *'black label by equivalenza'* by pronouncing only the first two words it contains.

96 Therefore, the Board of Appeal did not make an error of assessment in finding that the signs at issue bore an average degree of phonetic similarity.

97 Third, from a conceptual point of view, it must be noted that it has not been established that the relevant public understands the meaning of the English word *'label'*, such that it must be held that the earlier mark will be perceived as consisting of a fanciful word which is devoid of meaning. However, the relevant public will

understand the adjective *'black'*, which is a basic word in English as a description of a colour, and will also be able to understand the words *'by equivalenza'* as an indication that the goods in question come from Equivalenza Manufactory.

98 In view of the above, it follows that the signs at issue have an average degree of visual and phonetic similarity and that those signs are conceptually different.

99 In so far as Equivalenza Manufactory submits that the conceptual differences between the signs at issue are such as to counteract the similarities between those signs, it is sufficient to note that, in accordance with the case-law referred to in paragraph 74 of the present judgment, such counteraction requires that at least one of the two signs have, in the mind of the relevant public, a clear and specific meaning which that public is capable of grasping immediately. However, having regard to the considerations set out in paragraph 97 of the present judgment, that cannot be the case here.

100 As regards the global assessment of the likelihood of confusion, it is not disputed that, as the Board of Appeal noted in paragraph 29 of the decision at issue, the earlier mark has an average degree of distinctiveness. Account must also be taken of the fact that the relevant public shows an average degree of attention and that the goods covered by the signs at issue are identical.

101 In the light of those factors, the Board of Appeal rightly concluded, in paragraph 32 of the decision at issue, that there is a likelihood of confusion between the signs at issue for the relevant public.

102 The mere presence, in the sign for which registration is sought, of the terms *'black'* and *'by equivalenza'* is not sufficient to rule out that likelihood of confusion. On the one hand, it is clear from the grounds set out in paragraphs 89 to 96 of the present judgment that, despite the presence of those words, the signs at issue present, visually and phonetically, an average degree of similarity, which has duly been taken into account in the present global assessment of the likelihood of confusion. On the other, the adjective *'black'* is a purely descriptive term for a basic colour and the words *'by equivalenza'* find no similar indication in the earlier mark.

103 Having regard to all the foregoing considerations, the single plea in law put forward by Equivalenza Manufactory must be rejected and, consequently, the action must be dismissed.

Costs

104 Under Article 184(2) of the Rules of Procedure of the Court of Justice, where the appeal is well founded and the Court itself gives final judgment in the case, the Court is to make a decision as to costs. Under Article 138(1) of the Rules of Procedure, which is 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.

105 In the present case, since EUIPO has applied for costs and Equivalenza Manufactory has been unsuccessful, the latter must be ordered to pay, in addition to its own costs, those incurred by EUIPO

relating both to the proceedings at first instance in Case T-6/17 and to the appeal proceedings.

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

1. Sets aside the judgment of the General Court of the European Union of 7 March 2018, *Equivalenza Manufactory v EUIPO — ITM Entreprises (BLACK LABEL BY EQUIVALENZA)* (T-6/17, not published, EU:T:2018:119);
2. Dismisses the action for annulment brought by *Equivalenza Manufactory SL* before the General Court of the European Union in Case T-6/17;
3. Orders *Equivalenza Manufactory SL* to bear its own costs relating both to the proceedings at first instance in Case T-6/17 and to the appeal proceedings and to pay the costs incurred by the European Union Intellectual Property Office (EUIPO) in both of those proceedings.

[Signatures]

* Language of the case: Spanish.

OPINION OF ADVOCATE GENERAL SAUGMANDSGAARD ØE

delivered on 14 November 2019 (1)

Case C-328/18 P

European Union Intellectual Property Office (EUIPO)

v

Equivalenza Manufactory SL

(Appeal — EU trade mark — Regulation (EC) No 207/2009 — Application for the figurative mark BLACK LABEL BY EQUIVALENZA — Opposition proceedings — Earlier figurative mark LABELL — Article 8(1)(b) — Likelihood of confusion — Similarity of the signs — Method for comparing signs — Finding that the signs at issue have an average degree of aural similarity — Obligation to carry out a global assessment of the likelihood of confusion)

I. Introduction

1. The present appeal has been brought by the European Union Intellectual Property Office (EUIPO) against the judgment of the General Court of the European Union of 7 March 2018, *Equivalenza Manufactory v EUIPO — ITM Entreprises (BLACK LABEL BY EQUIVALENZA)* (T-6/17, not published, EU:T:2018:119; *‘the judgment under appeal’*), by which the General Court annulled the decision of the Second Board of Appeal of EUIPO of 11 October 2016 relating to opposition proceedings between *ITM Entreprises SAS* and *Equivalenza Manufactory SL* (*‘Equivalenza’*) (Case R 690/2016-2; *‘the contested decision’*).

2. This appeal raises several questions of law regarding the examination of the relative ground for refusal to register a sign as an EU trade mark, referred to in Article 8(1)(b) of Regulation (EC) No 207/2009, (2) based on the existence of a likelihood of confusion on the part of the public. Specifically, EUIPO asks the Court to specify the method for comparing signs and the circumstances in which the General Court is justified in considering that two signs do not satisfy the condition relating to similarity laid down in that provision.

3. As I will explain in this Opinion, the General Court’s numerous decisions in this area have not always followed the same approach in relation to those different aspects. In fact, they have differed to the point of establishing two distinct lines of case-law which currently coexist without the Court having adopted a position in favour of one or the other. This case offers the Court the opportunity to do so.

II. Legal framework

4. Regulation No 207/2009 was repealed and replaced, with effect from 1 October 2017, by Regulation (EU) 2017/1001 on the European Union trade mark. (3) Nonetheless, given the date on which the application for registration at issue in the present dispute was filed, namely 16 December 2014, which is decisive for the purpose of identifying the applicable substantive law, the present dispute is governed by the substantive provisions of the former regulation.

5. Recital 8 of Regulation No 207/2009 states:

‘The protection afforded by [an EU] trade mark, the function of which is in particular to guarantee the trade mark as an indication of origin, should be absolute in the case of identity between the mark and the sign and the goods or services. The protection should apply also in cases of similarity between the mark and the sign and the goods or services. An interpretation should be given of the concept of similarity in relation to the likelihood of confusion. The likelihood of confusion, the appreciation of which depends on numerous elements and, in particular, on the recognition of the trade mark on the market, the association which can be made with the used or registered sign, the degree of similarity between the trade mark and the sign and between the goods or services identified, should constitute the specific condition for such protection.’

6. Article 8 of that regulation, entitled ‘Relative grounds for refusal’, provides:

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

...

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

...

5. Furthermore, upon opposition by the proprietor of 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.'

III. Background to the dispute

7. The background to the dispute is set out in paragraphs 1 to 10 of the judgment under appeal. For the purposes of the present appeal, this may be summarised as follows.

8. On 16 December 2014, Equivalenza filed with EUIPO an application for registration of an EU trade mark pursuant to Regulation No 207/2009 for the following figurative sign:



9. The goods in respect of which registration was sought fall in particular within Class 3 of the Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, as revised and amended, and correspond to the following description: '*Perfumery*'.

10. On 18 March 2015, ITM Enterprises filed a notice of opposition, pursuant to Article 41 of Regulation No 207/2009, to registration of the trade mark applied for for the goods set out in the preceding point on the ground of a likelihood of confusion, within the meaning of Article 8(1)(b) of that regulation.

11. The opposition was based, inter alia, on the earlier figurative mark, reproduced below, that is the subject of international registration No 1079410, designating Austria, Belgium, Bulgaria, the Czech Republic, Denmark, Estonia, Greece, Croatia, Hungary, Lithuania, Luxembourg, Latvia, the Netherlands, Poland, Portugal, Romania, Slovenia and Slovakia, registered on 1 April 2011 and covering '*Cologne, deodorants for personal use (perfume), perfumes*':



12. By decision of 2 March 2016, the Opposition Division upheld the opposition in respect of all of the contested goods on account of the existence of a likelihood of confusion on the part of the relevant public in the Czech Republic, Hungary, Poland and Slovenia.

13. By the contested decision, the Second Board of Appeal of EUIPO dismissed the appeal brought by Equivalenza against the Opposition Division's decision. The Board of Appeal found that the relevant public was composed of the general public in the four Member States in question, with an average level of attention, and

that the goods in question were identical. As regards the comparison of the signs at issue, the Board of Appeal considered that they had an average degree of visual and aural similarity and that were conceptually dissimilar. It inferred from this that they were similar overall. The Board of Appeal concluded that there was a likelihood of confusion, within the meaning of Article 8(1)(b) of Regulation No 207/2009, on the part of the relevant public.

IV. The procedure before the General Court and the judgment under appeal

14. By application lodged at the Registry of the General Court on 4 January 2017, Equivalenza brought an action for the annulment of the contested decision. In support of its action, it put forward a single plea in law, alleging infringement of Article 8(1)(b) of Regulation No 207/2009.

15. When examining that plea, the General Court relied on the uncontested findings of the Board of Appeal of EUIPO, in accordance with which, first, the relevant public is made up of the general public in the Czech Republic, Hungary, Poland and Slovenia with an average level of attention and, secondly, the goods designated by the signs at issue are identical (paragraphs 17 and 18 of the judgment under appeal).

16. As regards the similarity between the signs at issue, the General Court, in the first place, compared their visual, aural and conceptual aspects. In that connection, it took the view that those signs convey different overall visual impressions (paragraphs 29 to 33 of the judgment under appeal), have an average degree of aural similarity (paragraphs 34 to 39 of that judgment) and are conceptually different (paragraphs 40 to 45 of that judgment).

17. In the second place, the General Court carried out a global assessment of the similarity of the signs at issue. In that connection, it observed that, in the light of the fact that the goods in question, namely perfumes, are generally sold in either self-service stores or in perfume shops, the visual aspect of those signs was more important, for their overall impression, than their aural and conceptual aspects. In that regard, the General Court reiterated its finding that those signs are visually different. Moreover, it noted that those signs are conceptually different. The General Court concluded that, based on an overall impression, the signs at issue are not similar, within the meaning of Article 8(1)(b) of Regulation No 207/2009 (paragraphs 48 and 51 to 55 of the judgment under appeal).

18. As one of the cumulative conditions for the application of that provision was not satisfied, the General Court held that the Board of Appeal had erred in law in finding that there was a likelihood of confusion within the meaning of that provision (paragraph 56 of the judgment under appeal). It therefore upheld the single plea in law raised by Equivalenza and annulled the contested decision.

V. The procedure before the Court and the forms of order sought

19. The present appeal was brought on 17 May 2018.

20. In its appeal, EUIPO claims that the Court should:

- set aside the judgment under appeal, and
 - order Equivalenza to pay the costs.
21. In its reply, Equivalenza contends that the Court should:
- dismiss the appeal, and
 - order EUIPO to pay the costs.

VI. The appeal

22. In support of its appeal, EUIPO relies on a single ground of appeal, which is divided into four parts, alleging infringement of Article 8(1)(b) of Regulation No 207/2009. As requested by the Court, I shall limit my Opinion to the analysis of the third and fourth parts of that single ground of appeal.

A. Arguments of the parties

23. By the third part of its single ground of appeal, EUIPO submits that the General Court has infringed Article 8(1)(b) of Regulation No 207/2009 as a result of a methodological error in so far as it examined the circumstances in which the goods in question are marketed and the buying habits of the relevant public at the stage of comparing the signs. In accordance with the judgment in *Lloyd Schuhfabrik Meyer*, (4) that comparison must be made objectively, without taking account of such factors relating to the use of the trade marks. It is only once the existence of a degree of visual, aural or conceptual similarity has been established that it is necessary, at the stage of the global assessment of the likelihood of confusion, to examine those factors in order to assess the importance that must be attributed to that degree of similarity in that global assessment. (5)

24. Equivalenza agrees with the explanations given by EUIPO regarding the method of analysis stemming from the judgment in *Lloyd Schuhfabrik Meyer*. Nevertheless, it considers that the General Court has complied with that method in the judgment under appeal. According to Equivalenza, the General Court, as a first step, evaluated separately the degrees of visual, aural and conceptual similarity between the signs at issue before, as a second step, carrying out the global assessment of their similarity or the analysis of the likelihood of confusion, taking account, at this stage only, of the buying habits of the relevant public. Therefore, although the judgment under appeal is not divided into sections separating each stage of the General Court's analysis, it follows a fixed and intelligible structure and that analysis complies with the requirements of Article 8(1)(b) of Regulation No 207/2009.

25. By the fourth part of its single ground of appeal, EUIPO criticises the General Court for having infringed Article 8(1)(b) of Regulation No 207/2009 by committing several errors of law affecting the assessment of the similarity of the signs at issue.

26. In the first place, EUIPO disputes the method that the General Court followed in so far as it failed to take account of all of the elements of similarity and dissimilarity between the signs at issue in the overall assessment. Thus, EUIPO states that, in paragraph 28 of the judgment under appeal, (6) the General Court hastily '*counteracted*' all of the elements of visual similarity between the signs on account of the visual differences

noted as part of a first overall assessment of those signs. It then used those same visual differences as part of a second overall assessment of the signs at issue, in paragraph 55 of that judgment, in order to '*counteract*' their average degree of aural similarity. That double '*counteraction*', which relied on the same differences and the overall impression, constitutes an error of law and distorts the principles established by the case-law with regard to the comparison of the signs.

27. In the second place, EUIPO takes the view that the General Court disregarded the case-law and made a methodological error in recognising the '*counteraction*' of the average degree of aural similarity between the signs at issue when comparing the signs and, accordingly, in prematurely refraining from carrying out any global assessment of the likelihood of confusion. First, the '*counteraction*' of a visual or aural similarity on account of conceptual differences must take place at the stage of the global assessment of the likelihood of confusion, (7) carried out on the basis of all of the elements of similarity and dissimilarity that were identified initially. The '*counteraction*' does not amount to disregarding the similarities that had previously been established and does not support the conclusion that there is an absence of any similarity between the signs. Secondly, the finding of the existence of a degree of similarity, even if weak, between the signs as regards one of their visual, aural or conceptual aspects gives rise to the obligation to carry out a global assessment of the likelihood of confusion. (8)

28. Equivalenza submits, in the first place, in response to EUIPO's argument that is summarised in point 26 of this Opinion, which is said to lack clarity and to be confused, that the method that the General Court applied in the judgment under appeal is not vitiated by any error of law. It states that the General Court made two separate assessments in considering, first, that the signs at issue give a different overall visual impression in the light of their elements of visual similarity and dissimilarity and, secondly, at the stage of the global assessment of the similarity, that those signs are different overall in the light of their significant visual and conceptual differences and in view of the weak impact of the aural aspect on the category of goods in question. Therefore, the elements that were taken into account in order to rule out any visual similarity and those which were used in order to determine that there is no likelihood of confusion in the global assessment are different.

29. In that connection, Equivalenza also notes that, in order to assess the degree of similarity between the signs at issue, it may be appropriate to evaluate the importance to be attached to their visual, aural and conceptual aspects, taking account of the category of goods in question and the circumstances in which they are marketed. (9) The goods at issue in the present case, namely perfumes, are always viewed before they are purchased, as the General Court rightly recalled in paragraph 51 of the judgment under appeal. The visual aspect of the signs is, therefore, of greater importance in the global assessment of the similarity between the signs at issue or the assessment of the likelihood of confusion.

30. In the second place, in response to EUIPO's argument which is summarised in point 27 of this Opinion, Equivalenza takes the view that it is clear from a teleological reading and interpretation of paragraph 46 et seq. of the judgment under appeal that the General Court did indeed carry out a global assessment of the likelihood of confusion. In any event, the General Court would have reached the same conclusion if it had taken account of the few similarities between the signs at issue at the stage of the global assessment of the likelihood of confusion.

B. Analysis

31. As a preliminary point, it should be recalled that Article 8(1)(b) of Regulation No 207/2009 provides for a relative ground for refusal to register a sign as an EU trade mark, on the basis of the existence of a potential conflict between that sign and one or more earlier trade marks. (10)

32. Under that provision, upon opposition by the proprietor of an earlier trade mark, the trade mark applied for must therefore not be registered *'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'*.

33. According to the settled case-law of the Court, (11) the likelihood of confusion covered by that provision corresponds to the risk that the public might believe that the goods or services in question come from the same undertaking, or, as the case may be, from economically linked undertakings. (12)

34. According to that case-law, the existence of that risk must be appreciated globally, taking into account all factors relevant to the circumstances of the case. Those factors include, inter alia, the distinctive character of the earlier trade mark, the degree of attention of the relevant public, the degree of similarity between the earlier trade mark and the trade mark applied for and the degree of similarity between the goods or services designated by those trade marks. (13)

35. The global nature of the assessment of the likelihood of confusion implies some interdependence between the relevant factors and in particular a similarity between the signs at issue and between the goods or services in question, with the result that, for example, a lesser degree of similarity between those goods or services may be offset by a greater degree of similarity between the signs, and vice versa. (14)

36. Nevertheless, that logic, which is generally referred to as the *'principle of interdependence'*, is not absolute. As is clear from the very wording of Article 8(1)(b) of Regulation No 207/2009, reproduced in point 32 of this Opinion, the likelihood of confusion presupposes, first, that the signs at issue are identical or similar and, secondly, that the goods or services in question are identical or similar. (15) Those two factors are therefore, in the case-law of the Court, cumulative conditions for the application of that provision.

37. It follows that Article 8(1)(b) is manifestly inapplicable, inter alia, where the signs at issue are not

similar. A notice of opposition based on that provision must be rejected from the outset in such a case: the other relevant factors for the global assessment of the likelihood of confusion cannot under any circumstances offset and make up for that dissimilarity and therefore there is no need to examine them. (16)

38. In the judgment under appeal, the General Court concluded that the signs at issue are not similar, within the meaning of Article 8(1)(b) and, therefore, applied the case-law recalled in the preceding paragraph. (17) EUIPO takes the view, however, that that case-law was not applicable in the present case. According to EUIPO, the General Court was not entitled to reach such a conclusion after having compared those signs. The third and fourth parts of its single ground of appeal, which in my view should be examined together, therefore call into question the method that the General Court applied in that comparison.

39. In that regard, I note that, in the judgment under appeal, the General Court started by recalling a number of statements of principle deriving from the judgments in SABEL (18) and Lloyd Schuhfabrik Meyer, which formed the basis for the global assessment of the likelihood of confusion: first, that global assessment *'of the visual, aural or conceptual similarity of the marks in question, must be based on the overall impression given by the marks, bearing in mind, in particular, their distinctive and dominant components'*; (19) secondly, *'in order to assess the degree of similarity between the marks concerned, it is necessary to determine the degree of visual, aural or conceptual similarity between them and, where appropriate, to assess the importance to be attached to those various factors, account being taken of the category of goods or services in question and the circumstances in which they are marketed'*. (20)

40. Then, in order to implement those statements, the General Court, in the first place, compared in turn the visual, aural and conceptual aspects of the signs at issue. In that context it took the view, first of all, that, despite the elements of similarity which meant that the Board of Appeal could not conclude that there was no similarity, those signs produce a different overall visual impression, on account of their numerous and significant differences. Moreover, the General Court took the view that those signs have an average degree of aural similarity. Finally, it found that the signs at issue are conceptually different. (21)

41. In the second place, the General Court held that it was necessary *'to examine whether the visual and conceptual differences between those signs are of such a kind as to preclude any similarity between those signs or are instead offset by the average degree of aural similarity between them'*. According to the General Court, *'the visual, aural and conceptual similarities between the signs at issue must be the subject of a global assessment in which the assessment of any aural similarity is but one of the relevant factors'*. (22)

42. In the context of that second *'global assessment of similarity'* step, the General Court observed that the visual, aural or conceptual aspects of the signs at issue do not always have the same weight and that, in that

regard, account must be taken of the circumstances in which the goods in question are marketed. With regard to perfumes which are generally sold in either self-service stores or in perfume shops, in which consumers normally have the opportunity either to select for themselves the products they desire or at least to view those products before purchasing them, the visual aspect of those signs is more important, for their overall impression, than their aural and conceptual aspects. In that connection, the General Court reiterated its finding that the signs at issue are not visually similar on account of their numerous and significant differences. Moreover, it repeated that there is a conceptual difference between those signs as a result of the presence in the contested sign of the elements *'black'* and *'by equivalenza'*. That reasoning led the General Court to conclude that, *'on account of the differences between them and despite their average degree of aural similarity, based on an overall impression, the signs at issue are not similar, within the meaning of Article 8(1)(b) of Regulation No 207/2009'*. (23)

43. According to EUIPO, the finding that the signs at issue have an average degree of aural similarity obliged the General Court to carry out a global assessment of the likelihood of confusion. EUIPO criticises the General Court for having *'counteracted'* that similarity when comparing the signs and, in so doing, for having prematurely refrained from carrying out the global assessment of the likelihood of confusion. The circumstances in which the goods in question are marketed and a possible *'counteraction'* of the aural similarity on account of visual and conceptual differences should have been examined at the stage of that global assessment, in the light of those other relevant factors. (24)

44. EUIPO's arguments therefore raise a number of questions of law. (25) In essence, the Court must determine whether the finding that there is a certain degree of similarity between signs as regards one of their visual, aural or conceptual aspects is necessary and sufficient to support the conclusion that those signs are similar, within the meaning of Article 8(1)(b) of Regulation No 207/2009, or whether that degree of similarity may (or must) be balanced against the differences found in respect of the other aspects, as part of a *'global assessment of similarity'* stage. In direct connection with that question, the stage (comparison of the signs or global assessment of the likelihood of confusion) at which the circumstances in which the goods in question are marketed must be taken into account and a possible *'counteraction'* of the similarities between the signs on account of their differences must be examined.

45. As I stated in the introduction to this Opinion, the case-law of the General Court contains differing lines of case-law with regard to those various points (Section 1). Those differences require the Court to adopt a position (Section 2), which is essential in order to address the third and fourth parts of EUIPO's single ground of appeal (Section 3).

1. Inventory of the case-law concerning the comparison of the signs

46. In accordance with a first line of case-law of the General Court, which I will describe as *'strict'* and on which EUIPO relies in its appeal, (26) at the stage of comparing the signs, it is necessary simply to compare the visual, aural and conceptual aspects of those signs in turn. Where a similarity, even if weak, is found in (at least) one of those aspects, the global assessment of the likelihood of confusion must be carried out. (27) In other words, in such circumstances, the signs must be regarded as being similar, within the meaning of Article 8(1)(b) of Regulation No 207/2009. (28) In the judgments which fall under that line of case-law, which, according to my research, are in the majority, (29) there is therefore no additional analysis of the *'global assessment of similarity'*, such as that carried out by the General Court in the judgment under appeal.

47. By contrast, in accordance with a second line of case-law, which I will describe as *'flexible'*, it is necessary, after having examined separately the visual, aural and conceptual aspects of the signs at issue and having found (at least) a degree of similarity as regards one of those aspects, to carry out that additional analysis in order to determine the *'overall impression'* created by those signs. Where the General Court considers that the signs create a different overall impression, it concludes, as in the judgment under appeal, that they are not similar, within the meaning of Article 8(1)(b) of Regulation No 207/2009, despite the degree of similarity found in respect of one or more aspects.

48. However, there is a lack of clarity, within that line of case-law, as to the way in which the General Court should carry out that *'global assessment of similarity'*. In some judgments, the General Court merely reproduces its findings regarding the existence or the absence of a degree of similarity with respect to each aspect of the signs and concludes, without stating specific reasons, that they are *'similar overall'* or, on the contrary, *'different overall'*. (30) In other judgments, the General Court gives reasons for its conclusion in the light of the circumstances in which the goods in question are marketed or a possible *'counteraction'* of similarities that had previously been established. (31)

49. The case-law of the Court is also equivocal with regard to the assessment of the similarity of the signs. On the one hand, some of its judgments contain indicators which are in line with the General Court's *'strict'* line of case-law. In that regard, the Court has held on several occasions that it is possible that mere aural similarity between the signs at issue, or even their mere conceptual similarity, may create a likelihood of confusion, but the existence of such a likelihood must be established as part of a global assessment of that likelihood, where that similarity is but one of the relevant factors. (32) The overall impression created by the signs, as regards any visual, aural and conceptual similarities between them, must therefore be assessed as part of that global assessment. (33) It follows from that line of reasoning, implicitly but necessarily, that the existence of a degree of similarity in respect of one

aspect of the signs is sufficient to consider that they are similar, within the meaning of Article 8(1)(b) of Regulation No 207/2009 and means that that global assessment must be carried out.

50. Moreover, it follows from the judgment in Ferrero v OHIM (34) that a global assessment of the likelihood of confusion must be carried out where *'there is some similarity, even faint'*, between the signs at issue. Although that statement does not make it possible as such to answer with certainty the question raised in the present case, it does, at the very least, indicate a desire to regulate strictly the application of the case-law recalled in point 37 of this Opinion.

51. On the other hand, the case-law of the Court also contains a number of indicators which are in line with the General Court's *'flexible'* line of case-law. In particular, the Court confirmed, again in its judgment in Ferrero v OHIM, (35) not without some ambiguity, that *'the visual, aural and conceptual similarities between the signs at issue must be the subject of a global assessment in which the assessment of any aural similarity is but one of the relevant factors'*. Moreover, in the judgment in Wolf Oil v EUIPO, (36) the Court held that *'a distinction [must] be made between the assessment of the conceptual differences between the signs at issue and the overall assessment of their similarities, which form two distinct stages in the analysis of the overall likelihood of confusion, the first being a prerequisite for the second'*, (37) thus acknowledging, it would appear, the existence of that additional stage of assessment.

52. Similar discrepancies are found in the case-law of the General Court in respect of the stage at which the circumstances in which the goods or services in question are marketed must be taken into account and a possible *'counteraction'* of the similarities between the signs must be examined.

53. As regards, in the first place, the circumstances in which the goods or services in question are marketed, I note that in the judgments associated with the *'strict'* line of case-law, those circumstances are a relevant factor for the global assessment of the likelihood of confusion. (38) That factor implies that, when the goods or services in question are, for example, ordinarily sold in self-service stores and therefore the consumer above all encounters the signs at issue visually, the General Court gives preponderant weight to the visual similarities, or, conversely, the visual dissimilarities found, without, however, failing to take account of the other aspects and all of the relevant factors for the global assessment of that likelihood of confusion. (39)

54. By contrast, in other judgments, which fall under the *'flexible'* line of case-law, which includes the judgment under appeal, the circumstances in which the goods or services in question are marketed are examined at the stage of comparing the signs. If those goods or services are marketed in such a way that their visual aspect is more important for the consumer and the General Court has not found any similarity in respect of that aspect, it holds that the signs are not similar, within the meaning of Article 8(1)(b) of Regulation No

207/2009, irrespective of any possible degree of similarity in respect of the other aspects of the signs, and without examining the other relevant factors for the global assessment of the likelihood of confusion.

55. Here again, the Court has not given a clear decision in favour of either approach. A number of decisions by the Court tend to suggest that the circumstances in which the goods or services in question are marketed are a relevant factor when assessing the similarity of the signs. (40) By contrast, it follows from the judgment in Il Ponte Finanziaria v OHIM (41) that this is a relevant factor for the global assessment of the likelihood of confusion. (42)

56. As regards, in the second place, the issue of the *'counteraction'* of similarities between the signs at issue, it has been established, in the case-law of the Court and of the General Court, that conceptual differences separating the signs may, in certain circumstances, *'counteract'* their visual and aural similarities. For there to be such a *'counteraction'*, at least one of the signs at issue must have, from the point of view of the relevant public, a clear and specific meaning so that the public is capable of grasping it immediately. (43)

57. That said, again, the question as to the stage at which such a *'counteraction'* must be examined does not find a straight answer in the case-law of the General Court. In some judgments, the existence of a possible *'counteraction'* is examined at the stage of the global assessment of the likelihood of confusion. (44) In others, the General Court examines that possibility as part of the analysis of the conceptual similarity (45) or immediately after the comparison of each aspect of the signs, as part of the *'global assessment of similarity'*. (46)

58. Moreover, when a *'counteraction'* is found, the consequences vary. In some cases, the General Court still carries out the global assessment of the likelihood of confusion by examining the other relevant factors. (47) In others, the General Court concludes that the signs are not similar and rejects from the outset the arguments relating to those other factors. (48)

59. The case-law of the Court is, again, equivocal. A number of judgments tend to suggest that the *'counteraction'* of similarities must occur in the global assessment of the likelihood of confusion and that this does not dispense the General Court from examining the other relevant factors for that global assessment. (49) Furthermore, in the judgment in Mülhens v OHIM, (50) the Court explained that the *'counteraction theory'* arises specifically from the global nature of the assessment of the likelihood of confusion and the principle of interdependence, which *'means that conceptual and visual differences between two signs may counteract aural similarities between them'*.

60. By contrast, the opposite approach is seen in the judgment in OHIM v riha WeserGold Getränke. (51) In the judgment giving rise to the appeal in that case, the General Court had, first, *'counteracted'*, when comparing the signs, the visual and aural similarities between the signs at issue, on account of their conceptual differences, and concluded from this that the signs were *'different overall'*. (52) Nevertheless, the General Court

had held that the Board of Appeal had erred in law by not examining the distinctive character of the earlier trade mark — a factor which, I note, is relevant not for determining the similarity of the signs, but for the global assessment of the likelihood of confusion. The Court set aside the judgment in question. For the Court, since the General Court had concluded that the signs at issue were *'different overall'*, it was no longer necessary to examine the distinctive character of the earlier trade mark. (53) It follows that the General Court was justified in *'counteracting'* the visual and aural similarities between the signs when comparing them and that the *'counteraction'* necessitated a finding that the signs at issue were not similar, within the meaning of Article 8(1)(b) of Regulation No 207/2009, a conclusion which curtails the examination of the notice of opposition, in accordance with the case-law referred to in point 37 of this Opinion.

61. Even more explicitly, in the judgment in *Wolf Oil v EUIPO*, (54) the Court confirmed that *'the neutralisation of the visual and phonetic similarities of the signs at issue by their conceptual differences is examined when making the overall assessment of the similarity of those signs'*. (55) Moreover, in that judgment, the Court endorsed the General Court's approach which consisted in concluding that the signs were not similar given the *'counteraction'* that was found. (56)

2. Summary and view

62. In summary, two methods coexist in the case-law of the General Court and of the Court with regard to the similarity of signs. There is, on the one hand, a *'strict'* method, in accordance with which, at the stage of comparing the signs, the General Court must merely compare their visual, aural and conceptual aspects. Where it finds a degree of similarity in respect of (at least) one of those aspects, it must conclude that the signs are similar, within the meaning of Article 8(1)(b) of Regulation No 207/2009. If the goods or services in question are also similar, the General Court must carry out a global assessment of the likelihood of confusion. The circumstances in which those goods or services are marketed and the possible *'counteraction'* of the similarities found between the signs on account of their conceptual difference must be examined as part of that global assessment, among all of the relevant factors.

63. There is, on the other hand, a *'flexible'* method, in accordance with which the General Court must not only compare the visual, aural and conceptual aspects of the signs, but, in addition, it must balance the degrees of similarity and the differences found in respect of every aspect, as part of a *'global assessment of similarity'* stage, by potentially taking account of those marketing conditions and a possible *'counteraction'*. If, in the General Court's view, the differences outweigh the similarities, it must consider that the signs are not similar (overall), within the meaning of Article 8(1)(b) of Regulation No 207/2009, and dispense with carrying out the global assessment of the likelihood of confusion.

64. At the outset, I consider that, in the present case, the Court should adopt a position in favour of one of the

methods. It falls to the Court to harmonise the case-law on trade mark law and to establish a clear and coherent position on the subject.

65. In that regard, contrary to what *Equivalenza* implies, (57) the present case is not a matter of determining a question of pure presentation. The issue in this case is the extent of the examination to be carried out by the General Court when it examines an appeal relating to opposition proceedings based on Article 8(1)(b) of Regulation No 207/2009. That involves determining the limits within which the General Court can apply the case-law, referred to in point 37 of this Opinion, which releases it from the obligation to carry out a global assessment of the likelihood of confusion. Choosing the *'flexible'* method would facilitate the application of that case-law whereas, conversely, the *'strict'* method would reduce the possibility of having recourse to it.

66. While accepting that the choice between the two methods is not easy, I am of the view, all things considered, that the General Court and the Court should confine themselves to the *'strict'* method described in point 62 of this Opinion.

67. The latter method seems to me, in the first place, to be more in line with the scheme of Article 8(1)(b) of Regulation No 207/2009.

68. On that point, I note that two related, but nonetheless distinct, questions arise from the wording of that provision in respect of the similarity of the signs at issue: first, does such similarity exist? And, secondly, is that similarity sufficient to give rise to a likelihood of confusion on the part of the public? Logically, the condition stipulated in that provision that the signs are similar should be considered to be satisfied where the first question has been answered in the affirmative, irrespective of the answer to the second.

69. Like *EUIPO*, (58) I consider that the response to the first question merely involves comparing the signs at issue and establishing the existence of elements of visual, aural or conceptual similarity (59) between them. This initial analysis of the signs has a limited purpose. It is intended solely to determine their formal relationship. It is during the second analysis, (60) the global assessment, aimed at answering the second — fundamental — question of the likelihood of confusion, that it must be determined whether those elements of similarity are sufficient, taking into account all the relevant factors, to give rise to a likelihood of confusion. (61)

70. Admittedly, the comparison of the signs cannot be a purely abstract exercise. It must always be carried out through the eyes of the (hypothetical) perception of the average consumer of the category of goods or services in question. (62) That comparison must therefore be based on the *'overall impression'* left by those signs in the consumer's memory and according to the principle of the imperfect image. (63) In that context, where it compares the visual, aural and conceptual aspects of the signs at issue and assesses the similarity in respect of each aspect, the General Court is inevitably prompted to balance the elements of similarity and

dissimilarity (the former may outweigh the latter in that overall impression or vice versa), and the possible degree of similarity (weak, average or high) assigned to each aspect of the signs is, essentially, merely a simplification of the nuances arising from that comparison. (64)

71. However, in my view, it is one thing to balance the similarities and dissimilarities when comparing the visual, aural or conceptual aspects of the signs at issue, in order to assess the degree of similarity of the aspect in question. It is another to balance the degrees of similarity and the differences found in respect of those different aspects.

72. As EUIPO argues, in essence, (65) to balance those aspects thus twice in succession (first, with regard to the elements of similarity and dissimilarity found in respect of one aspect of the signs, in order to give a decision on the existence of a degree of similarity as regards that aspect; and, secondly, with regard to the similarities and differences found in respect of the various aspects of the signs, in order to give a decision on the 'overall similarity' of those signs) leads to the risk of an excessive simplification of their similarity, masking elements which may, if all of the circumstances of the case had been taken into account, have been capable of demonstrating a likelihood of confusion. In that regard, I note that it cannot be ruled out that the mere aural similarity between two signs, or even their mere conceptual similarity, may, in some circumstances, lead to a likelihood of confusion. (66)

73. Thus, in my view, the 'flexible' method for comparing signs and the 'global assessment of similarity' stage confuse the two analyses described in point 69 of this Opinion and go beyond the objective of the comparison of the signs. Following that method potentially entails prejudging, at the stage of that comparison, the question of the possible existence of a likelihood of confusion.

74. I must stress here that the question whether that similarity between the signs at issue is sufficient to give rise to a likelihood of confusion cannot be assessed independently of the other relevant factors for the global assessment of that likelihood and of the principle of interdependence, which is aimed at ensuring that that assessment is, as far as possible, in line with the actual perception of the relevant public of those signs. (67) Factors such as, inter alia, the degree of attention of the public and the distinctive character of the earlier trade mark are of utmost importance in that regard. A consumer who pays a high level of attention will perceive differences that a consumer who is less attentive might not notice. Similarly, when confronted with an earlier trade mark which is highly distinctive, because it is composed of original elements, the public will attribute little importance to the differences between the signs at issue whereas, when confronted with a trade mark which has a weak distinctive character, because it is made up of descriptive, evocative or common elements, the public will attribute more weight to their differences. (68)

75. Moreover, I consider, as does EUIPO, (69) that neither consideration of the circumstances in which the goods or services in question are marketed nor consideration of a possible 'counteraction' should allow the General Court to 'erase' from the outset, at the stage of comparing the signs, a degree of similarity that has been found in respect of one of their aspects (particularly where, as in the present case, this involves an average degree of aural similarity).

76. First, the consideration of the circumstances in which the goods or services in question are marketed falls, by nature, under the prospective analysis of the potential use of the signs at issue on the market, which is inherent to the global assessment of the likelihood of confusion. (70) It is no longer a matter of comparing the signs in order to identify their similarities and differences, but of determining the extent to which the similarities found play a part in demonstrating that likelihood of confusion. Where, for example, the goods are sold in such a way that the consumer always encounters the signs at issue visually, it follows solely, in my view, that it is less probable that their aural similarity will lead to that likelihood of confusion. Nevertheless, that possibility cannot be ruled out and depends on all of the factors in that global assessment. Consequently, the General Court cannot merely disregard that similarity at the stage of comparing the signs.

77. A different interpretation cannot be seen, in my view, in the judgment in *Lloyd Schuhfabrik Meyer*. (71) I understand that judgment, as does EUIPO, (72) to mean that, in order to establish the existence of a likelihood of confusion, it is necessary, inter alia, to compare the signs at issue as regards their different aspects and, if, in that context, a degree of similarity is found in respect of one aspect, to 'assess the importance' of that finding in order to demonstrate that likelihood, taking account, in particular, of the circumstances in which the goods or services in question are marketed. In other words, the Court's intention was solely to clarify the extent to which the finding of a degree of similarity between the signs in respect of a given aspect (in that case it was aural similarity) demonstrates the existence of a likelihood of confusion, without prejudice to the other relevant factors. (73)

78. Secondly, the 'counteraction theory' also falls, by nature, under the global assessment of the likelihood of confusion. That theory simply indicates that the conceptual differences between two conflicting signs are capable of reducing the likelihood of the consumer confusing the origin of goods or services in question, despite the fact that those signs are visually and/or aurally similar. In such circumstances, the effect of those similarities on the consumer's perception of the signs is 'counteract[ed] to a large extent'. (74) However, it is possible that, in spite of this, those similarities will lead to a likelihood of confusion in some cases. (75) The finding of a possible 'counteraction' cannot therefore, in my view, permit the General Court to eliminate those similarities at the stage of comparing the signs and relieve it from examining the other factors that are

relevant for the assessment of the likelihood of confusion. (76)

79. The '*strict*' method also seems to me, in the second place, to be more in line with the objective of Article 8(1)(b) of Regulation No 207/2009. In that regard, I would point out the aim of that provision is essentially to protect the competitive interests of economic operators, by preventing the registration of signs that may undermine the function as an indication of origin performed by their trade marks. (77)

80. In the light of that objective, the proprietor of a trade mark who opposes the registration of a sign should, in my opinion, have a fair opportunity to demonstrate a likelihood of confusion and the need for protection. In particular, he should have the opportunity to demonstrate that, for example, mere conceptual or aural similarity between the signs is sufficient, taking into account all the circumstances, to give rise to a likelihood of confusion. (78) In that connection, the condition of similarity of the signs should remain a minimum prerequisite in order to access that protection, and that condition should not, except in cases of a manifest failure to comply, be used to cut short any debate on that likelihood of confusion. (79) The case-law referred to in point 37 of this Opinion should therefore be applied sparingly.

81. The '*strict*' method also does not seem to me to go beyond the objective of protection pursued in Article 8(1)(b) of Regulation No 207/2009.

82. In particular, the obligation to carry out a global assessment of the likelihood of confusion where a degree of similarity in one of the aspects of the signs at issue has been found does not mean that it must automatically (and therefore excessively) be accepted that a likelihood of confusion exists, even where the goods or services in question are identical. (80)

83. The global assessment of the likelihood of confusion must make it possible to determine, in each case, whether the earlier trade mark on which the opposition is based merits protection, in accordance with the objective pursued in Article 8(1)(b) of Regulation No 207/2009. The fact that the signs at issue are similar, as are the goods or services in question, cannot, alone, affect the outcome of that assessment. In particular, the distinctive character of that earlier trade mark must be regarded as being of decisive importance in that regard. Whilst, according to the case-law of the Court, the more distinctive the earlier trade mark, the greater will be the likelihood of confusion, (81) the opposite is also true. With regard to a trade mark with a weak distinctive character, and which thus has a lesser capacity to identify the goods or services for which it has been registered as coming from a particular undertaking, the degree of similarity between the signs should be high to justify a likelihood of confusion, or this would risk granting excessive protection to that trade mark and its proprietor. (82)

84. It is true that some judgments reveal a drift on this issue. Thus, the General Court sometimes holds that the mere finding that the goods are identical and there is some similarity, however faint, between the signs is

sufficient in any event to give rise to a likelihood of confusion, irrespective of the fact that the earlier trade mark has weak distinctive character. (83) Those judgments deviate, in my view, from the objective pursued in Article 8(1)(b) of Regulation No 207/2009 and create a problem of the '*overprotection*' of trade marks, which has been much commented upon. (84)

85. However, although this is a real problem, I do not think that the solution lies in the '*flexible*' method of comparing signs. In fact, it lies in reassessing the weight that should be given to the distinctive character of the earlier trade mark in the global assessment of the likelihood of confusion.

86. In the third place, considerations of legal certainty, in my view, militate against adopting the '*flexible*' method. To me, that principle requires inter alia that, as far as possible, reasoning is transparent and decisions are foreseeable. In the judgments of the General Court, there is often a lack of clarity in the '*global assessment of similarity*' stage (85) and a double balancing exercise between the similarities and differences between the signs involved which affects whether the outcome of the comparison of the signs is foreseeable. (86) By contrast, the '*strict*' method offers, in my eyes, clear reasoning in that regard.

87. Lastly, promoting the '*flexible*' method would inevitably create tension with the case-law on Article 8(5) of Regulation No 207/2009. (87) In that regard, I would point out that, in connection with that provision, the Court has favoured a '*strict*' approach: where the General Court finds some similarity, however faint, between the signs at issue as regards one of their visual, aural or conceptual aspects, it must undertake an overall assessment of the relevant factors in order to determine the likelihood that the public concerned might establish a link between those signs. (88) The tension is all the higher since, in principle, the condition that the signs are similar, which is common to Article 8(1)(b) and Article 8(5) of that regulation, must be assessed in the same way in the context of either provision. (89)

3. Response to the third and fourth parts of EUIPO's single ground of appeal

88. In the light of the foregoing, I take the view that the third and fourth parts of the single ground of appeal put forward by EUIPO are well-founded. By carrying out, in paragraphs 46 to 54 of the judgment under appeal, a '*global assessment of similarity*' step, taking into account, in that connection, in paragraphs 48, 51 and 53 of that judgment, the circumstances in which the goods in question are marketed and, in paragraph 54 of that judgment, the existence of a conceptual difference between the signs, and, finally, by concluding, in paragraph 55 of that judgment, that '*despite their average degree of aural similarity, based on an overall impression, the signs at issue are not similar, within the meaning of Article 8(1)(b) of Regulation No 207/2009*', the General Court has, in my view, misinterpreted that provision.

89. In my mind, those errors of law call into question the legality of the operative part of the judgment under appeal. The General Court could not validly order, in

point 1 of the operative part of that judgment, the annulment of the contested decision, which found there was a likelihood of confusion, without having first carried out a global assessment of that likelihood, in accordance with the method described in point 62 of this Opinion. I therefore propose that the Court, irrespective of the response to the first and second parts of the single ground of appeal, should set aside that judgment.

VII. Conclusion

90. In the light of all the foregoing considerations, I propose that the Court should set aside the judgment of the General Court of the European Union of 7 March 2018, *Equivalenza Manufactory v EUIPO — ITM Entreprises (BLACK LABEL BY EQUIVALENZA)* (T-6/17, not published, EU:T:2018:119).

1 Original language: French.

2 Council Regulation of 26 February 2009 on the European Union trade mark (OJ 2009 L 78, p. 1).

3 Regulation of the European Parliament and of the Council of 14 June 2017 (OJ 2017 L 154, p. 1). See Articles 211 and 212 of that regulation.

4 Judgment of 22 June 1999 (C-342/97, EU:C:1999:323, paragraph 27; *the judgment in Lloyd Schuhfabrik Meyer*).

5 See judgment of 12 June 2007, *OHIM v Shaker* (C-334/05 P, EU:C:2007:333, paragraph 36).

6 As *Equivalenza* observes, the paragraph that EUIPO refers to in this instance would appear, in fact, to be paragraph 32 of the judgment under appeal.

7 See judgments of 12 January 2006, *Ruiz-Picasso and Others v OHIM* (C-361/04 P, EU:C:2006:25, paragraphs 20, 21 and 25), and of 23 March 2006, *Mühlens v OHIM* (C-206/04 P, EU:C:2006:194, paragraphs 21 and 36).

8 See judgments of 24 March 2011, *Ferrero v OHIM* (C-552/09 P, EU:C:2011:177, paragraph 66), and of 2 December 2009, *Volvo Trademark v OHIM — Grebenshikova (SOLVO)* (T-434/07, EU:T:2009:480, paragraph 50).

9 See judgment in *Lloyd Schuhfabrik Meyer* (paragraph 27).

10 See recitals 7 and 8 of Regulation No 207/2009.

11 I note that Article 8(1)(b) of Regulation No 207/2009 corresponds to Article 4(1)(b) of 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 case-law concerning the former provision can therefore be transposed to the latter, and vice versa. Moreover, those two provisions reproduce the identical provisions contained in Council Regulation (EC) No 40/94 of 20 December 1993 on the Community Trade Mark (OJ 1994 L 11, p. 1) and 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), which they replaced. Thus, the case-law concerning those former articles can be transposed to the new articles (see to that effect, judgments of 20 March 2003, *LTJ Diffusion* (C-291/00, EU:C:2003:169, paragraphs 41 and 43), and of 10 December 2015, *El*

Corte Inglés v OHIM (C-603/14 P, EU:C:2015:807, paragraph 37)). Therefore, in this Opinion, I shall refer without distinction to judgments concerning the likelihood of confusion delivered in respect of any of those provisions.

12 See, inter alia, judgments of 29 September 1998, *Canon* (C-39/97, EU:C:1998:442, paragraphs 26, 27 and 29); of 12 June 2007, *OHIM v Shaker* (C-334/05 P, EU:C:2007:333, paragraph 33); and of 24 June 2010, *Becker v Harman International Industries* (C-51/09 P, EU:C:2010:368, paragraph 31).

13 See, inter alia, recital 8 of Regulation No 207/2009 and judgments of 11 November 1997, *SABEL* (C-251/95, EU:C:1997:528, paragraph 22); of 12 January 2006, *Ruiz-Picasso and Others v OHIM* (C-361/04 P, EU:C:2006:25, paragraph 18); and of 12 June 2019, *Hansson* (C-705/17, EU:C:2019:481, paragraph 41).

14 See, inter alia, judgments of 29 September 1998, *Canon* (C-39/97, EU:C:1998:442, paragraph 17); in *Lloyd Schuhfabrik Meyer* (paragraph 19); and of 12 June 2019, *Hansson* (C-705/17, EU:C:2019:481, paragraph 43).

15 See, inter alia, judgments of 29 September 1998, *Canon* (C-39/97, EU:C:1998:442, paragraph 22); of 11 December 2008, *Gateway v OHIM* (C-57/08 P, not published, EU:C:2008:718, paragraphs 45 and 52); and of 20 September 2017, *The Tea Board v EUIPO* (C-673/15 P to C-676/15 P, EU:C:2017:702, paragraph 47).

16 See, inter alia, judgments of 12 October 2004, *Vedial v OHIM* (C-106/03 P, EU:C:2004:611, paragraph 54); of 11 December 2008, *Gateway v OHIM* (C-57/08 P, not published, EU:C:2008:718, paragraphs 56 and 57); and of 24 March 2011, *Ferrero v OHIM* (C-552/09 P, EU:C:2011:177, paragraphs 65, 66 and 68).

17 See paragraphs 55 and 56 of the judgment under appeal.

18 Judgment of 11 November 1997 (C-251/95, EU:C:1997:528).

19 See, inter alia, judgments of 11 November 1997, *SABEL* (C-251/95, EU:C:1997:528, paragraph 23), and of 12 January 2006, *Ruiz-Picasso and Others v OHIM* (C-361/04 P, EU:C:2006:25, paragraph 19). See paragraph 19 of the judgment under appeal.

20 See, inter alia, judgments in *Lloyd Schuhfabrik Meyer* (paragraph 27); of 12 June 2007, *OHIM v Shaker* (C-334/05 P, EU:C:2007:333, paragraph 36); and of 24 March 2011, *Ferrero v OHIM* (C-552/09 P, EU:C:2011:177, paragraph 85). See paragraph 20 of the judgment under appeal.

21 See paragraphs 26 to 45 of the judgment under appeal.

22 Paragraphs 46 and 47 of the judgment under appeal.

23 See paragraphs 48 and 51 to 55 of the judgment under appeal.

24 See points 23, 26 and 27 of this Opinion.

25 In that regard, although the assessment of the similarities and differences that exist between the signs

is a factual analysis which, save where the evidence and facts are distorted, is not subject to review by the Court in the appeal (see, inter alia, judgment of 2 September 2010, Calvin Klein Trademark Trust v OHIM (C-254/09 P, EU:C:2010:488, paragraph 50)), the question as to whether the General Court has infringed the legal principles that apply to the assessment of their similarity or has made a methodological error constitutes a point of law (see, inter alia, judgment of 4 July 2019, FTI Touristik v EUIPO (C-99/18 P, EU:C:2019:565, paragraph 25)).

26 EUIPO has also undertaken to follow that line of case-law in its decision-making practice. See EUIPO, Guidelines for examination of European Union trade marks, Part C, Section 2, Chapter 4, Point 1.4 *'Possible outcome of the comparison'*.

27 See, in particular, judgment of 2 December 2009, SOLVO (T-434/07, EU:T:2009:480, paragraph 50).

28 See, similarly, the assertion, in the case-law of the General Court, that two marks are similar when, from the point of view of the relevant public, they are at least partially identical as regards one or more visual, aural and conceptual aspects (see, inter alia, judgments of 23 October 2002, Matratzen Concord v OHIM — Hukla Germany (MATRATZEN) (T-6/01, EU:T:2002:261, paragraph 30); of 20 April 2005, Faber Chimica v OHIM — Industrias Químicas Naber (Faber) (T-211/03, EU:T:2005:135, paragraph 26); and of 15 December 2010, Novartis v OHIM — Sanochemia Pharmazeutika (TOLPOSAN) (T-331/09, EU:T:2010:520, paragraph 43)).

29 See, inter alia, judgments of 3 July 2003, Alejandro v OHIM — Anheuser-Busch (BUDMEN) (T-129/01, EU:T:2003:184, paragraph 54 et seq.); of 3 March 2004, Mühlens v OHIM — Zirh International (ZIRH) (T-355/02, EU:T:2004:62, paragraph 47 et seq.); of 6 October 2004, New Look v OHIM — Naulover (NLSPORT, NLJEANS, NLACTIVE and NLCollection) (T-117/03 to T-119/03 and T-171/03, EU:T:2004:293, paragraph 40 et seq.); of 12 January 2006, Devinlec v OHIM — TIME ART (QUANTUM) (T-147/03, EU:T:2006:10, paragraph 92 et seq.); of 16 September 2013, Golden Balls v OHIM — Intra-Press (GOLDEN BALLS) (T-448/11, not published, EU:T:2013:456, paragraphs 51 and 52); of 16 October 2013, Zoo Sport v OHIM — K-2 (ZOOSPORT) (T-453/12, not published, EU:T:2013:532, paragraph 87 et seq.); of 13 May 2015, Harper Hygienics v OHIM — Clinique Laboratories (CLEANIC Kindii) (T-364/12, not published, EU:T:2015:277, paragraph 63 et seq.); of 13 May 2015, Ferring v OHIM — Kora (Koragel) (T-169/14, not published, EU:T:2015:280, paragraph 69 et seq.); of 3 June 2015, Giovanni Cosmetics v OHIM — Vasconcelos & Gonçalves (GIOVANNI GALLI) (T-559/13, EU:T:2015:353, paragraph 99 et seq.); and of 13 March 2018, Hotelbeds Spain v EUIPO — Guidigo Europe (Guidego what to do next) (T-346/17, not published, EU:T:2018:134, paragraph 59 et seq.). In some cases, the General Court formally concludes that the signs are similar after having found (at least) one aspect to be similar (see, inter alia, judgment of 16

September 2009, Dominio de la Vega v OHIM — Ambrosio Velasco (DOMINIO DE LA VEGA) (T-458/07, not published, EU:T:2009:337, paragraph 44)). In other cases, the General Court proceeds directly to the global assessment of the likelihood of confusion (see, inter alia, judgments of 24 March 2011, XXXLutz Marken v OHIM — Natura Selection (Linea Natura Natur hat immer Stil) (T-54/09, not published, EU:T:2011:118, paragraph 67 et seq.), and of 29 January 2013, Fon Wireless v OHIM — nfon (nfon) (T-283/11, not published, EU:T:2013:41, paragraph 62 et seq.)).

30 See, inter alia, judgments of 15 January 2008, Hoya v OHIM — Indo (AMPLITUDE) (T-9/05, not published, EU:T:2008:8, paragraph 59); of 23 September 2009, Arcandor v OHIM — dm drogerie markt (S-HE) (T-391/06, not published, EU:T:2009:348, paragraph 54); of 15 December 2010, TOLPOSAN (T-331/09, EU:T:2010:520, paragraphs 54 to 56); of 10 May 2011, Emram v OHIM — Guccio Gucci (G) (T-187/10, not published, EU:T:2011:202, paragraph 68); of 15 March 2012, Cadila Healthcare v OHIM — Novartis (ZYDUS) (T-288/08, not published, EU:T:2012:124, paragraph 57); of 15 October 2014, El Corte Inglés v OHIM — English Cut (The English Cut) (T-515/12, not published, EU:T:2014:882, paragraph 33); and of 26 April 2018, Messi Cuccittini v EUIPO — J.M.-E.V. e hijos (MESSI) (T-554/14, not published, EU:T:2018:230, paragraph 64). It would appear from those judgments that signs are *'similar overall'* where they have a certain degree of visual and aural similarity despite being conceptually different. By contrast, signs which differ visually and aurally are regarded as *'different overall'* despite having some conceptual similarity. Strangely, that additional step has sometimes led the General Court to hold that signs in respect of which it had found a difference in every aspect are *'similar overall'* (see, in particular, judgment of 31 January 2012, Spar v OHIM — Spa Group Europe (SPA GROUP) (T-378/09, not published, EU:T:2012:34, paragraphs 38, 47, 53 and 54)).

31 See, inter alia, judgments of 2 December 2008, Ebro Puleva v OHIM — Berenguel (BRILLO'S) (T-275/07, not published, EU:T:2008:545, paragraphs 24 and 28); of 15 February 2011, Yorma's v OHIM — Norma Lebensmittelfilialbetrieb (YORMA'S) (T-213/09, not published, EU:T:2011:37, paragraph 86); of 21 February 2013, Esge v OHIM — De'Longhi Benelux (KMIX) (T-444/10, not published, EU:T:2013:89, paragraphs 35 to 42); and of 11 December 2014, Coca-Cola v OHIM — Mitico (Master) (T-480/12, EU:T:2014:1062, paragraphs 66 to 71).

32 See, with regard to aural similarity, judgments in Lloyd Schuhfabrik Meyer, (paragraph 28), and of 23 March 2006, Mühlens v OHIM (C-206/04 P, EU:C:2006:194, paragraph 21). With regard to conceptual similarity, see judgment of 11 November 1997, SABEL (C-251/95, EU:C:1997:528, paragraph 24).

33 See judgments of 23 March 2006, Mühlens v OHIM (C-206/04 P, EU:C:2006:194, paragraphs 21 and 23); of 13 September 2007, Il Ponte Finanziaria v OHIM

(C-234/06 P, EU:C:2007:514, paragraph 35); and, to that effect, of 25 June 2015, Loufi Management Propriété Intellectuelle (C-147/14, EU:C:2015:420, paragraphs 24 and 25).

34 Judgment of 24 March 2011 (C-552/09 P, EU:C:2011:177, paragraph 66).

35 Judgment of 24 March 2011 (C-552/09 P, EU:C:2011:177, paragraph 86). The ambiguity lies inter alia in the fact that, in that judgment, in support of its interpretation, the Court relied on paragraph 21 of the judgment of 23 March 2006, Mülhens v OHIM (C-206/04 P, EU:C:2006:194), which mentioned the need to balance the visual, aural and conceptual similarities and differences found between the signs as part of a global assessment of the likelihood of confusion (and not as part of a global assessment of similarity).

36 Judgment of 5 October 2017 (C-437/16 P, not published, EU:C:2017:737).

37 Judgment of 5 October 2017, Wolf Oil v EUIPO (C-437/16 P, not published, EU:C:2017:737, paragraph 45). Similarly, in the order of 15 January 2010, Messer Group v Air Products and Chemicals (C-579/08 P, not published, EU:C:2010:18, paragraph 50), the Court endorsed the approach taken by the General Court which consisted in comparing the signs at issue in order to determine whether they are similar *‘from the visual, phonetic and conceptual point of view and, also, globally’* (emphasis added).

38 See, inter alia, judgments of 6 October 2004, NLSPOORT, NLJEANS, NLACTIVE and NLCollection (T-117/03 to T-119/03 and T-171/03, EU:T:2004:293, paragraph 49); of 23 February 2006, Il Ponte Finanziaria v OHIM — Marine Enterprise Projects (BAINBRIDGE) (T-194/03, EU:T:2006:65, paragraph 116); of 12 September 2007, Koipe v OHIM — Aceites del Sur (La Española) (T-363/04, EU:T:2007:264, paragraphs 109 to 111); of 15 December 2010, TOLPOSAN (T-331/09, EU:T:2010:520, paragraphs 61 and 62); of 15 March 2012, ZYDUS (T-288/08, not published, EU:T:2012:124, paragraphs 63 to 66); of 27 February 2014, Pêra-Grave v OHIM — Fundação Eugénio de Almeida (QTA S. JOSÉ DE PERAMANCA) (T-602/11, not published, EU:T:2014:97, paragraphs 57 to 59); of 28 April 2014, Longevity Health Products v OHIM — Weleda Trademark (MENOCHRON) (T-473/11, not published, EU:T:2014:229, paragraphs 48 and 49); of 13 May 2015, Koragel (T-169/14, not published, EU:T:2015:280, paragraphs 79 to 83); of 3 June 2015, GIOVANNI GALLI (T-559/13, EU:T:2015:353, paragraphs 128 to 130); of 24 November 2016, CG v EUIPO — Perry Ellis International Group (P PRO PLAYER) (T-349/15, not published, EU:T:2016:677, paragraphs 74 and 75); and of 10 October 2017, Cofra v EUIPO — Armand Thiery (1841) (T-233/15, not published, EU:T:2017:714, paragraph 119).

39 Specifically, according to those judgments, a similarity in the *‘more important’* aspect of the signs at issue increases the risk of the consumer confusing the origin of the goods or services in question whereas, conversely, a difference in that aspect reduces that risk. EUIPO has undertaken to follow that approach in its

decision-making practice (see EUIPO, Guidelines for examination of European Union trade marks, Part C, Section 2, Chapter 7, Point 4 *‘Impact of the method of purchase of goods and services’*).

40 See, inter alia, judgment of 17 October 2013, Isdin v Bial-Portela (C-597/12 P, EU:C:2013:672, paragraphs 20 and 22), and order of 14 November 2013, TeamBank Nürnberg v OHIM (C-524/12 P, not published, EU:C:2013:874, paragraph 61).

41 Judgment of 13 September 2007 (C-234/06 P, EU:C:2007:514).

42 See judgment of 13 September 2007, Il Ponte Finanziaria v OHIM (C-234/06 P, EU:C:2007:514, paragraphs 36 and 37). See, also, which may be understood in the same way, orders of 20 January 2015, Longevity Health Products v OHIM (C-311/14 P, not published, EU:C:2015:23, paragraphs 41 to 45), and of 7 April 2016, Harper Hygienics v EUIPO (C-475/15 P, not published, EU:C:2016:264, paragraphs 70 to 73).

43 See, inter alia, judgments of 12 January 2006, Ruiz-Picasso and Others v OHIM (C-361/04 P, EU:C:2006:25, paragraph 20); of 9 July 2015, Pêra-Grave v OHIM (C-249/14 P, not published, EU:C:2015:459, paragraphs 40 to 44); of 14 October 2003, Phillips-Van Heusen v OHIM — Pash Textilvertrieb und Einzelhandel (BASS) (T-292/01, EU:T:2003:264, paragraph 54); and of 22 June 2004, Ruiz-Picasso and Others v OHIM — DaimlerChrysler (PICARO) (T-185/02, EU:T:2004:189, paragraphs 54 to 58). The expression *‘counteraction theory’*, which is acknowledged in legal literature and present in the case-law, therefore refers, *stricto sensu*, only to the counteraction of visual and/or aural similarities by pronounced conceptual differences.

44 See, inter alia, judgments of 3 March 2004, ZIRH (T-355/02, EU:T:2004:62, paragraphs 49 and 50); of 12 January 2006, QUANTUM (T-147/03, EU:T:2006:10, paragraphs 98 to 100); of 13 March 2018, Guidego what to do next (T-346/17, not published, EU:T:2018:134, paragraphs 64 and 65); and of 26 April 2018, MESSI (T-554/14, not published, EU:T:2018:230, paragraphs 73 to 76). EUIPO has undertaken to follow that approach in its decision-making practice (see EUIPO, Guidelines for examination of European Union trade marks, Part C, Section 2, Chapter 7, Point 5 *‘Impact of the conceptual similarity of the signs on likelihood of confusion’*).

45 See, inter alia, judgments of 17 March 2004, El Corte Inglés v OHIM — González Cabello et Iberia Líneas Aéreas de España (MUNDICOR) (T-183/02 and T-184/02, EU:T:2004:79, paragraph 93); of 31 January 2012, SPA GROUP (T-378/09, not published, EU:T:2012:34, paragraphs 48 to 53); and of 13 May 2015, Koragel (T-169/14, not published, EU:T:2015:280, paragraphs 67 to 69).

46 See, inter alia, judgments of 22 June 2004, PICARO (T-185/02, EU:T:2004:189, paragraphs 56 and 58); of 22 March 2007, Brinkmann v OHIM — Terra Networks (Terranus) (T-322/05, not published, EU:T:2007:94, point 40); of 3 June 2015, GIOVANNI GALLI (T-559/13, EU:T:2015:353, paragraphs 94 to 98); of 1 June 2016, Wolf Oil v EUIPO — SCT

Lubricants (CHEMPIOIL) (T-34/15, not published, EU:T:2016:330, paragraphs 46 to 48); and of 10 October 2017, 1841 (T-233/15, not published, EU:T:2017:714, paragraphs 110 to 112).

47 See, inter alia, judgments of 14 October 2003, BASS (T-292/01, EU:T:2003:264, paragraphs 54 to 57), and of 22 June 2004, PICARO (T-185/02, EU:T:2004:189, paragraph 56).

48 See, inter alia, judgments of 27 October 2005, Éditions Albert René v OHIM — Orange (MOBILIX) (T-336/03, EU:T:2005:379, paragraphs 81, 83 and 84), and of 1 June 2016, CHEMPIOIL (T-34/15, not published, EU:T:2016:330, paragraphs 53 and 54).

49 In particular, in the judgment of 12 January 2006, Ruiz-Picasso and Others v OHIM (C-361/04 P, EU:C:2006:25, paragraphs 21 to 25), the Court validated the General Court's reasoning, which consisted in, first, noting a 'counteraction' of the visual and aural similarities that existed between the signs at issue, on account of their pronounced conceptual differences and, secondly, taking into account the degree of attention of the relevant public and the distinctive character of the earlier trade mark. On that point, the Court departed from the Opinion of Advocate General Ruiz-Jarabo Colomer in Ruiz-Picasso and Others v OHIM (C-361/04 P, EU:C:2005:531, point 38). The Advocate General took the view that, in view of the counteraction, the signs at issue were not similar, and therefore there was no need to examine the other relevant factors for the global assessment of the likelihood of confusion.

50 Judgment of 23 March 2006 (C-206/04 P, EU:C:2006:194, paragraphs 35 and 36), delivered in appeal proceedings against the judgment of 3 March 2004, ZIRH (T-355/02, EU:T:2004:62). See, also, judgments of 15 March 2007, T.I.M.E. ART v OHIM (C-171/06 P, not published, EU:C:2007:171, paragraph 48), and of 9 July 2015, Pêra-Grave v OHIM (C-249/14 P, not published, EU:C:2015:459, paragraph 39).

51 Judgment of 23 January 2014 (C-558/12 P, EU:C:2014:22).

52 See judgment of 21 September 2012, Wesergold Getränkeindustrie v OHIM — Lidl Stiftung (WESTERN GOLD) (T-278/10, EU:T:2012:459, paragraph 58).

53 See judgment of 23 January 2014, OHIM v rih WeserGold Getränke (C-558/12 P, EU:C:2014:22, paragraphs 47 and 48). See, also, to that effect, judgment of 18 December 2008, Les Éditions Albert René v OHIM (C-16/06 P, EU:C:2008:739, paragraph 97).

54 Judgment of 5 October 2017 (C-437/16 P, not published, EU:C:2017:737).

55 Judgment of 5 October 2017, Wolf Oil v EUIPO (C-437/16 P, not published, EU:C:2017:737, paragraph 44).

56 See judgment of 5 October 2017, Wolf Oil v EUIPO (C-437/16 P, not published, EU:C:2017:737, paragraphs 54 and 55).

57 See point 24 of this Opinion.

58 See point 23 of this Opinion.

59 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, paragraph 52).

60 The different nature of those two analyses warrants, to ensure clarity in the reasoning, formalising them in two separate stages. Nevertheless, I acknowledge that such separation will always be somewhat artificial since the elements of similarity and dissimilarity between the signs could be discussed twice (first when their existence is found and secondly in order to determine whether they lead to a likelihood of confusion). A considerable number of judgments of the General Court therefore contain a single stage of assessment of the likelihood of confusion (see, inter alia, judgments of 14 October 2003, BASS (T-292/01, EU:T:2003:264, paragraph 45 et seq.); of 3 March 2004, ZIRH (T-355/02, EU:T:2004:62, paragraph 43 et seq.); and of 22 June 2004, PICARO (T-185/02, EU:T:2004:189, paragraph 53 et seq.)).

61 See, by analogy, the case-law on the similarity of the goods or services at issue. In that regard, the Court has held that, for Article 8(1)(b) of Regulation No 207/2009 to apply, evidence of some similarity between the goods or services in question must be adduced. To that end, account must be taken of the factors '*relating to those goods or services themselves*' including '*their nature, their end users and their method of use and whether they are in competition with each other or are complementary*'. Once the existence of some similarity between the goods or services at issue has been established, all of the factors must be examined in order to determine whether that similarity is sufficient to give rise to the likelihood of confusion, as part of the global assessment of that likelihood. See, inter alia, judgments of 29 September 1998, Canon (C-39/97, EU:C:1998:442, paragraphs 22 to 24), and of 7 May 2009, Waterford Wedgwood v Assembled Investments (Proprietary) and OHIM (C-398/07 P, not published, EU:C:2009:288, paragraphs 34 and 35).

62 Here again, an analogy can be drawn with the similarity of the goods or services in question. The relevant factors for the purposes of establishing that similarity must be assessed according to consumer perception. The goods or services are similar where consumers may think that the responsibility for the production of those goods or provision of those services lies with the same undertaking or economically linked undertakings. See, inter alia, judgment of 15 February 2011, YORMA'S (T-213/09, not published, EU:T:2011:37, paragraph 36).

63 See judgments of 11 November 1997, SABEL (C-251/95, EU:C:1997:528, paragraph 23); in Lloyd Schuhfabrik Meyer (paragraph 26); and of 12 January 2006, Ruiz-Picasso and Others v OHIM (C-361/04 P, EU:C:2006:25, paragraph 19).

64 See, to that effect, judgment of 26 July 2017, Continental Reifen Deutschland v Compagnie générale des établissements Michelin (C-84/16 P, not published, EU:C:2017:596, paragraph 70), and order of 22 October 2014, Repsol YPF v OHIM (C-466/13 P, not published, EU:C:2014:2331, paragraphs 48 to 51). Such a balance

essentially involves a factual assessment which is not a matter for the Court to review in appeal proceedings. The General Court therefore has some discretion as to the assessment of the degree of visual, aural and conceptual similarity between the signs at issue.

65 See point 27 of this Opinion.

66 See the case-law mentioned in footnote 32 of this Opinion.

67 See judgment of 12 June 2019, Hansson (C-705/17, EU:C:2019:481, paragraph 47).

68 See Davis, R., St Quintin, T. & Tritton, G., Tritton on Intellectual Property in Europe, Sweet and Maxwell, London, 5th edition, 2018, p. 378.

69 See points 23 and 27 of this Opinion.

70 See Davis, R., St Quintin, T. & Tritton, G., cited above, pp. 365-366. The prospective nature of the global assessment of the likelihood of confusion means that account must be taken, in the context of that assessment, of the circumstances in which the goods or services in question are usually marketed, that is, those which it is usual to expect for that category of goods or services, and not the particular circumstances in which the goods covered by the earlier trade mark are marketed, which may vary over time and depend on the wishes of the proprietor of that trade mark. See judgments of 15 March 2007, T.I.M.E. ART v OHIM (C-171/06 P, not published, EU:C:2007:171, paragraph 59), and of 12 January 2006, QUANTUM (T-147/03, EU:T:2006:10, paragraphs 103 to 107).

71 See point 39 of this Opinion.

72 See point 23 of this Opinion.

73 That interpretation is supported by the Opinion of Advocate General Jacobs in Lloyd Schuhfabrik Meyer (C-342/97, EU:C:1998:522, point 18: *'The likelihood of confusion must be assessed globally in the light of all relevant factors. ... it may therefore be relevant, depending on the circumstances, to consider not only the degree of aural similarity of the mark and the sign but also the degree (or absence) of visual and conceptual similarity. In the absence of visual or conceptual similarity it would be necessary to consider whether, having regard to all the circumstances including the nature of the goods and the conditions in which they were marketed, the degree of any aural similarity would of itself be likely to give rise to confusion'*).

74 See judgments of 12 January 2006, Ruiz-Picasso and Others v OHIM (C-361/04 P, EU:C:2006:25, paragraph 27); of 23 March 2006, Mühlens v OHIM (C-206/04 P, EU:C:2006:194, paragraph 50); of 15 March 2007, T.I.M.E. ART v OHIM (C-171/06 P, not published, EU:C:2007:171, paragraph 49); of 14 October 2003, BASS (T-292/01, EU:T:2003:264, paragraph 54); and of 12 January 2006, QUANTUM (T-147/03, EU:T:2006:10, paragraphs 98 and 100). This explains, in my view, that that *'theory'* does not apply where the visual and aural similarities between the signs are very strong, and therefore the conceptual difference between the signs is liable to escape the attention of the relevant public. See order of 27 October 2010, REWE-Zentral v OHIM (C-22/10 P, not published, EU:C:2010:640, paragraphs 46 and 47).

75 For example, if the earlier trade mark is highly distinctive and the degree of attention of the public is particularly low, even visual and aural similarities that are *'counteracted'* by a marked conceptual difference may be sufficient to give rise to a likelihood of confusion.

76 See, to that effect, judgment of 12 January 2006, Ruiz-Picasso and Others v OHIM (C-361/04 P, EU:C:2006:25, paragraphs 23 to 25), and Jaeger-Lenz, A., *'Relative grounds for refusal'*, in Hasselblatt, G.N. (ed.), European Union Trade Mark Regulation — Article-by-Article Commentary, Beck, Hart, Nomos, 2nd edition, 2018, p. 246. In any event, I would point out that, in order for the counteraction theory to apply, the General Court must find that at least one of the signs at issue has, in the mind of the relevant public, a clear and specific meaning (see point 56 of this Opinion). And although this point has not been raised by EUIPO in its appeal, I note that, in the judgment under appeal, the Court did not verify compliance with that condition.

77 See judgments of 29 September 1998, Canon (C-39/97, EU:C:1998:442, paragraphs 27 and 28), and of 12 June 2019, Hansson (C-705/17, EU:C:2019:481, paragraph 35), and Davis, R., St Quintin, T. & Tritton, G., cited above, pp. 362 and 365. See also Folliard-Monguiral, A., *'TPICE, affaire Quantum: le faible caractère distinctif peut-il jouer contre le risque de confusion ?'*, Propriété industrielle, No 4, April 2006, comm. 30, according to which the likelihood of confusion is *'a fantasy with a human face aimed at protecting the competitive interests of an economic operator'*.

78 Admittedly, it is unlikely, for example, that the conceptual similarity between the signs alone leads, in practice, to a likelihood of confusion (see Opinion of Advocate General Jacobs in SABEL (C-251/95, EU:C:1997:221, points 61 and 62)). However, an opponent must not, in my view, be deprived of the opportunity to demonstrate this.

79 See Humblot, B., *'Droit des marques: de l'influence ou non du risque de confusion sur la similitude et vice-versa — Motifs relatifs de refus: regard sur un arrêt éclairant de la CJUE (Ferrero c/ OHMI, 24 mars 2011)'*, Lamy, Droit de l'immatériel, No 72, June 2011, pp. 85-90.

80 See, for a recent reminder of that evidence, judgment of 27 June 2019, Luciano Sandrone v EUIPO — J. García Carrión (Luciano Sandrone) (T-268/18, EU:T:2019:452, paragraph 96).

81 See, to that effect, judgments of 11 November 1997, SABEL (C-251/95, EU:C:1997:528, paragraph 24); of 29 September 1998, Canon (C-39/97, EU:C:1998:442, paragraph 18); and of 12 June 2019, Hansson (C-705/17, EU:C:2019:481, paragraph 42).

82 Moreover, at the stage of comparing the signs at issue, their distinctive and dominant elements must be determined. In that connection, an element which is descriptive of the goods or services in question is less able to attract the attention of consumers and must therefore have less weight in the overall impression of the signs. It follows that, for example, visual similarities

in respect of that descriptive element should not bring about a finding that the signs are visually similar, or at most, the finding of a low degree of similarity. See, to that effect, judgments of 12 June 2019, *Hansson* (C-705/17, EU:C:2019:481, paragraph 53); of 5 April 2006, *Saiwa v OHIM — Barilla Alimentare (SELEZIONE ORO Barilla)* (T-344/03, EU:T:2006:105, paragraphs 32 to 38); and of 13 May 2015, *easyGroup IP Licensing v OHIM — Tui (easyAir-tours)* (T-608/13, not published, EU:T:2015:282, paragraphs 35 to 42).

83 See, inter alia, judgments of 8 December 2005, *Castellblanch v OHIM — Champagne Roederer (CRISTAL CASTELLBLANCH)* (T-29/04, EU:T:2005:438, paragraph 29); of 22 March 2007, *Terranus* (T-322/05, not published, EU:T:2007:94, paragraph 41); of 27 February 2014, *QTA S. JOSÉ DE PERAMANCA* (T-602/11, not published, EU:T:2014:97, paragraph 61); and of 4 December 2014, *BSH v OHIM — LG Electronics (compressor technology)* (T-595/13, not published, EU:T:2014:1023, paragraph 28). See also, highlighting a similar trend in the case-law of the Court, judgment of 8 November 2016, *BSH v EUIPO* (C-43/15 P, EU:C:2016:837, paragraphs 63 and 64).

84 See, inter alia, Folliard-Monguiral, A., op. cit.; Monteiro, J., *'Marque communautaire — La surprotection des marques faibles dans la jurisprudence communautaire'*, *Propriété industrielle*, No 6, June 2009, essay 12; Passa, J., *'Le risque de confusion déduit d'éléments dépourvus de caractère distinctif dans la jurisprudence européenne: l'angle mort du droit des marques'*, *Propriétés Intellectuelles*, October 2017, No 65, pp. 32-40; and Kur, A. & Senftleben, M., *European Trade Mark Law — A Commentary*, Oxford University Press, United Kingdom, 2017, pp. 229-231.

85 See point 48 of this Opinion.

86 See point 72 of this Opinion.

87 That provision is reproduced in point 6 of this Opinion.

88 See judgments of 20 November 2014, *Intra-Press v OHIM* (C-581/13 P and C-582/13 P, not published, EU:C:2014:2387, paragraphs 74 to 76), and of 10 December 2015, *El Corte Inglés v OHIM* (C-603/14 P, EU:C:2015:807, paragraphs 47 and 48).

89 See judgments of 24 March 2011, *Ferrero v OHIM* (C-552/09 P, EU:C:2011:177, paragraph 53), and of 10 December 2015, *El Corte Inglés v OHIM* (C-603/14 P, EU:C:2015:807, paragraph 39). In the judgment under appeal in the latter case, the General Court had, in its analysis with regard to Article 8(1)(b) of Regulation No 207/2009, found that there was a low degree of conceptual similarity between the signs at issue and then concluded, in essence, that, in the absence of any visual or aural similarity, those signs were 'different overall' (see judgment of 15 October 2014, *The English Cut* (T-515/12, not published, EU:T:2014:882, paragraph 33)). However, the fact that the Court did not take action against that reasoning may be explained by the circumstance that the appellant had not disputed the way in which the General Court had applied that provision.