

JUDGMENT OF THE COURT OF FIRST INSTANCE (Fourth Chamber)

11 May 2005 *

In Case T-31/03,

Grupo Sada, pa, SA, established in Madrid (Spain), represented by
A. Aguilar De Armas and J. Marrero Ortega, lawyers,

applicant,

v

**Office for Harmonisation in the Internal Market (Trade Marks and Designs)
(OHIM)**, represented by J. García Murillo and M.G. Schneider, 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

Sadia, SA, established in Concordia (Brazil), represented by J. García del Santo and P. García Cabrerizo, lawyers,

ACTION brought against the decision of the First Board of Appeal of OHIM of 20 November 2002 (Case R 567/2001-1), concerning opposition proceedings between Sadia, SA, and Grupo Sada, pa, SA,

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

composed of H. Legal, President, P. Mengozzi and I. Wiszniewska-Bialecka, Judges,

Registrar: B. Pastor, Deputy Registrar,

having regard to the application lodged at the Registry of the Court of First Instance on 31 January 2003,

having regard to the response lodged at the Court Registry on 4 June 2003,

having regard to the response of the intervener lodged at the Court Registry on 10 June 2003,

further to the hearing on 16 December 2004,

gives the following

Judgment

Background to the dispute

- ¹ On 1 April 1996, Grupo Sada, pa, SA filed an application for a Community trade mark at the Office for Harmonisation in the Internal Market (Trade marks and Designs) ('OHIM') under Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark (OJ 1994 L 11, p. 1), as amended.

2 The mark for which registration was sought is reproduced below:



3 The goods and services for which registration was sought fall within Classes 29, 31 and 35 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, and correspond to the following descriptions:

- Class 29: 'Meat, fish, poultry and game; meat extracts; preserved, dried and cooked fruits and vegetables; jellies, jams, fruit sauces; eggs, milk and milk products; edible oils and fats';

- Class 31: 'Agricultural, horticultural and forestry products and grains not included in other classes; live animals; fresh fruits and vegetables; seeds, natural plants and flowers; foodstuffs for animals, malt';

- Class 35: 'Advertising; business management; business administration; office functions'.

- 4 The application was published in *Community Trade Marks Bulletin* No 32/97 of 8 December 1997.
- 5 On 6 March 1998, Sadia Concordia, SA, Industria e Comercio, now Sadia, SA, filed notice of opposition to the registration of the sign on the ground of likelihood of confusion, within the meaning of Article 8(1)(b) of Regulation No 40/94, with an earlier figurative mark of which it is the holder. That mark, represented below, was registered in Spain under No 1 919 773 for goods in Class 29:



The image shows the word "Sadia" in a large, bold, black, sans-serif font. The letters are thick and closely spaced, with a slightly irregular, hand-drawn appearance. The 'S' is particularly large and prominent, followed by 'a', 'd', 'i', and 'a'.

- 6 The Class 29 goods for which the intervener's earlier mark was registered correspond to the following description: 'Meat, fish, poultry and game; meat extracts; preserved, dried and cooked fruits and vegetables; jellies, jams, fruit sauces; eggs, milk and milk products; edible oils and fats'.
- 7 The opposition concerned the goods and services in Classes 29, 31 and 35, as specified in the application for registration.
- 8 By decision of 3 April 2001, the Opposition Division upheld the opposition in so far as it concerned the goods in Class 29, but ordered registration in respect of the goods and services falling within Classes 31 and 35. In relation to the Class 29 goods, the Opposition Division noted that there was a high degree of visual and phonetic

similarity between the signs at issue and that the goods were identical or similar, which might give rise to a likelihood of confusion on the part of the Spanish consumer.

- 9 On 30 May 2001, the applicant filed an appeal with OHIM against the decision of the Opposition Division, seeking, firstly, annulment of the decision in so far as it denied registration for the goods in Class 29 and, secondly, registration of the mark applied for in respect of those goods.
- 10 That appeal was dismissed by decision of 20 November 2002 of OHIM's First Board of Appeal ('the contested decision'). In essence, the Board of Appeal held that the identity of the goods together with a phonetic similarity and some visual similarity between the dominant components of the signs at issue warranted the finding of likelihood of confusion on the part of Spanish consumers, who might be led to believe the goods identified by the marks at issue to be either from the same undertaking or, as the case may be, from economically linked undertakings.

Forms of order sought

- 11 The applicant claims that the Court should:
- annul the contested decision in so far as it refuses registration of the mark claimed for goods in Class 29;

- authorise registration of the mark in respect of the Class 29 goods;

 - order OHIM to pay the costs;

 - appoint an expert to report on the likelihood of confusion between the marks at issue.
- 12 At the hearing the applicant withdrew the second and fourth heads of claim and the Court noted this in the record of the hearing.
- 13 OHIM and the intervener claim that the Court should:
- dismiss the application;

 - order the applicant to pay the costs.

Law

- 14 In support of its claim for annulment of the contested decision, the applicant puts forward a single plea, alleging infringement of Article 8(1)(b) of Regulation No 40/94.

- 15 That plea is subdivided into three parts. The first part concerns failure by the Board of Appeal to take into account the high degree of recognition in Spain of the mark applied for. The second part concerns infringement of the requirement for a global assessment of the marks at issue. The third part concerns concurrent use on the Spanish market of three registrations effected by the applicant prior to the application for the Community trade mark and of the intervener's earlier mark.

First part of the plea: alleged failure of the Board of Appeal to take account of the high degree of recognition in Spain of the mark applied for

Arguments of the parties

- 16 The applicant makes the point that, even before filing its application for registration with OHIM, it had for several years been using, in the course of trade, a symbol exactly identical to the mark sought to be registered. It states that, as attested by exhibits attached to its application, it is a group of eight companies covering the whole of Spain and distributing all their products under the GRUPO SADA mark. It adds that that mark appears on the staff cards of its employees, on envelopes, on memoranda, on invoices, delivery notes and order forms, on signs displayed at the company's headquarters, as well as in various publications. The applicant argues accordingly that the mark applied for is clearly well-known on the Spanish market as a result of the use to which it has been put and the investment made in promoting it. Moreover, the applicant points out that the mark, which includes the verbal component 'GRUPO SADA', is the same as its company name, as a result of which the consumer will much more readily associate the products identified by the mark with that undertaking.

17 In that regard, the applicant claims that the exhibits attached to the application prove that the mark enjoyed a high degree of recognition among the two categories of intended purchasers of its products, namely, the wholesalers and supermarkets throughout Spain which order directly from it, and the supermarkets' customers, the retail consumers.

18 In those circumstances, the applicant submits that the Board of Appeal erred in not taking account of the fact that, vis-à-vis the relevant public the mark applied for enjoys a high degree of recognition. It cites the judgments of the Court of Justice in Case C-39/97 *Canon* [1998] ECR I-5507 and in Case C-251/95 *SABEL* [1997] ECR I-6191 as authority for the proposition that a high degree of recognition of a mark dispels any likelihood of confusion.

19 OHIM replies that the argument concerning the high degree of recognition in Spain enjoyed by the mark applied for, having been raised for the first time before the Court, constitutes a change of the subject-matter of the proceedings contrary to Article 135(4) of the Rules of Procedure of the Court of First Instance. OHIM therefore requests the Court not to consider the argument concerning failure by the Board of Appeal to take account of the high degree of recognition which it is claimed that the mark applied for enjoys. OHIM further submits that the exhibits attached to the application are inadmissible.

20 The intervener concurs with the position of OHIM in relation to the admissibility of the applicant's argument and of the exhibits tendered in evidence. It adds, on the merits, that the fact of the mark being well-known does not of itself dispel the likelihood of confusion. The intervener's mark was also well-known to Spanish consumers. In that regard, the intervener states that it is Brazil's biggest exporter of meat-based products with a presence on several national markets, including the

United Kingdom and Italy. As proof of the scale of its business, the intervener attaches to its pleadings various brochures and magazines as well as packaging and bags used by it and purporting to show its continuous use of its mark.

Findings of the Court

- 21 Article 74(1) in fine of Regulation No 40/94 provides that ‘in proceedings relating to relative grounds for refusal of registration, [OHIM’s examination] shall be restricted ... to the facts, evidence and arguments provided by the parties and the relief sought’. The Court has held that that provision requires a Board of Appeal, in ruling on an appeal against a decision to terminate an opposition procedure, to base its decision only on the relative grounds for refusal on which the party concerned relied and on the related facts and evidence produced by that party (Case T-308/01 *Henkel v OHIM — LHS (UK) (KLEENCARE)* [2003] ECR II-3253, paragraph 32).
- 22 In the instant case, it is not in dispute that the claim that the mark applied for had a high degree of recognition, purportedly acquired as the result of the use of an identical sign in the course of trade in Spain, was raised for the first time in the proceedings before this Court.
- 23 As well as that, neither the Opposition Division nor the Board of Appeal was under any duty to establish of its own motion the high degree of recognition supposedly acquired by the mark applied for. The argument is thus inadmissible.
- 24 On the same grounds, the evidence adduced by the intervener for the first time before the Court in support of its claim that its earlier mark was well-known must be

excluded, without it being necessary to assess its probative value (see Case T-247/01 *eCopy v OHIM (ECOPY)* [2002] ECR II-5301, paragraph 49, and Case T-129/01 *Alejandro v OHIM — Anheuser-Busch (BUDMEN)* [2003] ECR II-2251, point 67).

25 Accordingly, the first part of the plea is dismissed as inadmissible.

Second part of the plea: alleged infringement of the requirement for a global assessment of the marks at issue

Arguments of the parties

26 The applicant alleges that the Board of Appeal in several respects infringed the requirement, established by the case-law, for a global assessment of the visual, phonetic and conceptual similarity between the marks at issue.

27 In the first place, it claims that by performing separate assessments of the visual, phonetic and conceptual aspects of the marks at issue, at paragraph 27 of the contested decision, the Board of Appeal breached the requirement for a global assessment of the marks, as it failed to compare the results of those assessments.

28 Secondly, the applicant submits that the Board of Appeal also infringed the requirement for a global assessment of the marks at issue by analysing only the 'sada' element of the mark applied for, which it characterised as dominant, while ignoring

the 'grupo' element. Citing Case T-6/01 *Matratzen Concord v OHIM — Hukla Germany (MATRATZEN)* ([2002] ECR II-4335), the applicant argues that a global assessment entails taking account of all the elements of marks and not only of their dominant element. In that regard, the applicant states that it fails to understand why the contested decision characterises the term 'grupo' as lacking distinctiveness while passing over in silence the question of the — considerably lower — distinctiveness of the 'sadia' element of the intervener's earlier mark. The Board of Appeal thereby treated the marks at issue differently.

29 According to the applicant, it was only by an artificial splitting of the mark applied for that the Board of Appeal could find a likelihood of confusion. It is impossible for consumers, in the few split seconds that they spend considering them, to strip the marks at issue of their figurative elements, block out the 'grupo' element from the mark applied for and the 'i' from the intervener's earlier mark, and to merge the two different fonts into one, so as to perceive a resemblance between the marks at issue. Any consumer accomplishing those steps cannot be regarded as an average consumer and will not be misled by the mark applied for because he or she will necessarily be aware of the mental process by which the resemblance between the marks at issue has been discerned.

30 In addition, the applicant argues that the dominant element in the mark applied for is not the verbal element 'sada' but the pattern of four circles overlaid with six oblique lines, which is markedly larger than the verbal element and to which the eye is involuntarily drawn. As regards the intervener's mark, the overall impression it created is dominated by the large 's' which produces an almost hypnotic effect. In the applicant's view, a global assessment of the mark applied for, the overall impression of which is dominated by the figurative element, and of the intervener's earlier mark, the overall impression of which is dominated by the stylised initial 's', thus rules out any likelihood of confusion on the part of the consumer.

31 Thirdly, the applicant submits that the Board of Appeal made an error of assessment in failing to take account of the fact that the verbal element 'sadia' is a generic Portuguese word meaning 'health', which reduces the likelihood of confusion between the marks at issue.

32 OHIM maintains that the Board of Appeal made no error of assessment regarding the likelihood of confusion between the marks at issue.

33 In the first place, OHIM notes that it is common ground that the goods protected by the marks at issue are identical.

34 In the second place, regarding the applicant's submission that the intended users of the goods identified by the mark applied for are supermarkets and end consumers, OHIM submits that the goods identified by the mark applied for are not only chicken-meat and its derivatives, but also other goods, such as milk, milk products, oil and edible fats. The latter are marketed directly to final consumers and not principally to supermarkets and wholesalers. The consumer of the goods identified by the mark applied for is therefore not necessarily a specialist consumer. Furthermore, OHIM notes that the goods in question, being food products, are everyday items purchased without particular attention being paid to them.

35 In the third place, regarding the comparison of the signs at issue, OHIM starts by stating that, despite certain differences, there is visual similarity between the signs at issue as a result of the prominence of the 'sada' element in the overall impression produced by the mark applied for, since that element contains the same sequence of

letters as the intervener's earlier mark, with the exception of the 'i'. OHIM therefore endorses the Board of Appeal's finding as to there being 'some visual similarity'.

36 OHIM goes on to concur with the finding in the contested decision that the marks at issue are phonetically similar.

37 Finally, regarding the conceptual comparison of the signs at issue, OHIM endorses the Board of Appeal's conclusion and submits that it is impossible to carry out such a comparison, since the verbal elements 'sada' and 'sadia' have no conceptual content in Spanish. In that regard, OHIM points out that the applicant's argument as to the verbal element 'sadia' meaning 'health' in Portuguese is new. On the merits, the Portuguese word for 'health' is 'saúde' and 'sadia' in Portuguese is an adjective which, when applied to a person, means 'in good health', and, when applied to a product, means 'health-giving'. OHIM also notes that the verbal element 'sadia' means nothing to the relevant public, which consists of Spanish consumers, because it means nothing in Spanish, that the word is not commonly used in Spain to designate goods in Class 29, and that it has not been shown that Spanish consumers are sufficiently conversant with Portuguese to understand the meaning of the word in that language.

38 Furthermore, regarding the term 'grupo' in the mark applied for, although OHIM acknowledges that the term exists in Spanish and denotes a group of companies, it argues none the less that the conceptual content of that element and the fact that it is absent from the intervener's earlier mark are of little account, because, as numerous other examples confirm, the term 'grupo' is commonly used in the food industry in Spain to denote a group of companies.

39 In the fourth and final place, regarding the assessment of the likelihood of confusion between the marks, OHIM endorses the Board of Appeal's finding that there is such a likelihood. The fact that the goods are identical, the fact that they are purchased without particular attention being paid to them and the fact that the consumer's imperfect mental image of the mark applied for is that of its dominant element 'sada', which bears a strong similarity to the intervener's mark, sustain a finding of likelihood of confusion. That finding is further strengthened by the fact that the term 'grupo', which appears in the mark applied for, indicates a link between undertakings and might lead consumers to think that the undertakings Sadia and Grupo Sada belong to the same group.

40 The intervener concurs, in substance, with the arguments put forward by OHIM.

Findings of the Court

41 Under Article 8(1)(b) of Regulation No 40/94, upon opposition by the proprietor of an earlier trade mark, the trade mark applied for is not to be registered if because of its identity with or similarity to the earlier trade mark and the identity or similarity of the goods or services identified by the trade marks there exists a likelihood of confusion on the part of the public in the territory in which the earlier trade mark is protected.

42 According to settled case-law, the risk that the public might believe that the goods or services in question come from the same undertaking or, as the case may be, from economically linked undertakings, constitutes a likelihood of confusion.

- 43 According to the same line of case-law, likelihood of confusion must be assessed globally, by reference to the perception that the relevant public has of the signs and of the goods or services at issue, 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 goods or services covered (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 cases cited there).
- 44 It is also clear from the case-law that the global assessment of the likelihood of confusion, as far as concerns the visual, aural or conceptual similarity of the marks at issue, must be based on the overall impression given by the marks, 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 cases cited there).
- 45 In this case, the dispute concerns the comparison of the signs at issue. The fact that the goods identified by the marks at issue are identical is not in dispute.
- 46 As the earlier mark is registered in Spain, the relevant public is composed of average Spanish consumers.
- 47 On that point, the Court dismisses the applicant's argument, referred to in the discussion of the first part of the plea, according to which the relevant public comprises supermarket customers as well as wholesalers and the supermarkets themselves. As OHIM correctly argued, even accepting the applicant's assertion that it markets chicken-meat under the mark applied for only to supermarkets, the fact

remains that the other Class 29 goods identified by that mark, such as milk and milk products, are marketed to final consumers. Accordingly, for the purposes of assessing the likelihood of confusion between the marks at issue, it is the reasonably well-informed and attentive average Spanish consumer that must be considered, as the contested decision rightly held.

48 With regard to the comparison of the signs at issue, the Court must first of all reject the applicant's argument that the Board of Appeal, in disregard of the *MATRATZEN* judgment, cited in paragraph 28 above, compared only the dominant element of the mark applied for, namely the verbal element 'sada', with the intervener's earlier mark.

49 It was held in the *MATRATZEN* judgment that a complex trade mark cannot be regarded as being similar to another trade mark which is identical or displays similarity to one of the components of the complex mark unless that component forms the dominant element within the overall impression created by the complex mark. That is the case where that component is likely to dominate, by itself, the image of that mark which the relevant public keeps in mind, with the result that all the other components of the mark are negligible within the overall impression created by it. That approach does not amount to taking into consideration only one component of a complex trade mark and comparing it with another mark. On the contrary, such a comparison must be made by examining the marks in question, each considered as a whole. However, that does not mean that the overall impression created in the mind of the relevant public by a complex trade mark may not, in certain circumstances, be dominated by one or more of its components. Furthermore, in the assessment of the dominant character of one or more given components of a complex trade mark, account must be taken, in particular, of the intrinsic qualities of each of those components by comparing them with those of other components. In addition and accessorially, account may be taken of the relative position of the various components within the arrangement of the complex mark (*MATRATZEN*, paragraph 28 above, paragraphs 33 to 35, confirmed by the Order of the Court in Case C-3/03 P *Matratzen Concord v OHIM* [2004] ECR I-3657, paragraphs 32 and 33.

50 In the present case the Board of Appeal found, in relation to the intervener's earlier mark, that the styling of the letter 's' in that mark was not significant.

51 That finding is upheld. Contrary to the applicant's submission, the styling of the letter 's' in the intervener's earlier mark, which is such that the upper curve of the 's' is slightly larger than the lower curve, is insignificant and therefore does not constitute the dominant element of that mark. The Court takes the view that it is instead the verbal element of the earlier mark, namely 'sadia', in its entirety, which dominates the image that the average Spanish consumer keeps in mind.

52 As far as the mark applied for is concerned, the Board of Appeal found that the verbal element 'sada' constituted its dominant element.

53 In relation to the verbal elements of the mark applied for, the Board of Appeal held, at paragraph 27 of the contested decision, that the term 'grupo', meaning 'group of companies', was written in smaller and finer characters than the 'sada' element and would be viewed as secondary by the consumer.

54 That assessment is correct. In visual terms, it is clearly the case that the font and the thickness of the characters of the verbal element 'sada' as well as the central position of that element in the design of the mark applied for dominate the 'grupo' element in the overall impression of the verbal element. The Board of Appeal is also quite correct to find that the latter term will not be remembered by the consumer. The consumer will ascribe to the term only its generic meaning, namely that of a group of companies. The consumer will therefore not perceive the term 'grupo' as the principal component of the mark applied for or as an element indicating the origin of the goods identified by that mark.

55 In any case, contrary to what the applicant maintains, the Board of Appeal did not confine itself, in its visual, phonetic and semantic assessment of the signs at issue, to a comparison of the dominant element 'sada' in the mark applied for with the intervener's earlier mark, to the exclusion of the term 'grupo'. It is clear from paragraph 27 of the contested decision that the Board of Appeal did take into consideration the presence of the term 'grupo' in the mark applied for during its overall comparison of that mark with the intervener's earlier mark.

56 As regards the figurative element in the mark applied for, consisting of four dark-coloured circles overlaid with six light-coloured oblique lines appearing to converge, a reading of paragraph 13 together with paragraph 26 of the contested decision shows that the Board of Appeal endorsed the reasoning followed by the Opposition Division, according to which the figurative element was purely decorative and could not therefore be regarded as the dominant element of the mark applied for.

57 That finding is correct. It is true that the figurative element in the mark applied for attracts attention because of its size. However, the pattern is difficult to recall and consequently will not dominate the image of the mark applied for which the relevant public will keep in mind. In the first place, the pattern is geometrically somewhat complex, in particular because of the six oblique lines crossing the four circles but not all meeting at the top of the uppermost circle, whereas two of the lines do come together inside the uppermost circle. In the second place, the figurative element in the design of the mark applied for is set off to the left vis-à-vis the vertical alignment formed by the two verbal elements 'grupo' and 'sada', which suggests that it is of negligible significance, of a decorative nature, in the overall impression created by the mark.

58 In those circumstances, the Board of Appeal cannot be criticised for finding that the verbal element ‘sada’ constituted the dominant element of the mark applied for, which the relevant public will keep in mind.

59 Turning to the similarity between the signs found by the Board of Appeal, the Court takes the view that that finding too must be upheld.

60 As far as the visual comparison is concerned, the Board of Appeal found that, notwithstanding the differences between the marks at issue — the figurative four-circle pattern and the ‘grupo’ element in the mark applied for —, there was some similarity between the earlier mark and the dominant element of the mark applied for, namely ‘sada’, because of the position of that element and because of the sequence of letters common to both marks, with the exception of the ‘i’ in the earlier mark.

61 Even though, visually, the similarity between the signs is not particularly strong, as was acknowledged, moreover, by the Board of Appeal, it is still enough to outweigh the differences between the signs at issue, to which the contested decision refers.

62 Phonetically, it must be found, as it was in the contested decision, that the signs at issue are similar. For one thing, even though the mark applied for includes the term ‘grupo’, that element is not sufficiently important to offset the clear phonetic similarity between the dominant element of the mark applied for, namely ‘sada’, and the earlier mark. As well as that, the Board of Appeal correctly found that, given the rules of stress in Spanish, the letter ‘i’, which forms a diphthong with the strong vowel ‘a’ in the verbal element ‘sadia’, is pronounced weakly in Spanish.

Consequently, the verbal element 'sada' in the mark applied for and the intervener's earlier mark will be pronounced in a similar way by the relevant public. Accordingly, in view of the dominant character of the verbal element 'sada' in the mark applied for, the finding must be that, in the overall impression of the marks at issue, there is phonetic similarity between them.

63 As for the conceptual comparison, the Board of Appeal was also correct in finding such a comparison to be irrelevant, inasmuch as neither the dominant element of the mark applied for nor the earlier mark meant anything in Spanish.

64 First of all, the applicant's argument that the Board of Appeal wrongly failed to take into account the fact that the verbal element 'sadia' means 'health' in Portuguese cannot be upheld. It need only be pointed out that, even assuming that one of the meanings of the verbal element 'sadia' is that which the applicant ascribes to it, the applicant has not shown that the relevant public, that is, the Spanish consumer, is sufficiently conversant with Portuguese to associate that meaning immediately with the verbal element 'sadia'. Accordingly, as the Board of Appeal rightly noted at paragraph 28 of the contested decision, the relevant public will view that verbal element as a fanciful word.

65 In the second place, the fact that the verbal element 'grupo' is meaningful in Spanish cannot be regarded as conferring meaning on the mark applied for or as creating a conceptual distinction between that mark and the intervener's earlier mark on the part of the relevant public. As already observed at paragraph 54 above, the relevant public will give the term 'grupo' its generic meaning, namely that of a 'group of companies'. Therefore, from a conceptual point of view, the term 'grupo' is of minor importance compared to the dominant element 'sada' of the mark applied for.

- 66 Finally, the applicant cannot fairly criticise the Board of Appeal for failing to comply with the case-law requirement for a global assessment of the signs at issue on the basis that the Board of Appeal's approach was too analytical and did not reflect the thought-process of an average consumer faced with the two marks at issue.
- 67 Whilst the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details (see, by analogy, *SABEL*, cited at paragraph 18 above, paragraph 23), in general it is the dominant and distinctive features of a sign which are more easily remembered (see, to that effect, Case T-104/01 *Oberhauser v OHIM — Petit Liberto (Fifties)* [2002] ECR II-4359, paragraphs 47 and 48). Consequently, the Board of Appeal cannot be criticised for having examined what are, in the consumer's perception, the distinctive and dominant elements of the marks which the consumer will retain in mind.
- 68 Moreover, before setting out its specific reasoning in respect of the visual, phonetic and conceptual comparison of the marks at issue, the Board of Appeal stated, at paragraph 26 of the contested decision, that the elements which differentiate the marks at issue were not sufficiently important to offset the similarity of their dominant elements. It follows that the Board of Appeal did conduct a global assessment of the signs at issue.
- 69 In those circumstances, given the identical nature of the goods covered by the marks at issue and the visual and phonetic similarities between the dominant element of the mark applied for and the earlier mark, the overall impression created by the marks concerned will lead the relevant public to believe that the goods identified by those marks originate from the same undertaking or, at the very least, from economically linked undertakings. Moreover, the verbal element 'grupo' in the mark applied for, which denotes a group of companies, although it is not the dominant

element, is none the less capable of suggesting an association between the undertakings concerned in the form of a 'group' of companies thereby increasing the likelihood of confusion between the marks at issue.

70 For all of those reasons, the second part of the plea is rejected.

Third part of the plea: concurrent use on the Spanish market of (i) three registrations effected by the applicant prior to the application for the Community trade mark and (ii) the intervener's earlier mark

Arguments of the parties

71 The applicant states that it is the holder of three Spanish trade marks registered for the goods falling within Class 29, namely the word mark SADA SOCIEDAD ANÓNIMA PARA LA DISTRIBUCIÓN ALIMENTARIA, registered on 5 April 1991 under No 1 311 019, the word mark LA DESPENSA DE SADA, registered on 1 May 1994 under No 1 807 310 and the figurative mark composed of four circles overlaid with six oblique lines, registered on 5 July 1990 under No 1 311 021.

72 The applicant notes that the mark applied for brings together in a single sign the constituent elements of the three national marks of which it is the holder, that is, the verbal element 'sada' of the trade marks registered under Nos 1 311 019 and 1 807 310, and the figurative element composed of four circles overlaid with six oblique lines registered under No 1 311 021. The mark applied for should therefore not confuse the consumer who will associate it with the applicant's earlier national trade marks and not with that of the intervener. There is therefore no likelihood of

confusion on the part of the consumer as between the mark applied for and the intervener's mark. Moreover, the fact that the national trade marks coexisted peacefully prior to the filing of the application for registration of the Community trade mark is also evident, in the applicant's submission, from a consultation of the two companies' respective websites.

73 Consequently, the applicant maintains that the Board of Appeal erred in failing to take into account the peaceful coexistence on the Spanish market, prior to the filing of the application for registration of the Community trade mark, of the three national trade marks of which it is the holder and of the intervener's earlier mark, which, moreover, was registered in Spain after the three national trade marks it relies upon.

74 In that regard, the applicant states that when the intervener filed its application for a national trade mark in Spain no claim was made that registration of the mark could give rise to a likelihood of confusion on the part of the Spanish consumer: the Spanish Patents and Trade Marks Office did not consider the matter of its own motion and the applicant itself did not raise it. Furthermore, as of the date of commencement of the current proceedings, no action had been brought for damages on account of loss suffered as a result of confusion between the applicant's goods and those of any other undertaking, in particular those of the intervener, either by the applicant's competitors, by consumer associations or by individuals.

75 OHIM rejects that line of argument. First of all, at paragraph 29 of the contested decision, the Board of Appeal concluded that 'the mere assertion of purported coexistence with third-party trade marks does not prove that there is no likelihood of confusion in the present case, given that the marks in question are not identical to those concerned in these proceedings and given that they do not cover goods which are similar to those protected by the marks at issue'.

76 OHIM observes that while the applicant did indeed refer, during the OHIM proceedings, to the Spanish registrations No 1 807 310 of the mark LA DESPENSA DE SADA and No 1 311 019 of the mark SADA SOCIEDAD ANÓNIMA PARA LA DISTRIBUCIÓN ALIMENTARIA, it at no point claimed that it was the owner of those registrations and did not furnish proof of their existence. Furthermore, the applicant at no time maintained that there had been actual and genuine coexistence of those two national marks and the intervener's mark and had adduced no evidence of such coexistence.

77 OHIM then points out that, as noted by the Board of Appeal, the two national marks referred to before it by the applicant have only the verbal element 'sada' in common with the mark applied for. As a consequence, even supposing that those two national marks co-exist peacefully on the Spanish market with the intervener's mark, it does not follow that there is peaceful coexistence between the mark applied for and that of the intervener. OHIM therefore contends that the argument alleging failure by the Board of Appeal to take account of the peaceful coexistence of the marks at issue must be rejected.

78 OHIM concedes that the Board of Appeal erred in finding that the two national marks containing the verbal element 'sada' did not cover goods identical to those identified by the marks at issue, despite the fact that the applicant had stated before it that those two national marks were registered for goods in Class 29. Nevertheless, in OHIM's view, that error did not affect the conclusion arrived at by the Board of Appeal at paragraph 29 of the contested decision.

79 Finally, OHIM submits that the evidence tendered for the first time before the Court in support of the argument concerning peaceful coexistence between the applicant's earlier national marks and the intervener's earlier mark is inadmissible.

80 The intervener concurs, in substance, with the arguments put forward by OHIM.

Findings of the Court

81 It must first be observed that the applicant maintained before both the Opposition Division and the Board of Appeal that ‘the SADIA mark had coexist[ed] on the Spanish market for several years with distinctive signs containing the verbal element “sada”, referring to the marks LA DESPENSA DE SADA and SADA SOCIEDAD ANÓNIMA PARA LA DISTRIBUCIÓN ALIMENTARIA identifying goods in Class 29.

82 However, since there is nothing in the record of the OHIM proceedings to show that the applicant mentioned the existence of the Spanish figurative mark registered under No 1 311 021 — nor still less proved it was the owner of that mark — during the course of those proceedings, that registration, raised for the first time before the Court, cannot be taken into consideration (see Case T-85/02 *Díaz v OHMI — Granjas Castelló (CASTILLO)* [2003] ECR II-4835, paragraph 46).

83 Secondly, in relation to the national marks LA DESPENSA DE SADA and SADA SOCIEDAD ANÓNIMA PARA LA DISTRIBUCIÓN ALIMENTARIA, it must be pointed out that the Board of Appeal, having found that there was likelihood of confusion between the marks at issue, stated at paragraph 29 of the contested decision that the purported coexistence of the intervener’s earlier mark and third-party Spanish marks containing the verbal element ‘sada’ did not preclude a likelihood of confusion since those marks were not identical to the marks at issue and did not cover similar goods.

- 84 It must be observed, in general, that the Community trade mark regime is an autonomous system with its own set of rules and objectives peculiar to it and that it is self-sufficient and applies independently of any national system (Case T-106/00 *Streamserve v OHIM (STREAMSERVE)* [2002] ECR II-723, paragraph 47), and also that the legality of decisions of the Boards of Appeal must be evaluated solely on the basis of Regulation No 40/94, as interpreted by the Community Courts (*CASTILLO*, cited at paragraph 82 above, paragraph 37).
- 85 It follows that, contrary to what the applicant claims, the fact that the Spanish Patents and Trade Marks Office allowed the registration of the applicant's two aforementioned earlier marks and of the intervener's earlier mark has no bearing on the issue as to whether there is likelihood of confusion, within the meaning of Regulation No 40/94, between the marks at issue. In particular, the applicant cannot rely on the fact that at the time it did not oppose the registration of the intervener's earlier mark in Spain, basing any opposition on its own earlier marks. That fact does not mean that any likelihood of confusion between the marks at issue is dispelled.
- 86 Of course, the possibility cannot be entirely dismissed that, in certain cases, the coexistence of earlier marks on the market could reduce the likelihood of confusion which the Opposition Division and the Board of Appeal find exists as between two conflicting marks. However, that possibility can be taken into consideration only if, at the very least, during the proceedings before OHIM concerning relative grounds of refusal, the applicant for the Community trade mark duly demonstrated that such coexistence was based upon the absence of any likelihood of confusion on the part of the relevant public between the earlier marks upon which it relies and the intervener's earlier mark on which the opposition is based, and provided that the earlier marks concerned and the marks at issue are identical.
- 87 In this case, the Court notes that during the administrative proceedings the applicant adduced no evidence, other than a list containing the two aforementioned

earlier marks, in support of the claim that those registrations coexisted on the market with the intervener's earlier mark. That information is insufficient to show that the likelihood of confusion between the marks at issue is reduced, still less eliminated. The other items of evidence relied upon by the applicant as proof of coexistence are inadmissible, having been produced for the first time before the Court (*BUDMEN*, cited in paragraph 24 above, paragraph 67).

88 Moreover, the Board of Appeal was right in finding that the earlier marks relied upon by the applicant — of which the applicant had in any event failed to adduce proof of ownership during the OHIM proceedings — were not identical to the mark applied for.

89 Furthermore, it is not disputed that the applicant at no time claimed, still less proved, that the marks SADA SOCIEDAD ANÓNIMA PARA LA DISTRIBUCIÓN ALIMENTARIA and LA DESPENSA DE SADA possessed a high degree of distinctiveness such as would potentially reduce the likelihood of confusion between the intervener's earlier mark and the mark applied for.

90 The Board of Appeal was therefore right to find a likelihood of confusion between the marks at issue and to maintain that finding in the light of the other marks referred to in the proceedings before it.

91 Accordingly, the third part of the plea is rejected, and the application is dismissed in its entirety.

Costs

- 92 Under Article 87(2) of the Rules of Procedure, the unsuccessful party is to be ordered to pay the costs if they have been applied for in the successful party's pleadings. As the applicant has been unsuccessful, it must be ordered to pay the costs, in accordance with the forms of order sought by OHIM and the intervener.

On those grounds,

THE COURT OF FIRST INSTANCE (Fourth Chamber)

hereby:

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

Legal

Mengozi

Wiszniewska-Białecka

Delivered in open court in Luxembourg on 11 May 2005.

H. Jung

Registrar

H. Legal

President