

Case C-183/21

Summary of the request for a preliminary ruling pursuant to Article 98(1) of the Rules of Procedure of the Court of Justice

Date lodged:

23 March 2021

Referring court:

Landgericht Saarbrücken (Germany)

Date of the decision to refer:

4 March 2021

Applicant:

Maxxus Group GmbH & Co. KG

Defendant:

Globus Holding GmbH & Co. KG

Subject matter of the main proceedings

Trade Mark Directive –Burden of raising and presenting an issue and burden of proof

Subject matter and legal basis of the request

Interpretation of EU law, Article 267 TFEU

Question referred for a preliminary ruling

Is EU law, in particular with regard to the Trade Mark Directive(s), that is to say,

Directive 2008/95/EC of the European Parliament and of the Council of 22 October 2008 to approximate the laws of the Member States relating to trade marks (OJ L 299, 8.11.2008, p. 25), in particular in Article 12, and

Directive (EU) 2015/2436 of the European Parliament and of the Council of 16 December 2015 to approximate the laws of the Member States relating to trade marks (OJ 2015 L 336, p. 16), in particular in Articles 16, 17 and 19,

to be interpreted as meaning that the *effet utile* of those provisions prohibits an interpretation of national procedural law which

(1) imposes on the applicant in civil proceedings for cancellation of a national registered trade mark on grounds of revocation for non-use a burden of raising and presenting an issue, as distinguished from the burden of proof; and

(2) requires the applicant, in the context of that burden of raising and presenting an issue,

a. to make, in such proceedings, substantiated submissions regarding the defendant's non-use of the trade mark, to the extent that it is possible for the applicant to do so; and

b. to carry out, for that purpose, its own research into the market, in a manner which is appropriate to the request for cancellation and to the specific nature of the trade mark concerned.

Provisions of EU law relied on

Directive (EU) 2015/2436 of the European Parliament and of the Council of 16 December 2015 to approximate the laws of the Member States relating to trade marks ('Trade Mark Directive'), in particular Articles 16, 17, 19, 44 and 46

Provisions of national law relied on

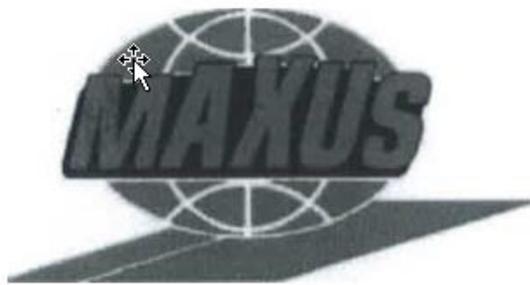
Zivilprozessordnung (Code of civil procedure, 'the ZPO'), Paragraph 178

Summary of the facts and procedure

- 1 The applicant seeks the cancellation of two of the defendant's German trade marks on grounds of revocation for non-use. The applicant sells sports apparatus and equipment, massage plates, massage chairs and barbecues. It is registered as the proprietor of the German trade mark 302017108053 'MAXXUS' and the EU trade mark 17673641 'MAXXUS'.
- 2 The defendant is the parent company of Globus-Gruppe, St. Wendel. It consists of various companies that operate, on the one hand, 46 large-scale self-service hypermarkets selling both food and non-food items, and, on the other hand, beverage, DIY and electrical stores and other specialist stores throughout Germany. The defendant allows the group companies to use the trade marks that it

holds. The group achieves appreciable online sales, at least in the electrical and DIY sectors.

- 3 The defendant has been registered in the trade mark register since July 1996 as the proprietor of the German word mark 395 35 217 'MAXUS' for a large number of goods in Classes 33, 1-9, 11-32 and 34. The grace period for making use of the trade mark expired on 30 October 2005. The defendant has also been registered, since May 1996, as the proprietor of the German word/figurative mark 395 35 216, depicted below, containing the text 'MAXUS' and a globe symbol, in respect of Classes 20, 1-9, 11-19 and 21-34:



- 4 The defendant initially filed a notice of opposition in the registration procedure for the applicant's 'MAXXUS' trade marks. On 2 May 2018, the defendant filed a notice of opposition against the applicant's EU trade mark No 17673641 'MAXXUS'. The opposition was based, inter alia, on the word mark 395 35 217 'MAXUS'. Against that opposition, the applicant argued that the defendant had not used the trade mark 'MAXUS' in a manner that preserved its rights. The defendant withdrew the objection on 5 August 2019. Likewise on the basis of that 'MAXUS' word mark, the defendant filed a notice of opposition against the applicant's German trade mark 302017108053 'MAXXUS' on 12 February 2018. The defendant also withdrew that opposition.
- 5 On 29 July 2019, the applicant filed an application with the German Patent- und Markenamt (Patent and Trade Mark Office) for cancellation of each of the two trade marks at issue on grounds of revocation. The defendant objected to the cancellations by letter of 26 August 2019 in each case.
- 6 The defendant used at least the 'MAXUS' word mark as a 'white label' for various goods and chose the following form for that purpose:



- 7 The extent of that use and the last relevant point in time are in dispute. The applicant claims that, over the last five years, the defendant has not used the trade marks registered in its favour in a manner that preserves its rights.

- 8 A Google search for ‘MAXUS’ carried out by the applicant did not reveal any evidence of use of the trade marks at issue in a manner that preserves rights. According to the applicant, there is a section entitled ‘Private-label brands’ on the website www.globus.de, which is operated for the defendant’s group of companies. The following designations are listed there: ‘korrekt’, ‘Globus’, ‘Globus Gold’, ‘naturell’ and ‘Jeden Tag’. The trade marks at issue are not listed. The applicant submits that if the term ‘MAXUS’ is entered in the website’s internal search bar in the section ‘product range/catalogue’, it displays eight offerings, two of which are irrelevant and six of which concern cleaning cloths. However, neither of the trade marks at issue are on the cleaning cloths or their packaging. It is only in the text of the offering that the word ‘MAXUS’ appears. If the designation ‘MAXUS’ is entered in the search bar of the homepage www.globus.de, two hits are displayed. Both refer to ‘MAXUS Getränkemarkt’ [MAXUS beverage distributor], operated by Maxus GC Freilassing GmbH & Co. KG. However, according to its website, that company does not use the designation ‘MAXUS’ as a trade mark for its own beverages, but only as a company sign or trade mark for beverage trading services. A private detective agency verified that none of the defendant’s private-label products have been sold under the designations at issue in that beverage store in Freilassing.
- 9 The applicant claims that, over the last five years, the defendant has not used the trade marks registered in its favour in a manner that preserves its rights. The defendant bears the burden of raising and presenting an issue and the burden of proof. This is also apparent from the Trade Mark Directive, as amended.
- 10 The applicant requests, first, that the defendant be ordered to consent to the cancellation of its word mark ‘MAXUS’, registered at the German Patent and Trade Mark Office under number 395 35 217, in respect of all the goods covered, and, second, that the defendant be ordered to consent to the cancellation of its word/figurative mark ‘MAXUS’, registered with the German Patent and Trade Mark Office under number 395 35 216, in respect of all the goods covered.
- 11 The defendant contends that the action should be dismissed. It claims that there has been use preserving its right and takes the view that the applicant’s submission is not sufficient to establish a secondary burden of raising and presenting the issues concerned.
- 12 According to the defendant, the trade mark ‘MAXUS’ is used, with its consent, in the self-service hypermarkets belonging to Globus-Gruppe in order to designate the following groups of goods in the standard range: pet accessories, household goods, stationery, toys, sporting goods, automobile accessories, textile goods. The defendant submits that such goods bearing the trade mark designation have been sold, with its consent, in the self-service hypermarkets belonging to Globus-Gruppe in Germany and also as export goods throughout the relevant period, which consists of the last five years up to the point at which the present proceedings were commenced and also up to the present day. Furthermore, the

trade mark is used on a temporary basis for promotions, such as fan merchandise for football events.

- 13 The defendant submits exemplary packaging samples and photographs of shelves, which are intended to illustrate the use of the word mark 'MAXUS' over the last 5 years. Furthermore, it submits excerpts from the inventory management system and a list from the private-label area. It continues to adopt its submissions from the opposition proceedings and, to that end, submits the written observations presenting the use made, providing detailed information and further proof.
- 14 It also submits that it could provide further proof of use and is willing to make the effort required to do so. It would involve a significant amount of effort, however.

Relevant provisions/case-law

- 15 The present Chamber cites recitals 31, 32 and 42 as well as Articles 16, 17, 19, 44 and 46 of the new Trade Mark Directive; there does not appear to have been any change in the law with regard to the point at issue.
- 16 According to the case-law of the Court of Justice of the European Union, the *burden of proof* in respect of non-use in an action for cancellation rests with the trade mark proprietor. As regards EU trade marks, the Chamber refers in that connection to paragraphs 52 to 64 of the judgment in Case C-610/11 P, *Centrotherm*. That case-law on the old Trade Mark Directive has been extended to include national trade marks as well, as is clear from paragraphs 62 to 74 of the judgment in Joined Cases C-217/13 and C-218/13, *Oberbank AG and Others*. Finally, as is apparent from paragraphs 73 to 82 of the judgment in Joined Cases C-720/18 and C-721/18, *Ferrari SpA*, the Court has held that the burden of proof also rests with the trade mark proprietor in civil invalidity proceedings such as those in the present case.
- 17 Under German law, pursuant to Paragraph 55(1), second sentence, point 1, of the Markengesetz (Law on trade marks; 'the MarkenG'), any person may file an action for a declaration of revocation under Paragraph 49 of the MarkenG in so far as he or she invokes non-use of the trade mark. In accordance with Paragraph 49(1) of the MarkenG, a trade mark is revoked, thereby giving rise to a right to have that trade mark declared invalid, if it has not been put to genuine use within the meaning of Paragraph 26 of the MarkenG within a continuous period of five years; one single genuine use is sufficient to render the opponent's right to have the trade mark declared invalid ineffective in respect of the product groups that are in use.
- 18 In accordance with the case-law of the Bundesgerichtshof (Federal Court of Justice), the burden of raising and presenting an issue and the burden of proof in civil invalidity actions (were) structured in such a way that the applicant must first demonstrate the non-use in a substantiated manner. To that end, it was recognised that the applicant must, by virtue of the burden of raising and presenting an issue,

itself conduct an adequate investigation using its own resources in order to clarify whether or not the other party uses a trade mark in a manner that preserves its rights. The trade mark proprietor could then be subject to a secondary burden of raising and presenting relevant issues, because the party attacking the trade mark generally cannot have any insight into the internal business processes of the other party. The situation was as follows: ‘The burden of raising and presenting an issue and the burden of proof in respect of the conditions for cancellation action rest with the applicant. However, the defendant in a cancellation action may be subject to a procedural duty of explanation under Paragraph 242 of the Bürgerliches Gesetzbuch (Civil Code, ‘the BGB’) in accordance with the principle of good faith, which also applies in procedural law. This presupposes that the applicant for cancellation does not have precise knowledge of the circumstances surrounding the use of the trade mark and also does not have the possibility of clarifying the facts on its own initiative.’

Grounds for the request

- 19 The present request for a preliminary ruling concerns the interpretation of the Trade Mark Directive(s) in relation to national invalidity proceedings concerning non-use in respect of national trade marks. By its decision in Joined Cases C-720/18 and C-721/18, the Court placed the burden of proof in those proceedings on the trade mark proprietor.
- 20 The present Chamber takes the view that, in the light of that decision, the described case-law of the Federal Court of Justice is no longer tenable with regard to the burden of proof. However, the question of whether the applicant can continue to bear the burden of raising and presenting an issue in national law remains open. The Chamber takes the view that this is the case.
- 21 In that respect, it should in principle be the case that procedural law – including in accordance with the Trade Mark Directive – should fall within the regulatory autonomy of the Member States. This is confirmed by recital 42 of the directive. However, that principle is limited by the general rules of EU law by virtue of the prohibition of discrimination and the principle of effectiveness.
- 22 While the principle of equal treatment is not affected in the present case, the question arises as to whether the imposition of the burden of raising and presenting an issue on the applicant would impair the *effet utile* of the Trade Mark Directive.
- 23 In German law, a distinction is made between the concepts of the burden of raising and presenting an issue (*Darlegungslast*) and the burden of proof (*Beweislast*).
- 24 The duty to raise and present an issue compels the party to present the issues concerned in as concrete a manner as possible. Any person who bears the burden of raising and presenting an issue under Paragraph 138 of the Zivilprozessordnung

(Code of civil procedure, ‘the ZPO’) will be unsuccessful in the proceedings if he or she does not discharge that burden. In particular, German procedural law has also developed a secondary burden of raising and presenting issues. It is intended to force both parties to present the issues concerned in a manner that is actually possible for them. In that respect, the case-law also recognises duties to conduct investigations within the party’s own sphere of influence.

- 25 This must be distinguished from the question of who bears the burden of proof if both parties present their view of the matter in a sufficiently concrete manner. If, after the taking of evidence, the court does not know whether, on balance, it is able to accord credibility to the applicant’s evidence in spite of the defendant’s counter-evidence, the party bearing the burden of proof is unsuccessful (*‘non liquet’*).
- 26 In principle, the burden of proof and the burden of raising and presenting an issue are to be separated. German law provides various examples of how the burden of raising and presenting an issue and the burden of proof vary, and it differentiates the burden of raising and presenting an issue in such a way that each party must present the facts that are known to it or that can be researched with reasonable effort. If one of the two parties does not discharge its burden of raising and presenting an issue, it loses the case. If both parties present the issues in a sufficiently concrete manner, the court collects and assesses the evidence adduced. If the court is unable to form a conviction from the evidence gathered, the party bearing the burden of proof is unsuccessful.
- 27 The submission at issue concerns only the burden of raising and presenting an issue, not the burden of proof.
- 28 In the present case, the only question is whether it is possible under EU law to impose on the applicant in invalidity proceedings concerning non-use conducted under national trade mark law an original burden of raising and presenting an issue – or at least a secondary such burden given that the defendant has already made quite a detailed submission in relation to use.
- 29 In the opinion of the present Chamber, the Trade Mark Directive does not contain any rules on the burden of raising and presenting an issue. It takes the view that, in particular, it does not follow from the Trade Mark Directive, at least not necessarily in the sense of the principle of effectiveness, that no requirements whatsoever can be imposed on the applicant in invalidity proceedings with regard to the substantiation of its action.
- 30 The Court of Justice of the European Union justifies the view of the burden of proof, which is not expressly regulated in the Trade Mark Directive, by pointing to an analogy to the European Union Trade Mark Regulation and, moreover, to the argument that the question of the burden of proof must be regulated in the same way in all Member States in order not to undermine the level of protection resulting from the Trade Mark Directive. The trade mark proprietor’s burden of

proof arises from a principle which *‘is in reality merely an application of common sense and requirements of procedural efficacy.’*

- 31 In the preliminary view taken by the present Chamber, neither argument concerns the burden of raising and presenting an issue:
- 32 the Chamber takes the view that common sense and procedural efficiency, the two reasons underpinning the case-law of Court, require that the burden of raising and presenting an issue continue to be interpreted in a manner that balances interests, in accordance with the case-law of the Federal Court of Justice presented above.
- 33 This is because the recognised interests of both sides must be weighed against each other. Therefore, the applicant should first make the effort itself to check, as far as it is possible and reasonable for it to do so, whether or not the defendant uses the trade mark concerned. Only after such research and the corresponding substantiated submission would it appear necessary for the defendant to disclose its use in a comprehensive manner.
- 34 Otherwise, any party – procedural law does not require a specific legal interest for invalidity actions – could force any trade mark proprietor to disclose the use of its trade mark. Under both German law and the directives, ‘any person’ may bring a cancellation action. The risk of abuse of that possibility to bring an action is therefore great if the applicant is not required, in a first step, to make any submissions other than the sentence ‘The defendant does not make use of its trade marks’.
- 35 A considerable effort is imposed on the defendant trade mark proprietor, namely the task of researching all instances of use made in the last 5 years in all areas in which it uses the private-label products.
- 36 The referring Chamber takes the view that it therefore appears reasonable and necessary to require that the applicant itself first assess, in an appropriate manner, whether the trade mark proprietor does not actually make any use of the trade mark concerned. The Chamber takes the view that, in order to do so, it must carry out an assessment appropriate to the specific nature of the trade mark concerned and give an account of that assessment in the action. It is only through such concrete factual submissions that the applicant triggers the defendant’s burden of making a submission. In that respect, it is also recognised that a concrete submission by one party requires a concrete response from the other.
- 37 The present case illustrates the problem: the defendant operates a chain of 46 bricks-and-mortar hypermarkets in Germany and, as a full-range supplier, sells a variety of ‘non-food’ products. At least according to its submissions and the evidence placed in the case file so far, it uses at least the word mark ‘maxus’ as a private-label brand for a large number of products in a large number of classes of the Nice Agreement. The defendant has only a rudimentary online presence. In the proceedings so far, the applicant has been content to conduct a brief Google search and look into one hit – a beverage store near Munich.

- 38 The Chamber takes the view that the applicant has not thereby discharged its burden of raising and presenting an issue. In the case of a trade mark such as that at issue in the present case, it would have been possible and reasonable for the applicant to inspect at least 2 or 3 of the defendant's hypermarkets on a random basis in order to check the use of the trade marks concerned. This is because the trade mark concerned is the defendant's private-label brand ('white label'), which is suitable for many products, and the defendant is not an online retailer, but rather a bricks-and-mortar hypermarket.
- 39 The question as to the appropriateness of the scope of the burden of raising and presenting an issue can, in the view of the Chamber, be decided only on an individual basis by the national court in each individual case. Joined Cases C-720/18 and C-721/18, for instance, in which the Court ruled on the burden of proof, concerned a trade mark for which the specialist areas and product markets were clearly apparent, as was the use of the trade mark on those markets. The situation is completely different when it comes to a supermarket's own private-label brands ('white labels'). They may relate to a large number of markets and products.
- 40 Were the applicant not to have any specific obligations to conduct research and make submissions in the sense of the burden of raising and presenting issues, it could force the defendant, without having to make any effort, to make a substantiated submission on the use of its private label, thereby giving up trade secrets and going to great lengths in order to conduct the required research. The Chamber takes the view that this could give rise to potential for abuse.
- 41 It is true that it is necessary to take account of the fact that invalidity actions are in the general interest so as to provide trade marks with exclusive protection only if they are also put to use. German law also allows an action for annulment even where the applicant does not have a legal interest of its own. Nevertheless, the legitimate interests of a trade mark proprietor in not being the target of a 'shot in the dark' and in being, rather, the subject of legal proceedings only if the applicant has also 'done its homework' might militate in favour of the attacker being subject to a certain requirement to raise and present the relevant issues.
- 42 The concept on which the Trade Mark Directive is based also militates in favour of that view of the matter: in that respect, Articles 17, 44 and 46 of the directive make clear that the defence of non-use can be raised in the proceedings brought by the trade mark proprietor which are referred to in those provisions and that the trade mark proprietor bears the burden of proof in such proceedings. If a trade mark proprietor wishes to defend itself against an infringement, it should therefore also bear the original burden of raising and presenting the argument that it is actually using the trade mark, if the potential infringer so requests. The situation is the same in the proceedings described in Articles 44 and 46 of the Trade Mark Directive. The scope of such proceedings is therefore determined by the trade mark proprietor in each case.

- 43 The situation is entirely different in civil invalidity proceedings, as proceedings brought against the trade mark proprietor: first, those proceedings are not regulated by the directive, a circumstance which militates against a limitation of the attacker's burden of raising and presenting an issue. The *effet utile* of the Trade Mark Directive is therefore – *e contrario* – not affected by the attacker's burden of raising and presenting an issue in civil invalidity proceedings. Second, it is the attacker in such cases that determines the scope of the attack on the proprietor's allegedly unused trade mark. Therefore, the present Chamber takes the view that, at the least, substantiated and fact-based submissions by the applicant are necessary in such a situation in order to prevent the invalidity proceedings from becoming completely boundless. This presupposes that the attacker conducts a certain, reasonable amount of research before proceedings are brought.
- 44 Moreover, it should be noted that the directive expressly provides for administrative invalidity proceedings before the trade mark office. This facility is also guaranteed under German law. The *effet utile* of the Trade Mark Directive does not therefore require that the applicant's burden of making a submission in civil invalidity proceedings, which are neither required nor regulated by the directive, be set at zero.
- 45 The Court's second argument, that no different level of protection should arise within the scope of the Trade Mark Directive, does not affect the preliminary view taken by the present Chamber. This is because, following the judgment in Joined Cases C-720/18 and C-721/18, it is clear that a '*non liquet*' resulted in a decision against the trade mark proprietor after evidence had been taken. The possibility to make substantiated submissions in the sense of the burden of raising and presenting an issue is automatically available to any party willing to conduct the required research. If this takes place, the trade mark proprietor must make a full submission on the use of its trade mark. If it does so, evidence is taken and, if it is deemed to be insufficient, a *non-liquet* decision is given in favour of the attacker. Consequently, the Chamber's view on the burden of raising and presenting an issue does nothing to change the level of protection.
- 46 The Chamber would therefore like to know, in its first question, whether the applicant can be subject to an obligation to make substantiated submissions in invalidity proceedings. By its second question, the Chamber would like to know whether the interpretation for which it has a preference on a preliminary basis – according to which that burden of raising and presenting an issue requires the applicant to conduct its own research which is appropriate to the contested trade mark – is in conformity with EU law.