

OPINION OF ADVOCATE GENERAL
JACOBS

delivered on 11 March 2004¹

1. This is an appeal against a judgment² partially annulling a refusal to register 'SAT.2' as a Community trade mark for various categories of services. Issues raised are: (i) whether Article 7(1)(b) of the Community Trade Mark Regulation³ pursues the aim of keeping signs which lack distinctiveness free for general use; (ii) the way in which the overall assessment of the distinctiveness of a sign composed of several elements is to be carried out; and (iii) the way in which the principle of non-discrimination is to be applied when a refusal to register a particular trade mark is alleged to conflict with previous practice.

consist of any signs capable of being represented graphically, particularly words, including personal names, designs, letters, numerals, the shape of goods or of their packaging, provided that such signs are capable of distinguishing the goods or services of one undertaking from those of other undertakings.'

3. Under Article 7, headed 'Absolute grounds for refusal':

1. The following shall not be registered:

Legislation

2. Article 4 of the Trade Mark Regulation provides: 'A Community trade mark may

(a) signs which do not conform to the requirements of Article 4;

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

1 — Original language: English.

2 — Case T-323/00 *SAT.1 SatellitenFernsehen v OHIM* [2002] ECR II-2839.

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

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

(iii) the shape which gives substantial value to the goods;

...'⁴

(d) trade marks which consist exclusively of signs or indications which have become customary in the current language or in the bona fide and established practices of the trade;

4. Under Article 7(3), 'Paragraph 1(b), (c) and (d) shall not apply if the trade mark has become distinctive in relation to the goods or services for which registration is requested in consequence of the use which has been made of it.'

Outline of the procedure

(e) signs which consist exclusively of:

5. On 15 April 1997, SAT.1 SatellitenFernsehen GmbH ('SAT.1'), a satellite television company, applied to the Office for Harmonisation in the Internal Market (trade marks and designs) ('the Office') to register 'SAT.2' as a Community trade mark for goods in several classes, and for services in Classes 35, 38, 41 and 42, of the Nice Agreement.⁵ According to their headings, the latter classes cover essentially: advertising and business or office management; telecommunications; education, training, entertainment, sporting and cultural activities; and services

(i) the shape which results from the nature of the goods themselves; or

(ii) the shape of goods which is necessary to obtain a technical result; or

4 — The remaining subparagraphs (f) to (j) prohibit the registration of, in summary: marks contrary to public policy or accepted morality; deceptive marks; marks making unauthorised use of emblems, badges or hallmarks; and geographical indications for wines or spirits not having that origin.

5 — 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.

not classified elsewhere. The application was in respect of a detailed list of services under each of those headings. The examiner refused the application in respect of all the services mentioned, 'in so far as they refer to satellites or to satellite television, in the widest sense'. The Second Board of Appeal dismissed SAT.1's objection to that refusal in so far as it concerned services in Classes 38, 41 and 42, holding, essentially, that the sign was descriptive and that it lacked distinctive character, thus falling within both Article 7(1)(b) and (c) of the Trade Mark Regulation.

6. In SAT.1's further challenge before the Court of First Instance, that Court annulled the Board of Appeal's decision in so far as it had failed to rule on the applicant's claims with regard to services in Class 35⁶ and in so far as it concerned certain types of service listed in the application but not connected with satellite broadcasting.⁷

7. The Court of First Instance also accepted, in respect of all the relevant services, the applicant's argument under Article 7(1)(c) of the Trade Mark Regulation: it held that the combination 'SAT.2' was not exclusively

descriptive for the purposes of the provision.⁸

8. It none the less dismissed the challenge with regard to all of the services listed which 'have to do with broadcasting via satellite', on the ground that 'SAT.2', although not descriptive, lacked any distinctive character in relation to those services, within the meaning of Article 7(1)(b). In reaching that view, the Court of First Instance reasoned essentially as follows.⁹

9. The absolute grounds for refusal in Article 7(1)(b) to (e) of the Trade Mark Regulation pursue an aim in the public interest, of ensuring that the signs they refer to may be freely used by all. Article 7(1)(b) thus covers in particular marks which are or can be commonly used in trade for the presentation of the goods or services concerned. Distinctiveness must be assessed by reference both to those goods or services and to the way the mark is perceived by the relevant public. Here, the relevant public consisted of film and media professionals or of average consumers, depending on the specific type of service.

6 — Paragraphs 18 to 21 of the judgment under appeal.

7 — *Ibid.*, paragraphs 42 to 44.

8 — *Ibid.*, paragraphs 24 to 28.

9 — *Ibid.*, paragraphs 34 to 57.

10. As a compound trade mark, 'SAT.2' was to be considered as a whole when assessing its distinctiveness. However, each feature could be examined in turn. First, 'SAT' had been established to be a usual German and English abbreviation designating a characteristic (a link to satellite broadcasting) of most of the services concerned. It was thus devoid of any distinctive character in relation to those services. Next, numbers such as '2' were commonly used in trade for the presentation of the services concerned, and were therefore devoid of distinctive character in that regard. Finally, the element '.' was commonly used in trade for the presentation of all sorts of goods and services. 'SAT.2' as a whole thus consisted of a combination of elements each of which was capable of being commonly used in trade for the presentation of the services concerned, and was consequently devoid of any distinctive character in relation to them.

11. The fact that a compound trade mark consists only of elements devoid of distinctive character generally justifies the conclusion that, considered as a whole, it is also capable of being commonly used in trade for the presentation of the goods or services concerned. Such a conclusion could be

negated only if there were evidence — lacking in the present case — that the compound mark was greater than the sum of its parts.

12. With regard to SAT.1's remaining plea, alleging breach of the principle of equal treatment in that the Office had departed from its own previous decisions with regard to trade marks consisting of numbers and letters, the Court of First Instance reasoned essentially as follows.¹⁰ If a sign was correctly accepted for registration in one case but a contrary decision adopted in a later, similar case, the second decision must be annulled for infringement of the relevant provisions of the Trade Mark Regulation; no plea alleging breach of the principle of non-discrimination could validly be raised. If, on the other hand, a sign was wrongly accepted for registration and again a contrary decision adopted in a later, similar case, the first decision could not successfully be relied on in annulment of the later decision. The principle of equal treatment must be reconciled with that of legality, and no person may rely, in support of his claim, on unlawful acts committed in favour of another. In either event, no ground for annulment of the

10 — Ibid., paragraph 61, citing Case 188/83 *Witte v Parliament* [1984] ECR 3465, paragraph 15 of the judgment, and Case 134/84 *Williams v Court of Auditors* [1985] ECR 2225, paragraph 14.

second decision can lie in an alleged breach of the principle of non-discrimination.

to consider briefly the concept of distinctiveness as used in Article 7(1)(b) of the Trade Mark Regulation.

13. SAT.1 submits that the Court of First Instance misinterpreted Article 7(1)(b) of the Trade Mark Regulation, essentially in three respects: it was wrong to consider that Article 7(1)(b) pursues the public-interest aim of keeping certain signs available to be freely used by all; in assessing the distinctiveness of 'SAT.2' it applied a criterion not to be found in the provision, namely likelihood of use in trade for the presentation of the relevant products; and in doing so it failed to assess the distinctiveness of the mark as a whole but merely examined each part separately. In the alternative, SAT.1 argues that the Court of First Instance misapplied the principle of non-discrimination by wrongly treating its plea as referring to previous individual decisions, whereas it was the Office's consistent practice with regard to marks containing numerals and abbreviations which was in issue.

15. That notion has given rise to some difficulty because the ban on registration of trade marks which are 'devoid of any distinctive character' appears to repeat, in different terms, the requirement that a trade mark must be 'capable of distinguishing the goods or services of one undertaking from those of other undertakings', contained in Article 4 and, by reference, Article 7(1)(a). Is this mere repetition, or do the concepts differ?

Principal ground of appeal: misinterpretation of Article 7(1)(b)

The concept of distinctiveness

14. Before examining the specific arguments put forward in the appeal, it may be helpful

16. The simplest answer appears to be that indicated by Article 7(3), under which Article 7(1)(b), (c) and (d) — but not (a) — do not apply if the trade mark has, through use, become distinctive in relation to the goods or services for which registration is requested. In that light, it seems sensible to assume that Articles 4 and 7(1)(a) refer to a general, absolute, abstract capacity to distinguish products of different origins, whereas Article 7(1)(b) is intended to connote distinctiveness in relation to the class of product in question.

17. Thus, in the present case, if separate registration were sought for each of the individual elements, the element ‘.’ — for which no distinctiveness is in fact claimed — might be seen to lack any distinguishing capacity whatever, whereas the distinctiveness or otherwise of ‘SAT’ might have to be assessed in the context of the relevant services. If that were the case, registration of the former would be precluded — for all goods or services — by both Article 7(1)(a) and (b), whereas the latter might be viewed, in the context of Article 7(1)(b) alone, as distinctive in relation to some products but not in relation to others.

in relation to those goods or services. The Court has however never held Article 7(1)(b) to have the same aim; it has stressed rather that the essential function of a trade mark is to distinguish between products of different origins and to guarantee, in a system of undistorted competition, that all the products bearing it originated under the control of a single undertaking which is responsible for their quality and which must be in a position to keep its customers by virtue of that quality.¹² It is for that reason that non-distinctive signs may not be registered as trade marks, and not in order to keep them free for general use.

The aim of Article 7(1)(b)

Argument

18. SAT.1 accepts that it follows from *Windsurfing Chiemsee*¹¹ that Article 7(1)(c) of the Trade Mark Regulation seeks to ensure that signs or indications descriptive of goods or services may be freely used by all

19. The Office submits that it is clearly in the public interest for signs which lack distinctive character not to be registered as trade marks. In *Canon*¹³ the Court stressed that for reasons of legal certainty and sound administration it is necessary to ensure that trade marks whose use could successfully be challenged before the courts are not registered. Signs comprising simply one of a limited series of elements in common use — such as letters, numerals or basic colours — could provide only limited distinctiveness, and numerals in particular must remain available to designate quantities.

11 — Joined Cases C-108/97 and C-109/97 [1999] ECR I-2779, in particular at paragraph 25 of the judgment, with regard to Article 3(1)(c) of the Trade Marks Directive (First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks, OJ 1989 L 40, p. 1), which is identical in wording to Article 7(1)(c) of the Trade Mark Regulation but which concerns national, rather than Community, trade marks.

12 — See Case C-39/97 *Canon* [1998] ECR I-5507, paragraph 28 of the judgment; Case C-10/89 *CNL-SUCAL v HAG GF (HAG II)* [1990] ECR I-3711, paragraph 13; Case C-299/99 *Philips v Remington* [2002] ECR I-5475, paragraph 30.

13 — Cited in note 12, paragraph 21 of the judgment.

Assessment

20. It is established that each ground for refusing registration must be interpreted in the light of the public interest which underlies it.¹⁴

21. The interest underlying Article 7(1)(c) is that 'descriptive signs or indications relating to the characteristics of goods or services in respect of which registration is sought may be freely used by all'. That was first stated, with regard to the identically-worded Article 3(1)(c) of the Trade Marks Directive, in *Windsurfing Chiemsee*,¹⁵ recently reaffirmed in *Linde*.¹⁶ It has been even more recently reiterated in the context of Article 7(1)(c) of the Regulation in *Doublemint*.¹⁷

22. It is not difficult to understand why that is so. To allow one trader to monopolise a

term which may serve to designate a product's characteristics would be to accord him an unfair advantage over competitors who have a legitimate interest in being able to use the term descriptively.

23. Such reasoning can be transposed to Article 7(1)(d) and (e), respectively for terms which have become customary for a product and for shapes which are in some way closely bound up with its nature.¹⁸

24. I do not however consider that it can be transposed without qualification to Article 7(1)(b). There is no obvious reason why signs which simply lack any distinctive character — even if that lack is not absolute but relates only to the goods or services concerned — should be kept free for general use unless the signs themselves also have some close relationship with the relevant products, in particular one of the types of relationship specified in subparagraphs (c) to (e). No relationship of that kind is implied simply by the fact that a sign lacks distinctive character.

14 — See for example *Philips*, cited in note 12, paragraph 77 of the judgment.

15 — Cited in note 11, paragraph 25 of the judgment.

16 — Joined Cases C-53/01 to C-55/01 *Linde and Others* [2003] ECR I-3161, paragraph 73 of the judgment and paragraph 2 of the operative part.

17 — Case C-191/01 P *OHIM v Wrigley* ECR I-12447 paragraph 31 of the judgment of 23 October 2003.

18 — With regard to Article 3(1)(e) of the Directive (identical to Article 7(1)(e) of the Regulation), see *Philips*, cited in note 12, paragraphs 78 to 80 of the judgment. The aims pursued by subparagraphs (f) to (j) are different but clear from their content: see note 4.

25. It is true that in *Libertel*,¹⁹ which concerned an application for the registration of a colour *per se* as a trade mark, and involved interpreting Article 3(1)(b) of the Trade Marks Directive (identical in wording to Article 7(1)(b) of the Regulation), the Court held that, in assessing the potential distinctiveness of a given colour as a trade mark, regard must be had to the general interest in not unduly restricting the availability of colours for other traders providing goods or services of the type in respect of which registration is sought.

26. However, that interest is not identical to the one underlying Article 7(1)(c). The *Libertel* judgment speaks not of keeping signs available to be 'freely used by all' but rather of 'not unduly restricting' their availability. It does so, moreover, in the specific context of signs of which there is a limited range, the number of colours which the average consumer is capable of distinguishing being limited.²⁰ In the context of the present case, the probability that such a

consumer can recognise as distinctive a much wider range of numbers seems relevant.

27. It may further be borne in mind that (if one includes black and white as colours) it is impossible to conceive of a visual trade mark, a product get-up or any visual advertising which does not use at least one, and in the overwhelming majority of cases at least two, colours from the limited range available, whereas it will be a matter of choice whether to use any element at all from other types of limited range, such as numbers or punctuation marks. Moreover, the registration of a colour *per se*, as opposed to a specific shape or form bearing that colour, might be likened, if transposed for example to the field of numbers, to the registration of any expression of duality ('2', 'II', 'ii', 'two', 'deuce', 'twain', 'twin', 'double' etc., and their equivalents in other languages), as opposed to the specific digit '2'.

28. The statement at paragraph 36 of the judgment under appeal, to the effect that the aim of Article 7(1)(b) is to keep the signs to which it refers available to be freely used by all, thus goes appreciably further than what I consider to be a correct interpretation of the law. Although perhaps not decisive in itself, that statement is likely to have influenced the final assessment of the registrability of 'SAT.2'; the application of a test whose aim

19 — Case C-104/01 *Libertel Groep* [2003] ECR I-3793, judgment delivered after the appeal and response were lodged in the present case; see in particular, in the present context, paragraphs 44 to 60.

20 — Paragraph 47 of the judgment. See also paragraph 81 of Advocate General Ruiz-Jarabo's Opinion of 6 November 2003 in Joined Cases C-456/01 P and C-457/01 P *Henkel v OHIM*, Joined Cases C-468/01 P to C-472/01 P *Procter & Gamble v OHIM* and Joined Cases C-473/01 P and C-474/01 P *Procter & Gamble v OHIM* (the 'Multicoloured detergent tablets' cases).

is to keep signs available to be freely used by all will inevitably be more severe than that of a test aimed simply at not unduly restricting the availability of other types of sign whose range is limited.

elements. 'SAT.2', taken as a whole, is not descriptive of any of the types of service in question but is an easily memorised invention, and thus capable of distinguishing products according to their origin. SAT.1 cites the *Baby-Dry* judgment²¹ to the effect that innovative, non-descriptive terms are capable of distinctiveness.

Approach to assessment of the mark as a whole

Argument

29. SAT.1 submits that the Court of First Instance should have considered whether 'SAT.2' allowed the relevant sector of the public to distinguish the services designated from those of a different trade origin. To say that 'SAT' is a usual abbreviation for 'satellite' and that '.' and '2' are commonly used in trade for the presentation of such services is not relevant in that regard. Whether an element may be used in that way is a criterion not for Article 7(1)(b) but for Article 7(1)(c) or (e). Article 7(1)(b) is not intended as a residual ground for refusal of signs which are not *exclusively* descriptive.

31. The Office notes that 'SAT.2' as a whole is not descriptive and thus cannot be refused on the basis of Article 7(1)(c) but that, according to the findings of fact made by the Court of First Instance and not challengeable on appeal, it comprises an element 'SAT', which is descriptive (and thus non-distinctive), and an element '2', which is neither descriptive nor distinctive (there being no need to take account of the element '.'). Each mark must certainly be assessed as a whole, and what counts is whether it is capable of distinguishing products according to their origin; however, the mere addition of a non-distinctive element to a descriptive element cannot create a mark which is distinctive as a whole unless the manner of combination creates a whole greater than the sum of the parts, which is not the case here.

30. What matters moreover is the overall perception by the consumer, who does not analyse a trade mark into its constituent

21 — Case C-383/99 P *Procter & Gamble v OHIM* [2001] ECR I-6251, paragraphs 40 and 42 to 45.

32. SAT.1's implication that any sign which is not descriptive must have the capacity to distinguish is illogical, and wrong; such reasoning would deprive Article 7(1)(b) of any independent scope. Nor does Article 7(1)(c) cover merely a subset of the situations caught by Article 7(1)(b). The *Baby-Dry* judgment does not support SAT.1's view, since it concerns the descriptiveness of an inventive and syntactically unusual juxtaposition of two descriptive elements, not the distinctiveness of the addition of a non-distinctive element to a descriptive one. In any event, the criterion of 'any perceptible difference'²² cannot be satisfied by the addition of a banal element such as a numeral or, say, an italic typeface.

34. It then considered, in the course of paragraphs 41 to 47, that 'SAT' 'designates a characteristic of most of the services concerned which is likely to be taken into account by the relevant public when making its choice, namely the fact that they have to do with broadcasting via satellite' and is thus devoid of any distinctive character in relation to those services, whereas the elements '2' and '.' are commonly used in trade for the presentation of such services and therefore devoid of distinctive character in the same regard.

35. At paragraphs 49 and 50, it went on to say that:

Assessment

33. At paragraph 39 of the judgment under appeal, the Court of First Instance stated: 'Since what is involved is a compound trade mark, appraisal of its distinctive character calls for it to be considered as a whole. However, that is not incompatible with an examination of each of the trade mark's individual features in turn.'

'[T]he fact that a compound trade mark consists only of elements devoid of distinctive character generally justifies the conclusion that that trade mark, considered as a whole, is also capable of being commonly used, in trade, for the presentation of the goods or services concerned. The conclusion would not apply only if concrete evidence, such as, for example, the way in which the various elements were combined, were to indicate that the compound trade mark was greater than the sum of its parts.'

In the present case, there does not appear to be such evidence. ... [T]he applicant's argu-

22 — *Baby-Dry*, paragraph 37 of the judgment.

ment that the trade mark applied for, considered as a whole, has an element of imaginativeness, is irrelevant.’

36. The Court of First Instance thus concluded that ‘SAT.2’ was devoid of distinctive character with regard to those of the relevant products which ‘have to do with broadcasting via satellite’.

37. SAT.1 criticises, essentially, two aspects of that reasoning: the assessment of the individual elements ‘SAT’ and ‘2’, and the assessment of the mark as a whole.

38. When considering those criticisms, it should be noted that the Court of First Instance was correct to state that assessment in the light of Article 7(1)(b) must be of the mark as a whole. It is established case-law that, in general, trade marks must be assessed in the light of the overall impression which they make on the relevant consumer, since the consumer, although deemed to be reasonably well informed, observant and circumspect, ‘normally perceives a mark as a whole and does not proceed to analyse its various details’.²³

39. It may none the less be helpful, as an intermediate stage in that overall assessment, to examine in turn each of the mark’s component parts, and the Court of First Instance cannot be criticised for having done so.

40. With regard to the examination of the element ‘SAT’, I can find no fault with the conclusion, from the premiss that ‘SAT’ is descriptive in relation to services connected with satellite broadcasting, that it also lacks distinctiveness in relation to the same products. Whilst Article 7(1)(b) and (c) provide separate grounds for refusal of registration, there is a degree of overlap between the different situations which they cover, and a term which may be used in trade to designate characteristics of a product is likely to lack distinctive character in relation to that product;²⁴ here the conclusion is manifestly correct.

41. As regards the examination of the element ‘2’, the appellant’s criticism is in my view more compelling. The Court of First Instance, it submits, introduced a new criterion, not to be found in Article 7(1)(b), when it said that ‘numbers in general and the number “2” in particular are commonly used,

²³ — See, for example, with regard to various types of assessment, Case C-251/95 *SABEL* [1997] ECR I-6191, paragraph 23 of the judgment; *Baby-Dry*, paragraph 40; Case C-291/00 *LTJ Diffusion* [2003] ECR I-2799, paragraph 52.

²⁴ — See, for example, Case C-265/00 *Campina Melkunie*, judgment of 12 February 2004 ECR I-2799, paragraphs 18 and 19.

in trade, for the presentation of the services concerned' and therefore lack distinctive character in that regard.²⁵

42. It does indeed seem to me that the conclusion is faulty. Whilst a descriptive element commonly used in trade for the presentation of goods or services is very likely also to lack distinctiveness, that reasoning cannot be extended automatically to non-descriptive elements. Numbers in particular are commonly used in many and varied areas — administrative forms, golf clubs and bus routes to name but three — to distinguish between categories of items, goods or services,²⁶ and they appear to perform that function well. There is no inherent reason why numerals — which are expressly included in the list in Article 4 of the Regulation — should not also distinguish between the products of different suppliers. The approach taken by the Court of First Instance appears however to conflate the criterion of distinctiveness in Article 7(1)(b) with that of descriptiveness in Article 7(1)(c).

43. Finally and most importantly, the nature of each component is in any event merely a factor to be taken into consideration when assessing the whole. As a *reductio ad absurdum*, it might be pointed out that, if one were to consider that each letter of the alphabet individually lacked distinctiveness,²⁷ one could draw no conclusion from that as to the distinctiveness of a word mark necessarily made up of such letters.

44. The fact that a mark consists exclusively of elements which individually lack distinctive character in relation to the relevant products therefore cannot give rise to an automatic presumption that the mark as a whole also lacks distinctive character, which can be rebutted only by evidence of an additional factor, such as a particular mode of combination of the elements, and which in the absence of such evidence renders unnecessary any assessment of the mark as a whole.

45. On the contrary, since the mark as a whole may or may not be 'greater than the sum of its parts', a separate examination of the whole is always required. Yet the Court of First Instance in paragraphs 49 and 50 of

25 — Paragraph 46 of the judgment under appeal.

26 — These are cases where the number is used as an identification, as opposed to indications of size, for example, where it is clearly descriptive.

27 — But see William Cornish and David Llewelyn, *Intellectual Property* (5th edition 2003), at paragraph 17-32, p. 663, and the case-law cited there.

the judgment under appeal did not carry out that examination.

comparable to the examination guidelines which it issues. Marks which have been accepted by the Office include, for telecommunications, 'T-SAT', 'One Tel', 'One.Tel' and 'MEDIA 4'.

46. I am thus of the view that the Court of First Instance erred in its application of Article 7(1)(b) of the Trade Mark Regulation: first, in concluding, from the fact that numbers in general and the number '2' in particular are commonly used in trade for the presentation of the services concerned, that they lack distinctive character in that regard; second, in failing to assess the distinctive character of the mark 'SAT.2' as a whole and in considering irrelevant the applicant's argument that the mark as a whole possessed an element of imaginative-ness.

48. The Office objects that the ground of appeal concerns an alleged breach of the principle of equal treatment by the Office and not by the Court of First Instance. SAT.1 is thus seeking a re-examination by the Court of Justice of its plea at first instance concerning the Office's practice, which is not admissible in an appeal.

Alternative ground of appeal: breach of the principle of non-discrimination

Assessment

Argument

47. SAT.1 submits that the Court of First Instance's reasoning is relevant where there are conflicting individual decisions but not when, as alleged both at first instance and in the course of the registration proceedings, the Office has followed a consistent and clearly identifiable practice in the past,

49. Having reached the conclusion that the main ground of appeal should succeed, I shall comment only briefly on the alternative ground.

50. First, it seems clear to me that SAT.1 is alleging here that the Court of First Instance's assessment of its original plea concerning unequal treatment by the Office

was based on an error in law. In dismissing that plea, SAT.1 alleges, the Court of First Instance applied legal reasoning appropriate to a comparison between individual cases, not to a comparison between an individual decision and a consistent practice. The ground of appeal is therefore admissible.

important to maintain consistency in such a context. Indeed, the Office's own Examination Guidelines²⁹ state that 'there must be consistency in decision making so that all applicants are treated equally. Examiners have a responsibility to keep up to date with decisions by their colleagues, particularly by the Boards of Appeal and by the Court of First Instance and the European Court of Justice.'

51. Second, the approach taken by the Court of First Instance seems in principle unimpeachable. If a previous decision of the Office was wrong, it cannot be relied on to support annulment of a subsequent correct decision — no person may rely, in support of his claim, on unlawful acts committed in favour of another.²⁸ Where — as I consider to be the case here — the situation is reversed, the second decision must be annulled in any event, and the principle of non-discrimination does not come into play.

Substance of the action at first instance

53. The only issue which remains to be determined is whether the mark 'SAT.2' as a whole lacks distinctive character, within the meaning of Article 7(1)(b) of the Trade Mark Regulation, in relation to services connected with satellite broadcasting.

52. Third, that reasoning is postulated in particular on the statement that the Boards of Appeal exercise circumscribed, not discretionary, powers when they decide on registrability. However, whilst any discretion is indeed limited, a degree of subjectivity is inevitable when assessing the distinctiveness of a mark, even within the correct application of the law. It seems particularly

54. Pursuant to Article 61 of the Court's Statute, that matter may be decided either by the Court of Justice, if the state of the proceedings permits, or by the Court of First Instance on referral back. In the present case, the point has been sufficiently argued, and it

²⁸ — Paragraph 61 of the judgment under appeal.

²⁹ — Of 26 March 1996, paragraph 2.2.

would not be in the interests of procedural economy to refer the case back to the Court of First Instance. Indeed, in view of the considerations which I have set out above, little further analysis is required.

of advertising revenue and audience ratings create a powerful need for product loyalty.³⁰

55. 'SAT.2' is a compound sign of a format very common in the field of broadcasting. The long list of comparable examples in various European countries would include 'BBC 1', 'Kanaal 2', 'MTV 3', 'TV4', 'Tele 5', 'M6', 'RTL 7' and so on. In some cases, the non-numerical element is distinctive in its own right, in others, it is descriptive in the same way as the Court of First Instance held 'SAT' to be descriptive in relation to satellite broadcasting services, and may therefore be regarded as lacking distinctiveness in that regard.

56. However, the presence of a numerical identifier is clearly designed to ensure distinctiveness. The very commercial use of these signs to designate television channels and associated products seems ample proof of the success of that approach. If the average consumer of television programmes and spin-offs had difficulty in identifying such signs as differentiating between products and their origins, they would not be used, particularly since the commercial pressures

57. Nor does the aim of 'not unduly restricting' the availability of certain signs, which is one of the aims of Article 7(1)(b), appear relevant here. Where a mark consists of a numerical and a non-numerical element, the latter may or may not be descriptive; in either event, the choice is not particularly restricted. There is of course a practical limit to the range of numbers which may realistically be used, but it is high. When the two types of element are put together, the number of distinctive and distinguishable combinations is very high indeed. If consumers can identify, for example, a satellite television channel by means of a sign such as 'SAT.2', they can clearly distinguish it from other combinations involving different letters and/or numbers which other broadcasters might wish to register as trade marks.³¹

30 — In a rather different field, one might compare 'Pastis 51' and 'VAT 69' as clearly distinctive brand names comprising only a descriptive element and a distinctive number.

31 — The question here, it must be remembered, concerns one of the absolute grounds for refusal under Article 7 of the Regulation; in this context, considerations which might be relevant in the context of an opposition or an infringement action based on a relative ground of invalidity such as the prior existence of a similar mark for similar products do not necessarily come into play.

58. Consequently, I take the view that the Board of Appeal was wrong to consider that 'SAT.2', viewed as a whole, was devoid of distinctive character in relation to the relevant services.

Conclusion

59. I am therefore of the opinion that the Court should:

- quash the judgment of the Court of First Instance in Case T-323/00 in so far as it dismissed the application in that case on the ground that registration of 'SAT.2' as a Community trade mark for services connected with satellite broadcasting was precluded by Article 7(1)(b) of the Trade Mark Regulation;
- annul Decision R 312/1999-2 of the Second Board of Appeal in so far as it has not already been annulled by the judgment in Case T-323/00; and
- order the Office to pay the costs both at first instance and on appeal.