

OPINION OF ADVOCATE GENERAL  
JACOBS  
delivered on 15 December 2005<sup>1</sup>

1. The present case is an appeal against a judgment of the Court of First Instance<sup>2</sup> upholding a decision of the First Board of Appeal of the Office for Harmonisation in the Internal Market (Trade Marks and Designs) ('OHIM') dismissing an appeal from a decision of the Opposition Division of OHIM.

**Community legislation**

3. Article 8(1) of Regulation No 40/94 provides in so far as relevant:

'Upon opposition by the proprietor of an earlier trade mark, the [Community] trade mark applied for shall not be registered:

...

2. That decision found that a trade mark had been put to genuine use within the meaning of Article 43 of Regulation No 40/94 on the Community trade mark<sup>3</sup> and that the products covered by that mark and a proposed Community trade mark were similar within the meaning of Article 8(1) (b) of that regulation.

(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 ...'

<sup>1</sup> — Original language: English.

<sup>2</sup> — Case T-203/02 *The Sunrider Corp v OHIM* [2004] ECR II-2811.

<sup>3</sup> — Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark (OJ 1994 L 11, p. 1), as amended.

4. Article 8(2)(a) states that 'earlier trade mark' includes trade marks registered in a Member State.

absence of proof to this effect, the opposition shall be rejected. ...

5. Article 42 of Regulation No 40/94 provides that notice of opposition to the registration of a Community trade mark based on Article 8 of the regulation may be given within three months of publication of an application for the mark.

3. Paragraph 2 shall apply to earlier national trade marks referred to in Article 8(2)(a), by substituting use in the Member State in which the earlier national trade mark is protected for use in the Community.'

6. Article 43 of Regulation No 40/94 provides in so far as relevant:

7. It is common ground in the present case that use of an earlier trade mark with the consent of the proprietor constitutes use by the proprietor.<sup>4</sup>

8. Rule 22 of the Commission Regulation implementing the Community Trade Mark Regulation<sup>5</sup> provides in so far as relevant:

'2. If the applicant so requests, the proprietor of an earlier Community trade mark who has given notice of opposition shall furnish proof that, during the period of five years preceding the date of publication of the Community trade mark application, the earlier Community trade mark has been put to genuine use in the Community in connection with the goods or services in respect of which it is registered and which he cites as justification for his opposition, or that there are proper reasons for non-use, provided the earlier Community trade mark has at that date been registered for not less than five years. In the

'2. The indications and evidence for the furnishing of proof of use shall consist of

<sup>4</sup> — By analogy with Article 15(3) of Regulation No 40/94, which in the context of revocation of a Community trade mark for lack of genuine use within five years of registration provides: 'Use of the Community trade mark with the consent of the proprietor shall be deemed to constitute use by the proprietor'.

<sup>5</sup> — Commission Regulation (EC) No 2868/95 of 13 December 1995 implementing Council Regulation (EC) No 40/94 on the Community trade mark (OJ 1995 L 303, p. 1)

indications concerning the place, time, extent and nature of use of the opposing trade mark for the goods and services in respect of which it is registered and on which the opposition is based, and evidence in support of these indications in accordance with paragraph 3.

3. The evidence shall, in principle, be confined to the submission of supporting documents and items such as packages, labels, price lists, catalogues, invoices, photographs, newspaper advertisements, and statements in writing as referred to in Article 76(1)(f) of the Regulation.'

### **Background to the judgment of the Court of First Instance**

9. On 1 April 1996, The Sunrider Corporation ('the applicant') filed an application for a Community trade mark at OHIM. The mark for which registration was sought is the word mark VITAFRUIT. The products in respect of which registration was sought include 'mineral and aerated waters and other non-alcoholic drinks; fruit and vegetable drinks, fruit juices; syrups and other preparations for

making beverages; herbal and vitamin beverages'. The application was published on 5 January 1998.

10. On 1 April 1998, Juan Espadafor Caba ('the opposing party') filed a notice of opposition under Article 42 of Regulation No 40/94 against registration of the trade mark. The opposition was based on the fact that an earlier trade mark, the word mark VITAFRUT, had already been registered in Spain in respect of 'Non-alcoholic and non-therapeutic carbonic drinks, non-therapeutic cold beverages of all kind[s], gaseous, granulated effervescent; fruit and vegetable juices without fermentation (except must), lemonades, orangeades, cold beverages (except orgeat), soda water, Seidlitz water and artificial ice'.

11. In support of its opposition, the opposing party relied on Article 8(1)(b) of Regulation No 40/94.

12. In October 1998, the applicant requested that the opposing party should furnish proof, in accordance with Article 43(2) and (3) of Regulation No 40/94, that, during the five years preceding publication of the Community trade-mark application, the earlier trade mark had been put to genuine use in Spain. The Opposition Division of OHIM called upon the opposing party to furnish such proof. The opposing party provided OHIM with (i) six bottle labels on which the earlier

trade mark was displayed and (ii) 14 invoices and orders, 10 of which dated from before 5 January 1998. It was apparent from the invoices that sales of the products under the earlier trade mark had been made by Industrias Espadafor SA rather than by the proprietor of the trade mark (the opposing party Juan Espadafor Caba).

14. On 23 October 2000, the applicant filed a notice of appeal against the decision of the Opposition Division. By decision of 8 April 2002, the OHIM First Board of Appeal ('the Board of Appeal') dismissed the appeal. In substance, it upheld the findings made by the Opposition Division in its decision, pointing out, however, that use of the earlier trade mark had been proven only for products identified as 'juice concentrates'.

15. The applicant appealed to the Court of First Instance.

13. By decision of 23 August 2000, the Opposition Division rejected the trade-mark application in respect of 'mineral and aerated waters and other non-alcoholic drinks; fruit and vegetable drinks, fruit juices; syrups and other preparations for making beverages; herbal and vitamin beverages'. It held, first, that the evidence produced by the opposing party showed that the earlier trade mark had been put to genuine use under Article 43(2) and (3) of Regulation No 40/94 in respect of 'fruit and vegetable juices without fermentation, lemonades, orangeades'. Second, the Opposition Division took the view that those products were in part identical with, and in part similar to, the products identified as 'mineral and aerated waters and other non-alcoholic drinks; fruit and vegetable drinks, fruit juices; syrups and other preparations for making beverages; herbal and vitamin beverages', referred to in the trade-mark application, and that there was a likelihood of confusion for the purposes of Article 8(1)(b) of Regulation No 40/94 between the signs in question.

### **Judgment of the Court of First Instance**

16. Before the Court of First Instance, the applicant raised two pleas in law. The first alleged infringement of Article 43(2) of Regulation No 40/94. That plea was divided into two parts, the first alleging that OHIM took into account as genuine use of the earlier trade mark the use made thereof by a third party without its having been proved that the consent of the proprietor of the trade mark had been obtained and the second alleging that OHIM misinterpreted the notion of genuine use. The second plea alleged infringement of Article 8(1)(b) of Regulation No 40/94.

17. With regard to the first part of the first plea the Court of First Instance ruled as follows:

‘19. Under Article 43(2) and (3) and Article 15(1) of Regulation No 40/94, opposition to registration of a Community trade mark is rejected if the proprietor of the earlier trade mark at issue does not furnish proof that the earlier mark has been put to genuine use by its proprietor during the period of five years preceding the date of publication of the Community trade-mark application. However, if the proprietor of the earlier trade mark successfully furnishes that proof, OHIM will examine the grounds for refusal advanced by the opposing party.

20. Pursuant to Article 15(3) of Regulation No 40/94, in conjunction with Article 43(3) thereof, use of an earlier national trade mark by a third party with the consent of the proprietor is deemed to constitute use by the proprietor.

21. It must be stated at the outset that the Court of First Instance has already held that the extent of the examination which the Board of Appeal is required to conduct with regard to the decision under appeal (in this instance the Opposition Division’s decision) does

not depend upon whether or not the party bringing the appeal has raised a specific ground of appeal with regard to that decision, criticising the interpretation or application of a provision by the department at OHIM which heard the application at first instance, or upon that department’s assessment of a piece of evidence (see, to that effect, Case T-308/01 *Henkel v OHIM — LHS (UK) (KLEENCARE)* [2003] ECR II-3253, paragraph 32). Therefore, even if the party bringing the appeal before the Board of Appeal of OHIM has not raised a specific plea, the Board of Appeal is none the less bound to examine whether or not, in the light of all the relevant matters of fact and of law, a new decision with the same operative part as the decision under appeal may be lawfully adopted at the time of the appeal ruling (*KLEENCARE*, paragraph 29). That examination must include consideration of whether, in the light of the facts and evidence put forward by the other party to the proceedings before the Board of Appeal, that party has furnished proof of genuine use, either by the proprietor of the earlier trade mark or by an authorised third party, for the purposes of Article 43(2) and (3) and Article 15(3) of Regulation No 40/94. It follows that the first part of this plea is admissible.

22. However, the relevance of the contention that the applicant did not dispute, before either the Opposition Division or the Board of Appeal, that consent had

- been granted by the proprietor of the earlier mark pertains to the examination of the merits.
23. As is apparent from the invoices submitted by the other party to the proceedings before the Board of Appeal, sales of products under the earlier trade mark were made by Industrias Espadafor SA rather than by the proprietor of the trade mark, although the latter's name also features in the name of the company in question.
  24. Where an opposing party maintains that the use of an earlier trade mark by a third party constitutes genuine use for the purposes of Article 43(2) and (3) of Regulation No 40/94, he claims, by implication, that he consented to that use.
  25. As to the truth of what that implies, it is evident that, if the use of the earlier trade mark, as shown by the invoices produced to OHIM, was without the proprietor's consent and consequently in breach of the proprietor's trade-mark right, it would have been in Industrias Espadafor SA's interests, in the normal course of events, not to disclose evidence of such use to the proprietor of the trade mark in question. Consequently, it seems unlikely that the proprietor of a trade mark would be in a position to submit proof that the mark had been used against his wishes.
  26. There was all the more reason for OHIM to rely on that presumption given that the applicant did not dispute that the earlier trade mark had been put to use by Industrias Espadafor SA with the opposing party's consent. It is not sufficient that the applicant argued generally in the course of the proceedings before OHIM that the evidence produced by the opposing party was not adequate to establish genuine use by the latter.
  27. It is apparent from the documents before the Court that the applicant made very specific criticism of the alleged fact that the volume of sales entailed by the use shown was too low and of the quality of the evidence adduced. However, nothing in the documents submitted by the applicant during the proceedings before OHIM allows the inference to be drawn that the applicant drew OHIM's attention to the fact that the trade mark had been used by a third party or that it expressed doubts as to whether the proprietor of the trade mark had consented to that use.
  28. Those factors formed a sufficiently firm basis to allow the Board of Appeal to conclude that the earlier trade mark had been used with its proprietor's consent.

29. It follows that the first part of the plea alleging infringement of Article 43(2) and (3) of Regulation No 40/94 must be rejected as unfounded.’

18. With regard to the second part of the first plea, namely that OHIM misinterpreted the notion of genuine use, the Court of First Instance ruled as follows:

‘36. As is clear from the ninth recital in the preamble to Regulation No 40/94, the legislature considered there to be no justification for protecting an earlier trade mark except where the mark has actually been used. In keeping with that recital, Article 43(2) and (3) of Regulation No 40/94 provides that an applicant for a Community trade mark may request proof that the earlier mark has been put to genuine use in the territory where it is protected during the five years preceding the date of publication of the Community trade-mark application against which an opposition has been filed (Case T-39/01 *Kabushiki Kaisha Fernandes v OHIM — Harrison (HIWATT)* [2002] ECR II-5233, paragraph 34).

37. Under Rule 22(2) of Commission Regulation (EC) No 2868/95 of 13 Decem-

ber 1995 implementing Council Regulation (EC) No 40/94 on the Community trade mark (OJ 1995 L 303, p. 1), evidence of use must concern the place, time, extent and nature of use of the earlier trade mark. However, the opposing party is not obliged to submit an affidavit concerning the sales made under the earlier trade mark. Articles 43(2) and 76 of Regulation No 40/94 and Rule 22(3) of Regulation No 2868/95 leave it to the opposing party to select the form of evidence which he considers suitable for the purpose of establishing that the earlier trade mark was put to genuine use during the relevant period. Therefore, the applicant’s complaint about the failure to submit an affidavit concerning the total turnover resulting from sales of the products made under the earlier trade mark must be rejected.

38. In interpreting the notion of “genuine use”, account must be taken of the fact that the *ratio legis* of the provision requiring that the earlier mark must have been put to genuine use if it is to be capable of being used in opposition to a trade-mark application is to restrict the number of conflicts between two marks, where there is no good commercial justification deriving from active functioning of the mark on the market (Case T-174/01 *Goulbourn v OHIM — Redcats (Silk Cocoon)* [2003] ECR II-789, paragraph 38). However, the purpose of the provision is not to assess commercial success or to review the economic strategy of an under-

taking, nor is it intended to restrict trade-mark protection to the case where large-scale commercial use has been made of the marks.

relevant to establishing whether the commercial exploitation of the mark is real, particularly whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the products or services protected by the mark, the nature of those products or services, the characteristics of the market and the scale and frequency of use of the mark (*Ansul*, paragraph 43).

39. As is apparent from the judgment of the Court of Justice in Case C-40/01 *Ansul* [2003] ECR I-2439 concerning the interpretation of Article 12(1) of 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), the provisions of which correspond in essence to those of Article 43(2) of Regulation No 40/94, there is genuine use of a trade mark where the mark is used in accordance with its essential function, which is to guarantee the identity of the origin of the goods or services for which it is registered, in order to create or preserve an outlet for those goods or services; genuine use does not include token use for the sole purpose of preserving the rights conferred by the mark (*Ansul*, paragraph 43). In that regard, the condition relating to genuine use of the trade mark requires that the mark, as protected on the relevant territory, be used publicly and outwardly (*Ansul*, paragraph 37, and *Silk Cocoon*, paragraph 39).
40. When assessing whether use of the trade mark is genuine, regard must be had to all the facts and circumstances
41. As to the extent of the use to which the earlier trade mark has been put, account must be taken, in particular, of the commercial volume of the overall use, as well as of the length of the period during which the mark was used and the frequency of use.
42. To examine, in a particular case, whether an earlier trade mark has been put to genuine use, an overall assessment must be carried out, which takes into account all the relevant factors of the particular case. That assessment entails a degree of interdependence between the factors taken into account. Thus, the fact that commercial volume achieved under the mark was not high may be offset by the fact that use of the mark was extensive or very regular, and vice versa. In addition, the turnover and the volume of sales of the product under the earlier trade mark cannot be



assessed in absolute terms but must be looked at in relation to other relevant factors, such as the volume of business, production or marketing capacity or the degree of diversification of the undertaking using the trade mark and the characteristics of the products or services on the relevant market. As a result, the Court has stated that use of the earlier mark need not always be quantitatively significant in order to be deemed genuine (*Ansul*, paragraph 39).

pendent during an uninterrupted period of five years are subject to the sanctions provided for by the regulation. Accordingly, it is sufficient that a trade mark should have been put to genuine use during a part of the relevant period for it not to be subject to the sanctions.

43. In the light of the foregoing, it is appropriate to consider whether OHIM was right to find that the evidence produced by the other party to the proceedings before it established that the earlier trade mark had been put to genuine use.
44. Since the application for a Community trade mark filed by the applicant was published on 5 January 1998, the period of five years referred to in Article 43(2) of Regulation No 40/94 runs from 5 January 1993 to 4 January 1998 (“the relevant period”).
45. As is clear from Article 15(1) of Regulation No 40/94, only trade marks genuine use of which has been suspended during an uninterrupted period of five years are subject to the sanctions provided for by the regulation. Accordingly, it is sufficient that a trade mark should have been put to genuine use during a part of the relevant period for it not to be subject to the sanctions.
46. The invoices submitted by the other party to the proceedings before OHIM establish that the trade mark was put to use between the end of May 1996 and the middle of May 1997, a period of eleven and a half months.
47. They also show that the deliveries were made to a customer in Spain and that they were invoiced in Spanish pesetas. It follows that the products were intended for the Spanish market, which was the relevant market.
48. The value of the volume of sales of the product amounts to no more than EUR 4 800, corresponding to the sale of 293 units, identified as “cajas” (cases) in the invoices, of 12 items each, or 3 516 items in total, the price per unit without value added tax being ESP 227 (EUR 1.36). Although the volume of sales is relatively low, the invoices submitted suggest that the products to which they

refer were marketed relatively regularly throughout a period of over 11 months, a period which is neither particularly short nor particularly close to the publication of the Community trade-mark application filed by the applicant.

49. The sales in question constitute use which objectively is such as to create or preserve an outlet for the products concerned and which entails a volume of sales which, in relation to the period and frequency of use, is not so low that it may be concluded that the use is merely token, minimal or notional for the sole purpose of preserving the rights conferred by the mark.
50. The same is true of the fact that the invoices were made out to a single customer. It is sufficient that the trade mark is used publicly and outwardly and not solely within the undertaking which owns the earlier trade mark or within a distribution network owned or controlled by that undertaking. In this instance, the applicant has not maintained that the addressee of the invoices belongs to the other party to the proceedings before OHIM and none of the circumstances of the case suggests that that is so. Therefore, there is no need to rely on the argument advanced by OHIM at the hearing that the customer is a major supplier of Spanish supermarkets.
51. As to the nature of the use to which the earlier trade mark was put, the products to which the invoices refer are identified as "concentrado" (concentrate), followed, first, by a description of the flavour ("kiwi", "menta" (mint), "granadina" (grenadine), "maracuya" (passion fruit), "lima" (lime) and "azul trop") and, second, by the word "vitafrut" in inverted commas. That name suggests that the products concerned are concentrated fruit juices or juice concentrates of various fruits.
52. Furthermore, it can be seen from the labels produced by the other party to the proceedings that what is at issue are concentrated juices of various fruits, intended for end consumers, and not juice concentrates intended for manufacturers producing fruit juices. Thus, the labels include a description "bebida concentrada para diluir 1 + 3" ("concentrated drink to be diluted 1 + 3"), the drink being evidently intended for the end consumer.
53. As the applicant has stated, the labels bear no date. Therefore, the issue as to whether labels usually bear dates, a proposition advanced by the applicant and challenged by OHIM, is irrelevant. However, although the labels alone are not decisive, they are capable of supporting other evidence produced in the course of the proceedings before OHIM.

54. It follows that the other party to the proceedings before the Board of Appeal furnished proof that sales were made, with its consent, to a Spanish customer during the period from May 1996 to May 1997 of around 300 units of 12 items each of concentrated juices of various fruits, representing sales of approximately EUR 4 800. Although the scale of the use to which the earlier trade mark was put is limited and although it might be preferable to have more evidence relating to the nature of the use during the relevant period, the facts and evidence put forward by the other party to the proceedings are sufficient for a finding of genuine use. Consequently, OHIM was right to find, in the contested decision, that the earlier trade mark was put to genuine use in respect of some of the products for which it was registered, namely for fruit juices.
55. As regards the alleged inconsistency between the contested decision and the decision of the Fourth Board of Appeal of OHIM in Case R 578/2000-4 (HIPOVITON/HIPPOVIT), it should be noted that that decision has been annulled by the judgment of this Court of 8 July 2004 in Case T-334/01 *MFE Marienfelde v OHIM — Vétquinol (HIPOVITON)* [2004] ECR II-2787.
56. In the light of the foregoing, the second part of this plea is unfounded. ...'
19. With regard to the second plea alleging infringement of Article 8(1)(b) of Regulation No 40/94 the Court of First Instance ruled as follows:
  - '63. Upon opposition by the proprietor of an earlier trade mark, a trade mark is not to be registered, pursuant to Article 8(1)(b) of Regulation No 40/94, if the products or services for which registration is sought are identical with or similar to those for which an earlier trade mark is registered and if the degree of similarity between the marks concerned is sufficient for it to be considered that there is a likelihood of confusion on the part of the public in the territory in which the earlier trade mark is protected. Furthermore, under Article 8(2)(a)(ii) of Regulation No 40/94, "earlier trade marks" means trade marks registered in a Member State, with a date of application for registration which is earlier than the date of application for registration of the Community trade mark.
64. In this instance, the applicant is challenging the findings of the Board of Appeal

only in relation to the question as to whether the products described in the trade-mark application as “herbal and vitamin beverages” are identical with or similar to the products in respect of which the earlier trade mark was put to use, namely “fruit juices” (paragraphs 19 and 20 of the contested decision).

65. It has been held that in order to assess the similarity of the products or services concerned, all the relevant features of the relationship between those products or services should be taken into account, including their nature, their end users, their method of use and whether they are in competition with each other or are complementary (Case C-39/97 *Canon* [1998] ECR I-5507, paragraph 23).

66. In this instance, as stated in paragraph 52 above, the earlier trade mark was used for concentrated fruit juices, intended for end consumers, and not for fruit juice concentrates, intended for manufacturers producing fruit juices. Therefore, the applicant’s argument that the products concerned are intended for different purchasers, namely manufacturers in the case of juice concentrates and end consumers in the case of herbal and vitamin beverages, must be rejected.

67. Next, the Board of Appeal rightly stated that the products concerned share the same purpose, that of quenching thirst, and that to a large extent they are in competition. As to the nature and use of the products at issue, in both cases the products concerned are non-alcoholic beverages normally drunk cold, the ingredients being admittedly different in most cases. The fact that their ingredients differ does not, however, affect the finding that they are interchangeable because they are intended to meet an identical need.

68. It follows that the Board of Appeal did not make an error of assessment in finding that the products concerned are similar. This plea is therefore unfounded ...’

20. The Court of First Instance accordingly dismissed the applicant’s appeal.

### The appeal to the Court of Justice

21. The applicant has appealed to the Court of Justice. It has put forward three grounds

of appeal, corresponding exactly to the three issues it raised before the Court of First Instance.

trade mark. That provision states that use of the mark ‘with the consent of the proprietor shall be deemed to constitute use by the proprietor’.

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

24. In essence the applicant’s complaint is that the Court of First Instance did not properly examine whether use of the mark by a third party constituted use by the opposing party within the meaning of Article 15(3).

22. The applicant submits first that the Court of First Instance misinterpreted Article 43(2) and (3) of Regulation No 40/94 in conjunction with Article 15(3) thereof when taking into account use of the VITAFRUT mark by a third party. In particular, the applicant contends that the Court of First Instance misinterpreted the apportionment of the burden of proof provided for in Article 15(1) and (3), took into account non-conclusive (implicit) statements and evidence produced by the opposing party and relied on presumptions instead of solid evidence.

25. I consider that the Court of First Instance correctly examined that question.

26. The Court of First Instance stated that where an opposing party maintains that use by a third party constitutes genuine use ‘he claims, by implication, that he consented to that use’.<sup>6</sup>

23. Article 15(1) is not relevant to the present case since it is limited to sanctions for non-use of a Community trade mark. I shall assume that the applicant intended to refer to Article 43(2), applicable by virtue of Article 43(3). It is however correct that Article 15(3) is applicable by analogy to opposition proceedings based on an earlier

27. It went on to make two specific points. First, if the use by the third party was without the proprietor’s consent, the use would have infringed the proprietor’s trade mark right and it would therefore evidently have been in the third party’s interest not to disclose evidence thereof to the proprietor. It consequently seems unlikely that the pro-

6 — Paragraph 24.

prietor would be in a position to submit evidence of such use.<sup>7</sup>

28. That approach seems eminently sensible. It would be pointless and contrary to the principles of sound administration and procedural economy for OHIM as a matter of course to require a trade mark proprietor to adduce evidence of consent in such circumstances.

29. The matter would of course be different if the applicant had raised before OHIM the issue of the lack of consent. That however is the Court of First Instance's second point: there was nothing in the documents before it suggesting that the applicant in the present case had done so.<sup>8</sup>

30. The Court of First Instance accordingly concluded that the above factors 'formed a sufficiently firm basis to allow the Board of Appeal to conclude that the earlier trade mark had been used with its proprietor's consent'.<sup>9</sup> I agree with that conclusion and consider that the Court of First Instance did not err with regard to the burden of proof.

31. The applicant makes a further point under its first ground of appeal which I confess to finding some difficulty in following.

32. The applicant states that, according to *KLEENCARE*,<sup>10</sup> the Court of First Instance should have decided itself whether, at the time of its ruling, a new decision with the same operative part as the decision of the Board of Appeal of OHIM could have been lawfully adopted. That court therefore erred in law when stating that OHIM could rely at the time of adopting the decision of the Board of Appeal on the presumption that the proprietor of the VITAFRUT trademark consented to the use of that mark by a third party.

33. Paragraphs 25, 26 and 29 of *KLEENCARE* read as follows:

'The case-law shows that there is continuity, in terms of their functions, between the examiner and the Boards of Appeal (Case T-163/98 *Procter & Gamble v OHIM (BABY-*

7 — Paragraph 25.

8 — Paragraphs 26 and 27.

9 — Paragraph 28.

10 — Cited in paragraph 21 of the judgment of the Court of First Instance, set out in point 17 above. The applicant refers to paragraph 29 of *KLEENCARE*.

DRY) [1999] ECR II-2383, paragraphs 38 to 44; Case T-63/01 *Procter & Gamble v OHIM (Soap bar shape)* [2002] ECR II-5255, paragraph 21). That case-law may also be applied appropriately to the relationship between the other departments of the Office deciding on the application at first instance, such as the Opposition Divisions, Cancellation Divisions, and the Boards of Appeal.

In the light of the considerations set out in paragraphs 25 and 26 above, the Court finds that, contrary to what the Office maintains, the extent of the examination which the Board of Appeal must conduct is not, in principle, determined by the grounds relied on by the party who has brought the appeal. Accordingly, even if the party who has brought the appeal has not raised a specific ground of appeal, the Board of Appeal is none the less bound to examine whether or not, in the light of all the relevant matters of fact and of law, a new decision with the same operative part as the decision under appeal may be lawfully adopted at the time of the appeal ruling.'

Accordingly, the powers of the Office's Boards of Appeal imply that they are to re-examine the decisions taken by the Office's departments at first instance. In the context of that re-examination, the outcome of the appeal depends on whether or not a new decision with the same operative part as the decision under appeal may be lawfully adopted at the time of the appeal ruling. Thus, the Boards of Appeal may, subject only to Article 74(2) of Regulation No 40/94, allow the appeal on the basis of new facts relied on by the party who has brought the appeal or on the basis of new evidence adduced by that party.

34. Those paragraphs essentially concern the powers of the Boards of Appeal to rule on the basis of new facts or evidence which were not before the examiner or other departments of OHIM deciding on the application at first instance. In that context they were explicitly considered and applied by the Court of First Instance in its determination that the first part of the applicant's first plea was admissible. I do not however see how those powers of the Boards of Appeal are relevant to the powers of the Court of First Instance when hearing an appeal from a decision of a Board of

...

Appeal, where there is clearly no continuity of function.

that evidence thus does not, save where they distort the evidence, constitute a point of law which is subject, as such, to review by the Court of Justice on appeal.<sup>11</sup>

35. I would accordingly dismiss the applicant's first ground of appeal as unfounded.

38. It must also, in my view, be borne in mind that in general, on a trade mark appeal to the Court of Justice, the issues of fact and law will already have been considered in three previous instances: first by the relevant division of OHIM, second by the Board of Appeal, and third by the Court of First Instance.

## The second ground of appeal

36. The applicant submits second that the Court of First Instance misinterpreted the notion of genuine use within the meaning of Article 43(2) of Regulation No 40/94. It refers in particular to that Court's 'findings' in paragraphs 48 and 49 of the judgment.

39. In any event, all the evidence to which the applicant refers in the present appeal<sup>12</sup> was specifically mentioned and evaluated by the Court of First Instance in paragraphs 46 to 50 of its judgment.

37. On the face of it, and as OHIM submits, those paragraphs contain findings of fact based on the assessment by the Court of First Instance of the evidence before it. It is settled case-law that the Court of First Instance has exclusive jurisdiction to find and appraise the relevant facts and to assess the evidence. The appraisal of those facts and the assessment of

40. Only one of the applicant's arguments seems to me possibly to involve a genuine point of law, namely its claim<sup>13</sup> that the undated labels could not be capable of supporting other evidence as mentioned in

<sup>11</sup> — See most recently Case C-37/03 P *BioID* [2005] ECR I-7975, paragraph 43.

<sup>12</sup> — Paragraphs B(V)(2)(b)(kk) to (qq) on pages 15 and 16

<sup>13</sup> — At paragraph B(V)(2)(b)(ss) on page 17 of the appeal.



paragraph 53 of the judgment. However, it appears from paragraph 52 that the Court of First Instance simply meant that the labels corroborated the evidence from the invoices that the products at issue were concentrated juices of various fruits intended for end consumers rather than juice concentrates intended for manufacturers. Since the applicant does not take issue with that finding of fact — and indeed could not in principle challenge it on appeal — and since moreover the applicant states in its appeal that ‘the goods in question are ... designated for daily use of end consumers’,<sup>14</sup> I consider that the applicant’s submission concerning the undated labels is inadmissible or in the alternative unfounded.

by the Court of Justice in *Ansul*.<sup>17</sup> Those principles have been further explained by the Court in its order in *La Mer Technology Inc*,<sup>18</sup> referred to at the hearing by both parties, but they have not been altered; indeed the order in *La Mer* was made in accordance with Article 104(3) of the Court’s Rules of Procedure precisely because the Court took the view that the answer to the questions referred in that case could be clearly deduced from the judgment in *Ansul*.<sup>19</sup>

42. I am accordingly of the view that the second ground of appeal is inadmissible or in the alternative unfounded.

### The third ground of appeal

41. Finally, I would say that even if the remaining submissions in the applicant’s second ground of appeal were regarded as raising points of law and hence as admissible, it seems to me that, in reaching its conclusion that the Board of Appeal correctly interpreted the notion of genuine use, the Court of First Instance carefully analysed<sup>15</sup> and conscientiously applied<sup>16</sup> the purpose of the requirement of genuine use and the principles concerning that notion laid down

43. The applicant submits third that the Court of First Instance incorrectly applied

14 — Paragraph B(V)(2)(b)(oo) on page 16.

15 — Paragraphs 36 and 38 to 42.

16 — Paragraphs 44 to 54.

17 — Case C-40/01 [2003] ECR I-2439.

18 — Case C-259/02 [2004] ECR I-1159.

19 — Paragraph 14 of the order. The Court in fact took that view of the first six questions referred, all of which concerned the extent and type of use, whereas with regard to the seventh question, which concerned the relevance of use after the filing of the application, which does not directly arise in the present case, it considered that the answer left no room for reasonable doubt. The judgment of 29 July 2005 of the Court of Appeal, England and Wales, delivered on appeal from the decision of the referring court, contains some interesting and helpful discussion of the issues ([2005] EWCA Civ 978).

Article 8(1)(b) of Regulation No 40/94 in concluding<sup>20</sup> that the Board of Appeal had not made an error of assessment in finding that the products concerned were similar.

and makes a number of assertions which it considers to support its view that the products concerned are not similar. Most of those assertions replicate verbatim, or very nearly so, its assertions to the same effect before the Court of First Instance,<sup>22</sup> although several others are raised for the first time before this Court. They are all statements of fact.

44. In particular the applicant argues that the Court of First Instance, having 'correctly pointed out that, in order to assess the similarity of the products or services concerned, all the relevant features of the relationship between those products or services should be taken into account, including their nature, their end users, their method of use and whether they are in competition with each other or are complementary ... only took a few of these relevant factors of the goods in question into account, namely their end users, their methods of use and whether they are in competition with each other'.

47. In my view, the applicant has not identified any error of law by the Court of First Instance. I agree with OHIM that the third ground of appeal is limited to the facts and should accordingly be dismissed as inadmissible.

45. The only factor mentioned in the first of those lists and missing from the second is the nature of the products, which the Court of First Instance did in fact take into account.<sup>21</sup>

48. In any event, the judgment seems to me to contain a correct summary of the principles governing assessment of similarity laid down by the Court of Justice in *Canon*<sup>23</sup> and a correct application of those principles to the present case.<sup>24</sup>

46. The applicant states that the assessment of the Court of First Instance in paragraphs 66 and 67 of the judgment 'is not convincing'

49. I accordingly consider that the third ground of appeal is inadmissible or in the alternative unfounded.

<sup>20</sup> — In paragraph 68.

<sup>21</sup> — See paragraph 67 of its judgment, set out in point 19 above.

<sup>22</sup> — Thus points B(V)(3)(b)(aa), (bb), (cc) and (ee)(aaa) and (bbb) of the appeal are in identical or similar terms to points B(III)(2)(c)(bb), (cc), (dd) and (ee) of the application before the Court of First Instance, summarised in paragraphs 59 to 61 of the judgment.

<sup>23</sup> — Case C-39/97 [1998] ECR I-5507.

<sup>24</sup> — See paragraphs 65 to 67.

## **Conclusion**

50. For the reasons given above I am of the view that the Court should:

- (1) dismiss the appeal;
- (2) order the applicant to pay the costs.