## Case T-334/01

## MFE Marienfelde GmbH

 $\mathbf{v}$ 

## Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)

(Community trade mark — Opposition proceedings — Earlier word mark HIPPOVIT — Application for Community word mark HIPOVITON — Genuine use of the earlier trade mark — Article 43(2) and (3) of Regulation (EC) No 40/94 — Right to be heard)

Judgment of the Court of First Instance (Second Chamber), 8 July 2004 . . . II - 2791

## Summary of the Judgment

1. Community trade mark — Appeals procedure — Appeals before the Community judicature — Jurisdiction of the Court — Amendment of a decision by the Office — Scope — Annulment of a decision by the Opposition Division (Council Regulation No 40/94, Arts 62(1) and 63(3))

 Community trade mark — Observations of third parties and opposition — Examination of the opposition — Proof of use of the earlier mark — Genuine use — Definition — Interpretation having regard to the rationale of Article 43(2) and (3) of Regulation No 40/94

(Council Regulation No 40/94, Art. 43(2) and (3))

3. Community trade mark — Observations of third parties and opposition — Examination of the opposition — Proof of use of the earlier mark — Genuine use — Definition — Criteria for assessment

(Council Regulation No 40/94, Art. 43(2) and (3))

4. Community trade mark — Observations of third parties and opposition — Examination of the opposition — Proof of use of the earlier mark — Genuine use — Application of the criteria to the case in question

(Council Regulation No 40/94, Art. 43(2) and (3))

5. Community trade mark — Observations of third parties and opposition — Examination of the opposition — Proof of use of the earlier mark — Time-limit set by the Office — Submission of additional evidence after expiry of the time-limit where there are new factors — Permitted

(Commission Regulation No 2868/95, Art. 1, Rule 22(1))

6. Community trade mark — Appeals procedure — Appeals before the Community judicature — Ability of the Court of First Instance to amend the contested decision — Limits

(Council Regulation No 40/94, Art. 63(3))

1. In an action against a decision by a Board of Appeal of the Office for Harmonisation in the Internal Market (Trade Marks and Designs) concerning opposition proceedings, the Court of First Instance also has jurisdiction to hear the application for annulment of the decision of the Opposition Division.

the Board of Appeal may annul the decision of the section of OHIM which ruled at first instance, such annulment falls within the measures which may be taken by the Court of First Instance in the exercise of its power to amend decisions, as provided for in Article 63(3) of that regulation.

Since the second sentence of Article 62(1) of Regulation No 40/94 shows that

(see para. 19)

2. In interpreting the concept of genuine use of a Community trade mark, within the meaning of Article 43(2) and (3) of Regulation No 40/94, account must be taken of the fact that the rationale for the requirement that the earlier mark must have been put to genuine use if it is to be capable of being used in opposition to a trade mark application is to restrict the number of conflicts between two marks, in so far as there is no sound economic reason resulting from an actual function of the mark on the market. However, that provision is not concerned either with assessing the commercial success of an undertaking or monitoring its economic strategy, or designed to reserve the protection of trade marks for large-scale commercial uses of them.

When assessing whether use of the trade mark is genuine, regard must be had to all the facts and circumstances relevant to establishing whether the commercial exploitation of the mark is real, particularly whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods or services protected by the mark, the nature of those goods or services, the characteristics of the market and the scale and frequency of use of the mark.

Concerning the extent of the use made of the earlier mark, account must be taken, in particular, of the commercial volume of all the acts of use on the one hand and the duration of the period in which those acts of use occurred, and the frequency of those acts, on the other.

(see para. 32)

(see paras 33-35)

- There is 'genuine use' of a trade mark, within the meaning of Article 43(2) and (3) of Regulation No 40/94, where the mark is used in accordance with its essential function, which is to guarantee the identity of the origin of the goods or services for which it is registered, in order to create or preserve an outlet for those goods or services, thereby excluding token use for the sole purpose of preserving the rights conferred by the mark. In that respect, the condition concerning genuine use of the trade mark requires that, as protected in the relevant territory, it be used publicly and outwardly.
- 4. In order to examine, in a given case, whether use of the earlier mark is genuine, an overall assessment must be made taking account of all the relevant factors in the particular case. That assessment implies a certain interdependence between the factors taken into account. Thus, a low volume of goods marketed under that trade mark may be compensated for by a high intensity or a certain constancy in time of the use of that trade mark or vice versa. Moreover, the turnover achieved and quantity of

product sales under the earlier mark cannot be assessed in absolute terms but must be assessed in relation to other relevant factors, such as the volume of commercial activity, the production or marketing capacities or the degree of diversification of the undertaking exploiting the mark, and the characteristics of the products or services on the market in question. For that reason, use of the earlier mark need not always be quantitatively significant for it to be deemed genuine.

failing which the opposition is rejected, cannot be interpreted as precluding additional evidence from being taken into consideration where new factors emerge, even if such evidence is adduced after the expiry of that time-limit.

(see para. 56)

However, the smaller the commercial volume of the exploitation of the mark, the more necessary it is for the party opposing new registration to produce additional evidence to dispel possible doubts as to its genuineness.

(see paras 36, 37)

 Rule 22(1) of Regulation No 2868/95 implementing Regulation (EC) No 40/94 on the Community trade mark, which provides that proof of use of the earlier mark must be supplied within the period specified to the opposing party by the Office for Harmonisation in the Internal Market (Trade Marks and Designs),

The possibility of the Court of First Instance amending the decision of a Board of Appeal of the Office for Harmonisation in the Internal Market (Trade Marks and Designs), provided for in Article 63(3) of Regulation No 40/94. is, in principle, restricted to situations in which the case has reached a stage permitting final judgment. That implies that the Court of First Instance must be able to establish, on the basis of evidence submitted to it, the decision which the Board of Appeal was required to take, by virtue of the provisions applicable in the case at issue. That condition is not met where the Board of Appeal could have either ruled on the opposition itself or referred the matter back before the Opposition Division.

(see paras 62, 63)