

Press and Information

Court of Justice of the European Union PRESS RELEASE No 35/11

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Judgment in Case C-235/09 DHL Express France SAS v Chronopost SA

A prohibition against infringement, issued by a national court sitting as a Community trade mark court, extends, as a rule, to the entire area of the European

A coercive measure – such as a periodic penalty payment – aimed at ensuring that this prohibition is complied with has effect, as a rule, throughout the EU

The Community Trade Mark Regulation¹ creates Community arrangements for trade marks whereby undertakings may obtain Community trade marks to which uniform protection is given and which produce their effects throughout the entire area of the European Union.

In order to ensure that protection, the regulation provides that Member States are to designate in their territories 'Community trade mark courts' having jurisdiction for infringement actions and, if they are permitted under national law, actions in respect of threatened infringement relating to Community trade marks. Where a Community trade mark court finds that a defendant has infringed or threatened to infringe a Community trade mark, it is to issue an order prohibiting the defendant from proceeding with the acts which infringed or would infringe the Community trade mark. It is also to take such measures in accordance with its national law as are aimed at ensuring that this prohibition is complied with.

Chronopost SA is the owner of the French and Community trade marks 'WEBSHIPPING', applied for in 2000 and registered in respect of, inter alia, services relating to logistics and data transmission, collecting and distributing mail, and express mail management. In spite of that registration, DHL Express France SAS (the successor to DHL International) used the same word in order to designate an express mail management service accessible principally via the Internet.

By judgment of 15 March 2006, the Tribunal de grande instance de Paris (Regional Court, Paris, France) – which heard the case as a Community trade mark court – found that DHL Express France had infringed the French trade mark WEBSHIPPING, although it did not adjudicate upon the infringement of the Community trade mark. The Cour d'appel de Paris (Court of Appeal, Paris), on an appeal by Chronopost, upheld that decision on 9 November 2007, and prohibited DHL, subject to a periodic penalty payment in the event of infringement of the prohibition, from continuing to use the signs 'WEBSHIPPING' and 'WEB SHIPPING'. However, it did not allow Chronopost's claim to extend the effects of the prohibition to the entire area of the European Union, and it thus restricted the effects of the prohibition to French territory only. DHL brought an appeal in cassation. That appeal was dismissed, but since Chronopost had brought a cross-appeal against restricting the prohibition and the periodic penalty payment territorially, the Cour de cassation (Court of Cassation) held that it was necessary to refer the matter to the Court of Justice.

The Court rules, firstly, that the regulation must be interpreted as meaning that a prohibition issued by a national court, hearing a case as a Community trade mark court, extends, as a rule, to the entire area of the European Union.

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¹ Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark (OJ 1994 L 11, p. 1).

The Court finds that the territorial scope of a prohibition issued by a Community trade mark court is determined by two factors, one concerning the territorial jurisdiction of that court and the other the exclusive right of a Community trade mark proprietor.

First, the territorial jurisdiction of the trade-mark court is an exclusive one to adjudicate upon all infringement actions and, if they are permitted under national law, actions in respect of threatened infringement relating to Community trade marks. Thus, that court has jurisdiction, in particular, in respect of acts of infringement within the territory of any of the Member States. Therefore, its jurisdiction extends, as a rule, to the entire area of the European Union.

Second, the exclusive right of a Community trade mark proprietor extends, as a rule, to the entire area of the European Union, throughout which Community trade marks enjoy uniform protection and have effect.

A Community trade mark has a unitary character whose objective is the uniform protection, throughout the entire area of the European Union, of the right conferred by the Community trade mark against the risk of infringement. In order to ensure that uniform protection, a prohibition against further infringement or threatened infringement issued by a Community trade mark court must therefore, as a rule, extend to the entire area of the European Union.

However, the territorial scope of the prohibition may, in certain circumstances, be restricted. The exclusive right of a Community trade mark proprietor is conferred on that proprietor in order to enable him to ensure that the trade mark is able to fulfil its functions². The exercise of that right must therefore be reserved to cases in which a third party's use of the sign affects or is liable to affect the functions of the trade mark.

Accordingly, if a Community trade mark court finds that the acts of infringement or threatened infringement are limited to a single Member State or to part of the territory of the European Union – because the applicant for a prohibition order has restricted the territorial scope of its action or the defendant proves that the use of the sign does not affect or is not liable to affect the functions of the trade mark, for example on linguistic grounds – that court must limit the territorial scope of the prohibition which it issues.

Secondly, the Court rules that a coercive measure ordered by a Community trade mark court by application of its national law also has effect in Member States other than the Member State of that court.

The Court recalls that the purpose of coercive measures, such as a periodic penalty payment (a fine payable in the event of non-compliance with a prohibition), ordered by a Community trade mark court by application of its national law, is to ensure compliance with a prohibition against further infringement or threatened infringement which it has issued. In addition, those measures can be effective only if they have effect in the same territory as that in which the prohibition order itself has effect.

Thus, in order to ensure that the prohibition is complied with, when a court of a Member State where the prohibition was infringed is seised, it must recognise and enforce the decision coupled with coercive measures, in accordance with the rules and procedures laid down by its national law. Under the principle of sincere cooperation, the Member States and their courts are required to ensure the judicial protection of an individual's rights under European Union law³.

Where the law of a Member State does not provide for coercive measures similar to those ordered by the Community trade mark court of another Member State which issued the prohibition, the

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² Those functions include, in particular, protection of the origin of goods or services and protection of the image of a mark.

³ The Brussels Convention, signed on 27 September 1968 (OJ 1978 L 304, p. 36) on jurisdiction and the enforcement of judgments in civil and commercial matters, replaced by Council Regulation (EC) No 44/2001 of 22 December 2000 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters (OJ 2001 L 12, p. 1), provides for the mutual recognition of judgments among the Member States.

court seised must achieve enforcement by having recourse to the relevant provisions of its national law so as to ensure that the prohibition originally issued is complied with in an equivalent manner.

NOTE: A reference for a preliminary ruling allows the courts and tribunals of the Member States, in disputes which have been brought before them, to refer questions to the Court of Justice about the interpretation of European Union law or the validity of a European Union act. The Court of Justice does not decide the dispute itself. It is for the national court or tribunal to dispose of the case in accordance with the Court's decision, which is similarly binding on other national courts or tribunals before which a similar issue is raised.

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The <u>full text</u> of the judgment is published on the CURIA website on the day of delivery.

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