

JUDGMENT OF THE COURT OF FIRST INSTANCE (Second Chamber)

25 May 2005 *

In Case T-288/03,

TeleTech Holdings, Inc., established in Denver, Colorado (United States),
represented by E. Armijo Chávarri and A. Castán Pérez-Gómez, lawyers,

applicant,

v

Office for Harmonisation in the Internal Market (Trade Marks and Designs)
(OHIM), represented by I. de Medrano Caballero and S. Laitinen, acting as Agents,

defendant,

* Language of the case: Spanish.

the other party to the proceedings before the Board of Appeal of OHIM, intervener before the Court of First Instance, being

Teletch International SA, established in Paris (France), represented by J.-F. Adelle and F. Zimeray,

ACTION brought against the decision of the First Board of Appeal of OHIM of 28 May 2003, as amended (R 412/2001-1), relating to invalidity proceedings between Teletch International SA and TeleTech Holdings, Inc.,

THE COURT OF FIRST INSTANCE
OF THE EUROPEAN COMMUNITIES (Second Chamber),

composed of J. Pirrung, President, A.W.H. Meij and I. Pelikánová, Judges,

Registrar: B. Pastor, Deputy Registrar,

having regard to the application lodged at the Court Registry on 13 August 2003,

having regard to the response of OHIM lodged at the Court Registry on 16 December 2003,

having regard to the response of the intervener lodged at the Court Registry on 9 January 2004,

having regard to the reply lodged at the Court Registry on 26 April 2004,

further to the hearing on 30 November 2004, in which the intervener did not take part,

gives the following

Judgment

Background to the dispute

- 1 On 22 April 1999 the applicant secured registration of the Community word mark TELETECH GLOBAL VENTURES at the Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM).

- 2 The mark, which has a priority date of 1 April 1996, designates, in particular, services falling within Classes 35 and 38 of the Nice Agreement concerning the International Classification of Goods and Services for the Purposes of the

Registration of Marks of 15 June 1957, as revised and amended. Those services correspond, as to each class, to the following description:

- Class 35: ‘Telephone answering services; employment agency services; advertising services; business management assistance services consisting of facilities management and site selection services and multimedia customer services for customers of other businesses; providing telephone, electronic mail, and global computer network services to assist other businesses in the sales of their goods and services; services in the contracting of personnel and facilities and business management assistance in cases of emergency; assisting other businesses in offering their goods and services for sale or lease by telephone, electronic mail, and global computer network; receiving and responding to telephone, electronic mail, and global computer network inquiries from customers of other businesses; providing technical assistance to customers who use products of other businesses; providing temporary employees’;

- Class 38: ‘Telecommunications services’.

³ On 29 September 1999 the intervener filed an application pursuant to Article 55(1) (b) of Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark (OJ 1994 L 11, p. 1), as amended, for a declaration that that Community trade mark was invalid.

⁴ The earlier trade mark cited in support of the application for a declaration of invalidity is the word sign TELETECH INTERNATIONAL which was filed on 10 January 1996 and registered in France to designate the following services within

Classes 35 and 38 of the Nice Agreement: ‘engineering services in relation to business or advertising management, and management of customer service centres and/or telephone call centres (management of customer files, services, orders, software support, technical support, call centre organisation) and any services related to the above’ (‘the earlier French mark’).

- 5 The application for a declaration of invalidity was based on Article 52(1)(a) of Regulation No 40/94 and referred to all the services designated by the earlier mark. According to the wording of the application, it was directed against the following services designated by the Community trade mark: ‘management of commercial affairs for services of engineering and of client-relation and/or telephone call centres’ within Class 35, and ‘telecommunications’ within Class 38.

- 6 By decision of 22 February 2001 the Cancellation Division partly accepted the application for a declaration of invalidity on the basis of Article 52(1)(a) and Article 8(1)(b) of Regulation No 40/94. It therefore held the Community trade mark to be invalid in part, that is, in respect of the following services: ‘telephone answering services; business management assistance services consisting of facilities management and site selection services and multimedia customer services for customers of other businesses; providing telephone, electronic mail, and global computer network services to assist other businesses in the sales of their goods and services; assisting other businesses in offering their goods and services for sale or lease by telephone, electronic mail, and global computer network; receiving and responding to telephone, electronic mail, and global computer network inquiries from customers of other businesses’ within Class 35, and ‘telecommunications services’ within Class 38.

- 7 On 23 April 2001 the applicant brought an appeal before OHIM against the decision of the Cancellation Division.

- 8 By decision of the First Board of Appeal of OHIM of 28 May 2003 ('the contested decision') the appeal was allowed in part as to 'business management assistance services consisting of facilities management and site selection services' the Board having taken the view, in essence, that those services were not referred to in the application for a declaration of invalidity. As for the remainder, the appeal was dismissed.
- 9 The Board of Appeal took the view that the target public was a public of French business professionals whose degree of attention was higher than that of the average consumer. In substance, it considered that, in the perception of that public, the signs were similar because their dominant element, the word 'teletech', was identical. In addition, it took the view that the services referred to in the application for a declaration of invalidity were partly identical and partly similar. Therefore, it concluded that there was a likelihood of confusion between the marks in dispute which justified the partial cancellation of the Community trade mark.

Procedure and forms of order sought

- 10 The applicant claims that the Court should annul the contested decision principally on the grounds of infringement of 'the principles of co-existence and comparison of Community trade marks and distinctive national marks and signs' and of the applicant's rights of defence and, in the alternative, on the ground of infringement of Article 8(1)(b) of Regulation No 40/94.
- 11 In addition, the applicant asked the Court at the hearing to order OHIM to pay the costs.

12 OHIM and the intervener claim that the Court should:

- dismiss the application;

- order the applicant to pay the costs.

Law

13 The applicant principally raises two pleas in law in support of its application, the first based on infringement of ‘the principles of co-existence and comparison of Community trade marks and distinctive national marks and signs’, the second on infringement of rights of defence. In the alternative, the applicant alleges that the Board of Appeal has infringed Article 8(1)(b) of Regulation No 40/94.

Principal pleas in law

Plea based on infringement of ‘the principles of co-existence and comparison of Community trade marks and distinctive national marks and signs’

— Arguments of the parties

14 The applicant argues that it has, since 1992, owned a trade mark in the European Union — and consequently in France — which is well known within the meaning of

Article 6 bis of the Paris Convention for the Protection of Industrial Property of 20 March 1883, as revised and amended. That well-known trade mark consists of the word sign TELETECH GLOBAL VENTURES ('the well-known mark').

- 15 According to the applicant, the well-known mark must be acknowledged as having priority over the earlier French mark under French law, under Article 6 bis of the Paris Convention and under Article 16 of the Agreement on Trade-Related Aspects of Intellectual Property Rights of 15 April 1994 (OJ 1994 L 336, p. 214) ('the TRIPs Agreement').
- 16 According to the applicant, the principle of co-existence of Community and national trade marks requires account to be taken, in invalidity proceedings concerning a Community trade mark, of that right which is earlier than the earlier French mark in issue. At the hearing, it explained, in response to a question from the Court, that those two marks had co-existed peacefully in the French market and that it had not seen any reason to challenge the earlier French mark in the French courts.
- 17 The applicant considers that Regulation No 40/94 must be interpreted in a manner consistent with the principle of co-existence of Community and national trade marks referred to above. That interpretation would entail the application by analogy of Article 106 of Regulation No 40/94. As a result, the existence of a mark which is well known in a Member State and identical to a disputed Community trade mark may be relied on by the proprietor of those two marks in his defence to an application for a declaration that the Community trade mark is invalid, where the earlier mark on which the invalidity application is based is registered in that same State and the priority date of that earlier mark falls between that of the well-known mark and that of the contested Community trade mark.

- 18 According to the applicant, in paragraph 21 of the contested decision the Board of Appeal expressly accepts the applicant's argument when it states that the reputation of a mark may be relied on as part of an argument intended to demonstrate a legally effective form of co-existence. Contrary to that statement, the Board of Appeal had not considered the existence of the reputation of the well-known mark relied on by the applicant.
- 19 OHIM refutes the applicant's arguments. In addition, OHIM contends that the applicant did not claim or demonstrate during either the administrative procedure before the Cancellation Division or before the Board of Appeal that there existed a distinctive sign that had been well known in France since 1992.
- 20 On that point, the applicant replies that it argued, both in its observations to the Cancellation Division and in its statement to the Board of Appeal, that it was the proprietor of a distinctive sign that had been well known in the European Union since 1992. Since the relevant territory was France, the applicant could, by definition, have been referring only to the protection of that well-known sign in the French market.
- 21 The intervener emphasises that the French mark TELETECH INTERNATIONAL has an earlier priority date than that of the Community trade mark in issue. The existence of the well-known mark claimed by the applicant is therefore irrelevant. In addition, the intervener disputes the existence of the applicant's earlier right.

— Findings of the Court

- 22 The first principal plea in law relates to an argument on which the Board of Appeal ruled in paragraph 21 of the contested decision. That paragraph is worded as follows:

‘[It is [of no] assistance to the [Community trade mark] proprietor to attempt to rely on a claimed reputation for its mark [TELETECH GLOBAL VENTURES], whether in countries outside or even inside the Member States of the European Community. As the proprietor of a Community trade mark registration, it is obliged to give way in cancellation proceedings to an earlier mark which is held to come within any one of the categories described in Article 52 [of Regulation No 40/94] unless reputation is claimed as part of an argument intended to demonstrate a legally effective form of co-existence. This is not the case here.’

- 23 It should be stated at the outset that the wording adopted by the Board of Appeal in paragraph 21 of the contested decision appears to incorporate a number of different aspects. That paragraph could mean, first, that the Board of Appeal considered that the co-existence of the earlier French mark and the well-known mark could have affected the assessment of the likelihood of confusion, but that the applicant had not relied on such an effect. Secondly, it may be interpreted as meaning that the Board of Appeal considered that the applicant had not put forward the facts to demonstrate such co-existence. Thirdly, it is possible to conclude that the Board

of Appeal took the view that the mere existence of a well-known mark was irrelevant to the cancellation proceedings of which it was seised. The wording in paragraph 21 of the contested decision is very succinct by comparison with the import thus established.

- 24 According to the first sentence of Article 73 of Regulation No 40/94, decisions of OHIM are to state the reasons on which they are based. That duty has the same effect as that imposed by Article 253 EC (Joined cases T-124/02 and T-156/02 *Sunrider v OHIM — Vitakraft-Werke Wührmann and Friesland Brands (VITA-TASTE and METABALANCE 44)* [2004] ECR II-1149, paragraph 72). It is a matter of public policy which the Court can raise of its own motion.
- 25 According to settled case-law, the purpose of the duty to state reasons for individual decisions is, first, to allow an interested party to know the justification for the measure so as to enable him to protect his rights and, second, to enable the Community judicature to exercise its power to review the legality of the decision (*VITATASTE and METABALANCE*) 44, cited above, paragraph 73, and the case-law cited). The reasons stated must disclose, clearly and unequivocally, the reasoning of the authority which adopted the measure.
- 26 Applying those criteria, the Court considers that the reasons stated for the contested decision are adequate for understanding the Board of Appeal's reasoning. Even if the precise meaning of paragraph 21 of the contested decision is not easy to determine, the fact remains that it is clear from the decision that the Board of Appeal considered, in the present case, that the arguments based on the existence of a claimed well-known mark did not affect the assessment of the likelihood of confusion. The substance of that reasoning is sufficiently clear for the applicant to be able to challenge it. There is no need therefore to annul the contested decision for breach of the duty to give reasons.

- 27 Under Article 52(1)(a) of Regulation No 40/94, a Community trade mark is to be declared invalid on application to OHIM where there is an earlier trade mark as referred to in Article 8(2) of the same regulation and the conditions set out in Article 8(1)(b) are fulfilled.
- 28 According to Article 8(2)(a)(i) and (ii) of Regulation No 40/94, to which Article 52(1)(a) expressly refers, 'earlier trade mark' is to mean, in particular, Community trade marks as well as trade marks registered in a Member State or at the Benelux Trade Mark Office, provided that their date of application for registration is earlier than that of the contested Community trade mark. Furthermore, Article 8(2)(b) of Regulation No 40/94 provides that, subject to their registration, applications for trade marks are also regarded as 'earlier trade marks'.
- 29 Whereas OHIM is required in invalidity proceedings to satisfy itself as to the existence of the earlier right on which the application for a declaration of invalidity is based, none of the provisions of the regulation provides that OHIM itself is to carry out an incidental assessment of the grounds for invalidity or of defects which may invalidate that right (see, to that effect, Case T-6/01 *Matratzen Concord v OHIM — Hukla Germany (MATRATZEN)* [2002] ECR II-4335, paragraph 55). Furthermore, Regulation No 40/94 does not provide that the existence in the same territory of a trade mark with an earlier priority date than that of the earlier trade mark on which the application for a declaration of invalidity is based and which is identical to the contested Community trade mark can validate the latter even if there is a relative ground for cancellation of that Community trade mark.
- 30 Therefore, assuming that it is established that the applicant has, since 1992, been the proprietor of a trade mark which is well known in France consisting of the word sign TELETECH GLOBAL VENTURES, that would have no legal consequences, given the wording of Regulation No 40/94.

- 31 The applicant objects to such a literal interpretation of Articles 8 and 52 of Regulation No 40/94, considering that it leads to an 'absurd result', particularly since the proprietor of the well-known mark will be unable to convert his Community trade mark to a national trade mark precisely in the country in which, by virtue of his well-known mark, he has the right to use the sign concerned.
- 32 The Court finds, first, that the right to the claimed well-known mark will continue to be protected at national level, irrespective of the decision reached at the end of the cancellation proceeding in respect of the contested Community trade mark. Thus, even if the applicant was unable to convert the Community trade mark to a French national mark because of the existence of the earlier French mark TELETECH INTERNATIONAL, it could in any event use a mark which it owned in France which predated that earlier French mark.
- 33 Secondly, it must be noted that where the proprietor of the contested Community trade mark has an earlier right capable of invalidating an earlier mark on which an application for a declaration of invalidity is based, it is for him to contact the competent authority or national court, as the case may be, to secure the cancellation of that mark, if required.
- 34 Therefore, the argument that the wording of Regulation No 40/94 leads to an 'absurd result' must be rejected.
- 35 The applicant considers, furthermore, that the solution adopted by the contested decision is contrary to the 'principle of co-existence of Community and national trade marks', which, according to the applicant, requires the application by analogy of Article 106 of Regulation No 40/94 concerning the prohibition of use of Community trade marks.

36 In that regard, it must be stated that the situation governed by Article 106 of Regulation No 40/94 is not comparable to the situation underlying the present dispute. It is apparent from the wording of that provision that it concerns only 'claims for infringement of earlier rights' (paragraph (1)) as well as 'proceedings ... for the purpose of prohibiting the use of a Community trade mark' (paragraph (2)). It does not refer to administrative or judicial procedures for removing a disputed trade mark from the register. Thus, under Article 106(1) of Regulation No 40/94, the intervener may, if necessary, use its earlier mark to bring infringement proceedings in France in respect of the disputed Community trade mark. On the other hand, the question whether the applicant, for its part, could rely on its well-known mark in its defence is entirely a matter of French national law. Article 106 of Regulation No 40/94 does not include any provision in that respect and cannot therefore be applied by analogy.

37 It must be added that Regulation No 40/94 does not give OHIM, as a Community authority, the power to register or cancel national trade marks. Such powers cannot be recognised in respect of OHIM unless expressly conferred by secondary legislation and on condition that such conferment is permitted by the text of the Treaty. To enable OHIM to discount existing national mark A as an earlier mark within the meaning of Article 8(2) of Regulation No 40/94 on the ground of the existence of mark B, which has a priority date preceding that of the earlier mark and is protected in the territory of the same Member State, would amount to conferring on OHIM the power, as between the parties at least, to cancel that earlier mark A without the matter being brought before the competent national authorities.

38 It follows that the argument based on the application by analogy of Article 106 of Regulation No 40/94 must be rejected.

39 Consequently, the possible existence of a trade mark which has been well known in France since 1992 consisting of the word mark TELETECH GLOBAL VENTURES is, in principle, irrelevant in the invalidity proceedings in issue.

40 The applicant also argues that this result is contrary to Article 6 bis of the Paris Convention and Article 16 of the TRIPs Agreement.

41 Article 6 bis (1) of the Paris Convention provides:

‘The countries of the Union undertake, ex officio if their legislation so permits, or at the request of an interested party, to refuse or to cancel the registration, and to prohibit the use, of a trademark which constitutes a reproduction, an imitation, or a translation, liable to create confusion, of a mark considered by the competent authority of the country of registration or use to be well known in that country as being already the mark of a person entitled to the benefits of this Convention and used for identical or similar goods. These provisions shall also apply when the essential part of the mark constitutes a reproduction of any such well-known mark or an imitation liable to create confusion therewith.’

42 Article 16 of the TRIPs Agreement, headed ‘Rights Conferred’, is worded as follows:

‘(1) The owner of a registered trademark shall have the exclusive right to prevent all third parties not having the owner’s consent from using in the course of trade identical or similar signs for goods or services which are identical or similar to those in respect of which the trademark is registered where such use would result in a likelihood of confusion. In case of the use of an identical sign for identical goods or services, a likelihood of confusion shall be presumed. The rights described above shall not prejudice any existing prior rights, nor shall they affect the possibility of Members making rights available on the basis of use.’

(2) Article 6 bis of the Paris Convention (1967) shall apply, *mutatis mutandis*, to services. In determining whether a trademark is well-known, Members shall take account of the knowledge of the trademark in the relevant sector of the public, including knowledge in the Member concerned which has been obtained as a result of the promotion of the trademark.

(3) Article 6 bis of the Paris Convention (1967) shall apply, *mutatis mutandis*, to goods or services which are not similar to those in respect of which a trademark is registered, provided that use of that trademark in relation to those goods or services would indicate a connection between those goods or services and the owner of the registered trademark and provided that the interests of the owner of the registered trademark are likely to be damaged by such use.'

43 As OHIM has rightly pointed out, Article 8(2)(c) of Regulation No 40/94 is consistent with Article 6 bis of the Paris Convention in that it permits the proprietor of a well-known mark, within the meaning of that provision, to challenge or — under Article 52 of Regulation No 40/94 — to cancel the registration of a later Community trade mark, the use of which would create a likelihood of confusion. On the other hand, Article 6 bis of the Paris Convention does not require proprietorship of an earlier well-known mark to be capable of validating a registered trade mark of the same proprietor in invalidity proceedings concerning that registration. In order to satisfy the requirements of Article 6 bis of the convention, it is sufficient that the proprietor of a well-known mark can apply to the competent national authorities, on the basis of his right to a well-known mark, for a declaration that a later national mark is invalid.

44 Article 16 of the TRIPs Agreement is not relevant in this case either. Like Article 6 bis of the Paris Convention, Article 16(1) of the TRIPs Agreement gives the proprietor of an earlier mark only the right to prevent the use of later identical or similar signs, but not the right to validate one of his later marks which is being challenged by an application for a declaration of invalidity. Article 16(2) and (3) of the TRIPs Agreement extends the application of Article 6 bis of the Paris Convention, without, however, amending the legislative content, as described in the previous paragraph.

- 45 It follows from the foregoing that the Board of Appeal did not err in law in dismissing as irrelevant the applicant's argument based on the priority of a claimed mark that has been well known in France since 1992.
- 46 In addition, it is apparent from the file that the applicant has not demonstrated the existence of the well-known mark of which it claims to be proprietor.
- 47 In the invalidity proceedings, the applicant argued, first of all, that it owned a trade mark that was known in the United States. That assertion was repeated in a statement by the applicant dated 16 February 2000 and in the proceedings before the Board of Appeal.
- 48 However, the argument based on the existence of a mark that is known in the United States is irrelevant to the present dispute, given that a mark which is well known in the American market within the meaning of Article 6 bis of the Paris Convention cannot, in any event, invalidate a French national mark, even a later mark.
- 49 As far as the European Community is concerned, the applicant merely argued as follows in its appeal against the decision of the Cancellation Division, in a document dated 22 June 2001:

'TeleTech Holdings, Inc. has used the trademark TELETECH GLOBAL VENTURES and parts thereof in the European Union since at least as early as 1992.

TeleTech Europe (TeleTech Holdings, Inc.'s European arm) has grown to 10 [customer] interaction centers including physical sites in the U.K., Spain and Germany employing 4 700 and serving more than 80 clients in 15 European nations. Its total EU revenues in 2000 amounted to US\$ 82 700 000.00, a full 10.7 % of its worldwide revenues of US\$ 885 000 000.00. As a result of its earnings and growth, and its listing on the NASDAQ stock exchange since 1996 TeleTech Holdings and its names and marks enjoy worldwide recognition.'

- 50 The Court notes, first, that that text does not expressly refer to the territory of France. Further, whilst it is apparent from the paragraph cited above that the applicant has clients in 15 European countries, it cannot be concluded from this that France is necessarily one of them. Whilst the applicant is active in the territory of the European Community, that does not necessarily mean that it owns a trade mark that is well known in the whole of that territory, including in France. Further, widespread activity on the part of the applicant, even covering the entire Community territory, does not automatically involve recognition of a TELETECH GLOBAL VENTURES trade mark by the public in the Community market, or, more specifically, in the French market.

51 Therefore, even assuming that the applicant's statements are correct, it does not follow from them that a mark which has been well known in France since 1992 does exist. Accordingly, the applicant has not submitted the facts from which it may be concluded that a TELETECH GLOBAL VENTURES trade mark that is well known in France does exist.

52 As to whether the applicant was in a position to submit all the facts and evidence needed to demonstrate the existence of the well-known mark claimed in response to the application for a declaration of invalidity, that does not fall within the scope of the present plea, but of the plea based on infringement of the rights of defence.

53 It follows that the first plea in law is unfounded.

Plea based on infringement of the rights of defence

— Arguments of the parties

54 The applicant submits that if the Board of Appeal had not been convinced that the well-known mark TELETECH GLOBAL VENTURES existed in the French market, it should have invited the applicant to produce evidence of this or to develop its arguments further. The Board of Appeal infringed the applicant's rights of defence as well as the principle of continuity in terms of their functions between the Boards of Appeal and the OHIM authorities ruling at first instance, as laid down, in particular, in Case T-308/01 *Henkel v OHIM — LHS (UK) (KLEENCARE)* [2003] ECR II-3253.

55 OHIM emphasises that the applicant had the opportunity to produce all the evidence it considered relevant and necessary to support the various pleas raised in its observations submitted in response to the application for a declaration of invalidity.

— Findings of the Court

56 According to the second sentence of Article 73 of Regulation No 40/94, decisions of OHIM are to be based only on reasons or evidence on which the parties concerned have had an opportunity to present their comments.

57 Those reasons or evidence may be introduced not only by OHIM but also by a party to the proceedings.

58 In the present case the Board of Appeal found, in Paragraph 21 of the contested decision, that the claimed reputation of the TELETECH GLOBAL VENTURES trade mark in France was irrelevant.

59 The applicant did have the opportunity to state its position on that issue.

60 First, it was the applicant which introduced the argument based on the claimed existence of a well-known mark TELETECH GLOBAL VENTURES. Therefore, it had the opportunity at that stage to set out any aspect of fact or law which appeared to the applicant to be helpful in that respect.

- 61 Second, the intervener explained in the invalidity proceedings that, in its opinion, the applicant had not produced evidence that the TELETECH GLOBAL VENTURES trade mark was known in France. By letter of 14 June 2000 OHIM invited the applicant to comment on the intervener's observations, which the applicant did in writing on 14 August 2000, but without submitting further evidence.
- 62 Furthermore, in so far as the plea is to be interpreted as complaining that OHIM failed to consider, of its own motion, the argument based on a prior well-known mark, or failed to invite the applicant to produce more evidence on that point, it is appropriate to add the following.
- 63 First, as is apparent from paragraph 45 above, the question whether or not there exists a well-known mark TELETECH GLOBAL VENTURES, which is earlier than the earlier mark TELETECH INTERNATIONAL, is irrelevant to the outcome of this dispute. It follows that OHIM was not obliged to consider it.
- 64 Second, according to Article 74(1) in fine of Regulation No 40/94, in proceedings relating to relative grounds for refusal of registration, OHIM is to be restricted in its examination to the facts, evidence and arguments provided by the parties and the relief sought.
- 65 Whilst the wording of that provision could perhaps be interpreted as referring only to opposition procedures, the relative grounds for invalidity laid down in Article 52 of Regulation No 40/94 refer expressly to Article 8 of the same regulation, which defines the relative grounds for refusal of registration. As with the relative grounds for refusal of registration in opposition proceedings, the relative grounds for invalidity are considered by OHIM only at the request of the proprietor of the earlier mark in issue. Consequently, invalidity proceedings involving a relative ground for

invalidity are, in principle, governed by the same principles as opposition proceedings. In particular, it is for the parties to ensure that they adduce the necessary matters of fact and evidence. Thus Article 74(1) in fine of Regulation No 40/94 also applies to cancellation proceedings involving a relative ground for invalidity according to Article 52 of the regulation.

66 It follows from Article 74(1) in fine of Regulation No 40/94 that OHIM is not obliged to take into consideration, of its own motion, facts which have not been put forward by the parties. It appears from paragraphs 46 to 51 above that the applicant has not demonstrated, nor even claimed, that there existed in France a trade mark that has been well known since 1992.

67 As a result, OHIM was not obliged to consider, of its own motion, whether the applicant was proprietor of a trade mark that was well known in France, which was earlier than the French trade mark TELETECH INTERNATIONAL.

68 The argument raised in the reply based on the principle of the continuity of functions is, in that context, immaterial.

69 According to the *KLEENCARE* judgment cited above, it follows from the principle of continuity of functions as between the Boards of Appeal and the OHIM authorities ruling at first instance that the former are bound to consider 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*, cited above, paragraph 29). However, in proceedings concerning the relative grounds for refusal of registration or for invalidity, the continuity of functions does not entail the obligation or even the opportunity for the Board of Appeal to extend its consideration of a relative ground

for invalidity to facts, evidence or arguments which the parties have not invoked either before the Cancellation Division or the Board of Appeal. As is apparent from paragraphs 46 to 51 above, the applicant has not put forward any matter of fact or evidence sufficient to enable the Board of Appeal to conclude that a well-known mark TELETECH GLOBAL VENTURES exists in France.

- 70 Consequently, since the second plea is likewise unfounded, the applicant's main pleas in law must be rejected and consideration given to the alternative plea.

Alternative plea based on infringement of Article 8(1)(b) of Regulation No 40/94

Arguments of the parties

- 71 The applicant acknowledged at the hearing that the relevant public comprised French business professionals.
- 72 It argued that the services designated by the trade marks in issue are not identical, because the wording of the list of goods is not. It recognised, however, that they are 'close'.
- 73 In the applicant's estimation the signs in issue are sufficiently different to preclude any likelihood of confusion on the part of the relevant public. In the first place, whilst the word 'teletch' is present in both signs, the words 'global ventures' and 'international' are visually and phonetically entirely different. Furthermore, the word

‘teletech’ is written in the same characters as the other words, which could therefore not be regarded as visually secondary. The applicant considers, secondly, that the signs are conceptually different. Although the French word ‘international’ has the same meaning as the English, the French word ‘global’ does not mean ‘international’ but rather ‘complete [or] total’. The applicant admits however that those words may appear to have a certain conceptual similarity. Nevertheless, according to the applicant, that similarity disappears by reason of the fact that the French public does not understand the English word ‘ventures’. The word ‘ventures’ being, in French, an unusual term, it must be regarded as being the dominant element of the word sign TELETECH GLOBAL VENTURES.

- 74 OHIM and the intervener refute the applicant’s arguments and adopt, in substance, the view of the Board of Appeal.

Findings of the Court

- 75 The relative ground for invalidity arising under Article 52(1)(a) in conjunction with Article 8(1)(b) of Regulation No 40/94 corresponds to the relative ground for refusal of registration laid down in the latter provision. Therefore, the case-law relating to the likelihood of confusion, within the meaning of Article 8(1)(b) of that regulation, is also relevant in the present context (see, in that regard, Case T-156/01 *Laboratorios RTB v OHIM — Giorgio Beverly Hills (GIORGIO AIRE)* [2003] ECR II-2789, paragraphs 61 to 64).
- 76 According to settled case-law, the risk that the public might believe that the goods or services in issue come from the same undertaking or, as the case may be, from economically-linked undertakings, constitutes a likelihood of confusion.

77 According to the same line of case-law, the likelihood of confusion must be assessed globally in accordance with the relevant public's perception of the signs and of the goods or services in issue, and taking into account all factors relevant to the circumstances of the case, in particular, the interdependence between the similarity of the signs and that of the designated goods or services (see Case T-162/01 *Laboratorios RTB v OHIM — Giorgio Beverly Hills (GIORGIO BEVERLY HILLS)* [2003] ECR II-2821, paragraphs 31 to 33, and the case-law cited).

— The target public

78 The parties agree that the consumers of the services designated by the trade marks in issue are directors or managers of large or small undertakings in France.

79 The Court considers, as does OHIM, that the intended consumers have a better than average knowledge of English, given that that is the language widely used in the business world today.

— The similarity of the services

80 The applicant does not genuinely dispute the fact that the services in issue are at least similar.

81 As regards the ‘telephone answering services; ... telephone ... services ... to assist other businesses in the sales of their goods and services; [assistance to] other businesses in offering their goods and services for sale or lease by telephone ...; receiving and responding to telephone ... inquiries from customers of other businesses’ designated by the Community trade mark, the applicant did not explain how those are not identical to the services of ‘management of customer service centres and for telephone call centres (management of customer files, services, orders, software support, technical support, call centre organisation)’ designated by the earlier French mark TELETECH INTERNATIONAL. The mere fact that the wording of the list of services is not the same is not enough to demonstrate that the services are not identical, unless it is immediately apparent without further explanation that it is not the same activity.

82 The Court considers that, for the reasons set out in paragraphs 30 and 42 of the contested decision, the wording of the list of services in issue does not immediately preclude the activities being identical. Therefore, since the applicant has not put forward arguments in support of its complaint, it must be rejected.

— The similarity of the signs

83 As is clear from settled case-law, the global assessment of the likelihood of confusion must, as regards the visual, phonetic or conceptual similarity of the disputed signs, be based on the overall impression created by them, bearing in mind, *inter alia*, their distinctive and dominant components (see Case T-292/01 *Phillips-Van Heusen v OHIM — Pash Textilvertrieb und Einzelhandel (BASS)* [2003] ECR II-4335, paragraph 47, and the case-law cited).

- 84 Visually, the first word of the signs in issue, 'teletech', is identical. The words which follow ('global ventures' and 'international') are different. A certain dominance of the word 'teletech' arises because it is the first word in a series of relatively long words, so that the consumer's degree of attention is higher when perceiving the beginning of the signs than when reading the end. On the other hand, the length of the two signs and, in particular, the words 'global ventures' and 'international' reduces the impact of the word 'teletech' in the overall visual impression of the signs.
- 85 The same findings apply, *mutatis mutandis*, to the overall phonetic impression created by the two marks.
- 86 As regards their conceptual similarity, the Court recalls that, as a general rule, the public will not generally consider a descriptive element of a complex mark as being the distinctive and dominant element in the overall impression conveyed by that mark (Case T-129/01 *Alejandro v OHIM — Anheuser Busch (BUDMEN)* [2003] ECR II-2251, paragraph 53). However, where there are several elements which are more or less evocative or descriptive of the goods or services designated by a complex mark, it is not impossible for one of those elements, despite being evocative or even descriptive, nevertheless to be perceived as the dominant element if the other elements of the sign are even less characteristic.
- 87 In the present case, the Court finds, first, that the elements 'tele' and 'tech' allude to the prefix 'tele' which is present, in particular, in the words 'telecommunications' and 'telephone', and also to the French word 'technology'. Therefore the word 'teletech' evokes, to a certain extent, the services designated by the marks in issue.
- 88 However, it remains the case that the word 'teletech' is an unusual term without any specific meaning. It cannot therefore be ruled out that that term constitutes the dominant element of the signs.

- 89 As regards the earlier French mark, it consists of an unusual term ('teletech') and the word 'international'. The latter exists in both French and English and has an identical meaning. Therefore the target public will understand it to be a descriptive element suggesting the international character of the provision of services or of the customers for whom they are destined. Thus, the dominant element of the earlier mark is the word 'teletech'.
- 90 As for the Community mark, it must be noted that the word 'global' has two meanings in French. The first is 'complete [or] total'. The second is an anglicism meaning 'worldwide'. The second meaning is clearly conceptually close to the word 'international'. However the term is understood by the target consumer, the meaning of the word 'global' is not likely to constitute the dominant element of the sign TELETECH GLOBAL VENTURES since it is in any event a descriptive element.
- 91 According to the applicant, the term 'ventures' is the dominant element of the sign. That proposition is not, however, convincing.
- 92 First, the word 'venture' is common in the language of economics, which is particularly susceptible to anglicisms. The expression 'joint venture' or 'joint-venture' will normally be familiar to the relevant public. Therefore, even if the consumer of the services concerned does not know the exact meaning of the English word 'ventures', he will give it a meaning corresponding approximately to the terms 'project' or 'enterprise'.
- 93 Secondly, as the word 'ventures' does not exist in French, the target public will perceive the mark as a series of foreign, even English, words. The use of trade marks made up of English words is particularly common. Since the French businesspeople

and managers concerned have at least enough knowledge of English to know that, in that language, the adjective does not follow the noun but normally precedes it, they will perceive the word 'global' as relating to the term 'ventures'.

- 94 It follows that the words 'global ventures' will be perceived as meaning something akin to 'worldwide projects, worldwide enterprises'. It is a question of the descriptive significance of the nature or the intended purpose of the services, even if the actual meaning remains vague. The consumer will therefore break the Community sign down into 'teletch', on the one hand, and 'global ventures' on the other.
- 95 Thirdly, since the word 'ventures' is placed at the end of the sign, it is unlikely in the present case that the consumer will perceive it as being the element which characterises the mark.
- 96 It follows from the foregoing that the word 'teletch' will be perceived by target consumers as being the dominant element of the Community trade mark and of the earlier French mark. Therefore, the Board of Appeal was right to find that the signs were similar.

— The likelihood of confusion

- 97 Since the services designated by the marks in issue are partly identical and partly similar, and the disputed signs are also similar, the Board of Appeal concluded, without erring in law, that there was a likelihood of confusion between the marks in issue. A consumer, faced with the marks in issue, would remember above all the word 'teletch' which is present in both disputed signs and which appears at the beginning of each. Thus he might directly confuse one for the other.

98 That conclusion is not undermined by the claimed prior existence of a well-known mark of the applicant, regardless of whether or not that prior existence is liable to affect the likelihood of confusion.

99 First, the applicant did not rely on such an argument in its alternative plea. It referred to the co-existence of the contested marks only in the first plea.

100 Second, even if the applicant's first plea were to be understood as referring also to the assessment of the likelihood of confusion, it must be noted that the applicant did not establish the pre-existing reputation of the TELETECH GLOBAL VENTURES mark in the proceedings before OHIM, as is clear from paragraphs 46 to 51 and 56 to 69 above, although the applicant had the opportunity to submit all the facts and evidence it considered helpful in that regard.

101 Consequently, the applicant's alternative plea must also be rejected.

102 Since the applicant's pleas are unfounded, the application must be dismissed.

Costs

103 Under Article 87(2) of the Rules of Procedure of the Court of First Instance, the unsuccessful party is to be ordered to pay the costs if they have been applied for in the successful party's pleadings. Since the applicant has been unsuccessful, it must be ordered to pay the costs, as applied for by OHIM and the intervener.

On those grounds,

THE COURT OF FIRST INSTANCE (Second Chamber)

hereby:

- 1. Dismisses the application;**
- 2. Orders the applicant to pay the costs.**

Pirrung

Meij

Pelikánová

Delivered in open court in Luxembourg on 25 May 2005.

H. Jung

Registrar

J. Pirrung

President

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