



Court of Justice of the European Union

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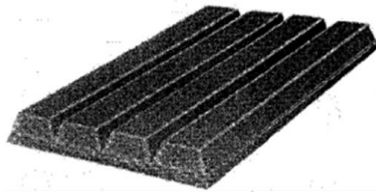
Advocate General's Opinion in Joined Cases C-84/17 P Société des produits Nestlé SA v Mondelez UK Holdings & Services Ltd, formerly Cadbury Holdings Ltd and EUIPO, C-85/17 P Mondelez UK Holdings & Services Ltd, formerly Cadbury Holdings Ltd v EUIPO, and C-95/17 P EUIPO v Mondelez UK Holdings & Services Ltd, formerly Cadbury Holdings Ltd

Press and Information

**According to Advocate General Wathelet, EUIPO must re-examine whether the three-dimensional shape of the 'Kit Kat 4 fingers' product may be maintained as an EU trade mark**

*He proposes that the appeals brought by Nestlé, EUIPO and Mondelez be dismissed and states that Nestlé did not adduce sufficient evidence to show that its trade mark had acquired distinctive character*

In 2002, Nestlé applied to EUIPO (European Union Intellectual Property Office)<sup>1</sup> to register the following three-dimensional sign as an EU trade mark, which corresponds to the 'Kit Kat 4 fingers' product which it markets:



In 2006 EUIPO registered the mark in respect of the following goods: 'Sweets; bakery products; pastries; biscuits; cakes; waffles'.

In 2007 Cadbury Schweppes (now Mondelez UK Holdings & Services) filed an application with EUIPO for a declaration of invalidity of the registration. In 2012 EUIPO rejected that application; it took the view that Nestlé's mark had acquired distinctive character through the use that had been made of it in the EU. Mondelez brought an action before the General Court for the annulment of EUIPO's decision.

By its judgment of 15 December 2016,<sup>2</sup> the General Court annulled EUIPO's decision. It considered that EUIPO had erred in law in finding that the mark at issue had acquired distinctive character through use in the EU, when such acquisition had been proved only for part of the territory of the EU.

Although it had been established that the mark at issue had acquired distinctive character through use in ten countries (Denmark, Germany, Spain, France, Italy, the Netherlands, Austria, Finland, Sweden, and the UK), the General Court held that EUIPO could not validly conclude its examination without ruling on the relevant public's perception of the mark in four other Member States in particular (Belgium, Ireland, Greece and Portugal) and without analysing the evidence adduced in respect of those Member States.

Nestlé, Mondelez and EUIPO have appealed to the Court of Justice against the judgment of the General Court.

<sup>1</sup> At the time EUIPO was still called the Office for Harmonisation in the Internal Market (OHIM).

<sup>2</sup> Case: [T-112/13](#) see Press Release [138/16](#)

Mondelez complains that the General Court found that the mark at issue had acquired distinctive character through use in Denmark, Germany, Spain, France, Italy, the Netherlands, Austria, Finland, Sweden, and the UK.

Nestlé and EUIPO submit that the General Court was wrong to hold that the proprietor of an EU trade mark must show that that trade mark has acquired distinctive character through use in each of the Member States separately. They argue that the General Court's interpretation is incompatible with the unitary character of the European trade mark and the very existence of a single market.

In today's Opinion, Advocate General Melchior Wathelet considers, first of all, that **Mondelez's appeal is manifestly inadmissible and must be dismissed.**

In that regard, the Advocate General points out that the Statute of the Court of Justice provides that an appeal may be brought by 'any party which has been unsuccessful, in whole or in part, in its submissions'. However, according to the case-law of the Court, a party which had asked the General Court to annul an EU act is not considered to have been unsuccessful, even partially, in its submissions where the General Court granted the relief sought.

**The Advocate General notes that, by its judgment, the General Court annulled the decision taken by EUIPO. As EUIPO explained at the hearing, that annulment implies that, in the absence of an appeal and given the reasoning and the operative part of the judgment of the General Court, EUIPO would have been obliged to declare the trade mark at issue invalid, since that declaration of invalidity was essentially the aim of Mondelez's application to EUIPO. Consequently, Mondelez cannot be considered to have been unsuccessful, in whole or in part, in its claims submitted before the General Court. Moreover, contrary to what is required by Article 169(1) of the Rules of Procedure of the Court of Justice, Mondelez's appeal does not seek to have set aside, in whole or in part, the operative part of the judgment under appeal, but to have set aside some of the grounds of that judgment.**

Next, the Advocate General examines the appeals of Nestlé and EUIPO.

First, the Advocate General notes the case-law of the Court of Justice to the effect that it would be unreasonable to require proof of such acquisition for each individual Member State. However, he observes that this does not imply that the party applying for registration of a trade mark can leave out entire regions and markets. The existence of the single market within the EU does not imply the non-existence of national or regional markets.

According to the Advocate General, account must be taken of the geographical size and the distribution of the regions in which acquired distinctive character has been positively established, in order to ensure that the evidence from which an extrapolation is made for the whole of the European Union relates to a quantitatively and geographically representative sample.

**In that regard the Advocate General considers that evidence adduced for some national markets might suffice to cover other markets for which (quantitatively sufficient) evidence has not been adduced. That does not mean that the absence of evidence in relation to one Member State alone would be sufficient to exclude the acquisition of distinctive character throughout the EU. However, a trade mark does not have a unitary character and cannot therefore be registered as an EU trade mark if the relevant public in part of the European Union does not perceive it as an indication of the commercial origin of the goods or services which it covers.**

The Advocate General observes that in the present case, whilst Nestlé provided market research for the majority of the Member States (apart from Luxembourg), it is clear from the General Court's judgment that the information provided for Belgium, Ireland, Greece and Portugal was not sufficient to establish that the relevant public in those countries identified Nestlé as the commercial origin of the product covered by the trade mark at issue.

Furthermore, even though the General Court was, in principle, required to examine whether the acquisition of a distinctive character through use in those five Member States could be extrapolated from the evidence provided for the other national or regional markets, **the Advocate General notes that Nestlé confirmed, at the hearing, that it had not included in the case file evidence seeking to establish that the evidence provided for the Danish, German, Spanish, French, Italian, Netherlands, Austrian, Finnish, Swedish and UK markets also applied to the Belgian, Irish, Greek, Luxembourg and Portuguese markets or could act as a basis for extrapolating the acquisition, by the trade mark at issue, of distinctive character through use in those five countries.** In the absence of such evidence, the Advocate General concludes that the General Court had to annul EUIPO's decision, as it in fact did.

Accordingly, **the Advocate General proposes that the Court should dismiss the appeals brought by Nestlé and EUIPO.**

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**NOTE:** An EU trade mark is valid throughout the territory of the European Union and coexists with national trade marks. Applications for registration of an EU trade mark are made to EUIPO. An action against its decisions may be brought before the General Court.

**NOTE:** The Advocate General's Opinion is not binding on the Court of Justice. It is the role of the Advocates General to propose to the Court, in complete independence, a legal solution to the cases for which they are responsible. The Judges of the Court are now beginning their deliberations in this case. Judgment will be given at a later date.

**NOTE:** An appeal, on a point or points of law only, may be brought before the Court of Justice against a judgment or order of the General Court. In principle, the appeal does not have suspensive effect. If the appeal is admissible and well founded, the Court of Justice sets aside the judgment of the General Court. Where the state of the proceedings so permits, the Court of Justice may itself give final judgment in the case. Otherwise, it refers the case back to the General Court, which is bound by the decision given by the Court of Justice on the appeal.

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*The [full text](#) of the Opinion is published on the CURIA website on the day of delivery.*

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