

JUDGMENT OF THE COURT OF FIRST INSTANCE (Fifth Chamber)
8 September 2005 *

In Joined Cases T-178/03 and T-179/03,

CeWe Color AG & Co. OHG, established in Oldenburg (Germany), represented by
C. Spintig, S. Richter, U. Sander and H. Förster, lawyers,

applicant,

v

Office for Harmonisation in the Internal Market (Trade Marks and Designs)
(OHIM), represented by I. Mayer and M.G. Schneider, acting as Agents,

defendant,

* Language of the case: German.

ACTIONS brought against the decisions of the Third Board of Appeal of the Office for Harmonisation in the Internal Market (Trade Marks and Designs) of 12 March 2003 (Cases R 638/2002-3 and R 641/2002-3), in relation to registration of the word signs DigiFilmMaker and DigiFilm as Community trade marks,

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

composed of M. Vilaras, President, F. Dehousse and D. Šváby, Judges,

Registrar: C. Kristensen, Administrator,

having regard to the applications lodged at the Registry of the Court of First Instance on 19 and 21 May 2003,

having regard to the order for joinder of 18 September 2003,

having regard to the response lodged at the Registry of the Court of First Instance on 15 December 2003,

further to the hearing on 12 April 2005,

gives the following

Judgment

Background to the dispute

- 1 On 19 November 2001 the applicant filed two applications for a Community trade mark at the Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM), pursuant to 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 trade marks for which registration was sought were the word signs DigiFilm and DigiFilmMaker ('the trade marks sought').
- 3 The goods and services in respect of which registration of the mark DigiFilm has been sought fall within Classes 9, 16 and 42 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, for each of those classes, to the following description:
 - Class 9: 'Storage media, data carriers, in particular optical data carriers, in particular CD-ROMs, including all the aforesaid goods with photographs stored

thereon; photographic and cinematographic apparatus and instruments (included in class 9); apparatus for recording, transmission or reproduction of sound and/or images; data-processing apparatus; computers; computer software’;

- Class 16: ‘Photographs in the form of photographs on paper, negatives, slides’;

- Class 42: ‘Recording of data carriers, in particular with digital data, in particular image data, creating photographs; printing of photographs; operating an online print services for photographs; software consultancy, maintenance of software, computer programming’.

4 The goods and services in respect of which registration of the mark DigiFilmMaker was sought, in addition to the same goods and services as those covered in the request for the mark in relation to the DigiFilm mark, fall within Class 9 of the Nice Agreement, and correspond to the following description: ‘apparatus and automatic machines for recording data carriers, in particular apparatus for the transfer of digital data (in particular image data) onto data carriers (in particular CD-ROMs)’.

5 Under cover of letters of 22 February 2002, in accordance with Rule 11(1) of Commission Regulation (EC) No 2868/95 of 13 December 1995 implementing Council Regulation (EC) No 40/94 on the Community trade mark (OJ 1995 L 303, p. 1), the examiner informed the applicant that by virtue of Article 7(1)(b) and (c) of

Regulation No 40/94 the marks did not appear to be suitable for registration except in respect of the following goods and services:

- Class 16: 'Photographs in the form of photographs on paper, negatives, slides';

- Class 42: 'Software consultancy, maintenance of software, computer programming'.

6 Under cover of letters of 22 April 2002 the applicant maintained its applications for Community trade marks.

7 By decisions of 4 June 2002, in accordance with Rule 11(3) of Commission Regulation (EC) No 2868/95, the examiner rejected the applications on the basis of Article 7(1)(b) and (c) of Regulation No 40/94 in respect of the following goods and services:

- Class 9: 'Storage media, data carriers, in particular optical data carriers, in particular CD-ROMs, including all the aforesaid goods with photographs stored thereon; photographic and cinematographic apparatus and instruments (included in class 9); apparatus for recording, transmission or reproduction of sound and/or images; data-processing apparatus; computers; computer software';

— Class 42: 'Recording of data carriers, in particular with digital data, in particular image data, creating photographs; printing of photographs; operating an online print service for photographs'.

- 8 The examiner considered that the trade marks in respect of which registration was sought consisted of neologisms descriptive of the goods and services concerned. The term 'digi' is a modern English-language abbreviation of 'digital' and the signs DigiFilm and DigiFilmMaker referred directly to the following respective meanings: digital film and a person who makes digital films or instruments used to that effect (digital film-maker). The examiner also considered that juxtaposition of the terms 'Digi', 'Film' and 'Maker' did not give rise to any additional character conferring distinctiveness on the marks in respect of which registration is sought.
- 9 On 26 July 2002 the applicant lodged two appeals against the examiner's decision with OHIM pursuant to Article 59 of Regulation No 40/94.
- 10 By decisions of 12 March 2003 ('the DigiFilm decision' and the 'DigiFilmMaker decision', together the 'contested decisions'), which were notified to the applicant by letters of 18 and 13 March 2003 respectively, the Third Board of Appeal dismissed the appeals.
- 11 The Board of Appeal, in confirming the assessments of the examiner, in substance held that the marks sought were descriptive of the goods and services still at issue (that is, for the mark DigiFilm, the goods and services mentioned in paragraph 7

above and, for the mark DigiFilmMaker, the same goods and services and also the goods mentioned at paragraph 4 above) ('the goods and services at issue') and added that these marks lacked, in the absence of any additional element or particularity, the minimum level of distinctiveness required.

Forms of order sought by the parties

12 The applicant claims that the Court should:

- annul the contested decisions;

- order OHIM to pay the costs.

13 OHIM contends that the Court should:

- dismiss the application as unfounded;

- order the applicant to pay the costs.

Law

- 14 In each case the applicant relies in similar terms on two pleas in law, alleging infringement of Article 7(1)(c) of Regulation No 40/94 and Article 7(1)(b) of the same regulation.

The first plea in law, alleging infringement of Article 7(1)(c) of Regulation No 40/94

Arguments of the parties

- 15 The applicant disputes that the marks sought are descriptive of the goods and services at issue. The applicant criticises the Board of Appeal for relying on extracts from internet sites without examining them in detail and for concluding that the marks could not be registered even though they did not appear in the dictionaries. Further, OHIM failed to have regard to the fact that it agreed to register signs similar to the marks sought.
- 16 The applicant acknowledges that ‘digi’ is a frequent abbreviation of ‘digital’, that ‘film’ denotes, in many European languages, both the roll and the work and that ‘maker’ denotes ‘manufacturer’ in the English language. This does not mean, however, that the marks sought are descriptive. Indeed, from a technical perspective digital film does not exist. The Board of Appeal accepted this, but concluded that the public would not reflect on the details of the technical process, would call a succession of digital images a digital film and apply the same reasoning, *mutatis mutandis*, in relation to recording apparatus, data carriers, and relevant manufacturing services. This approach fails to take account of the fact that Article

7(1)(c) of Regulation No 40/94 requires that an indication be capable of being a descriptive designation ('indications which may serve'). Storage media or data carriers, an apparatus for recording images or indeed a service for recording onto data carriers are not capable of being described by the sign DigiFilmMaker or the sign DigiFilm. The Board of Appeal failed to make the distinction between the indication, which cannot be registered, and the so-called 'suggestive' mark which can itself be the subject of a registration.

17 It is, moreover, not correct to say that the public is not conscious of the differences between chemical photography and electronic photography. On the contrary, it would perceive the transposition of the term 'film' to electronic photography as an unusual, fanciful transposition. The marks sought would benefit, like the sign UltraPlus, the subject of the judgment of the Court in Case T-360/00 *Dart Industries v OHIM (UltraPlus)* [2002] ECR II-3867, from the evocation and not the designation. OHIM was therefore incorrect in concluding that the combinations of the terms 'digi', 'film' and 'maker' in DigiFilm and DigiFilmMaker are not unusual.

18 The extracts from the internet sites to which the examiner refers in his letters of 22 February and his decisions of 4 June 2002 and on which the Board of Appeal relied cannot prove the contrary. In particular, many instances of DigiFilm found on the internet had an unknown geographical origin or an origin outside the Community or were imprecise or not relevant to the products to which they applied or identified DigiFilm as a protected trade name.

19 Moreover, the marks sought are not in the dictionaries. This makes them capable of registration (Case C-383/99 P *Procter & Gamble v OHIM* [2001] ECR I-6251, paragraphs 43 and 44).

- 20 In addition, the large number of signs comparable to the marks sought and admitted to registration by OHIM proves that the applicant's position in relation to the absence of descriptive character of these marks is well founded. OHIM itself confirmed the relevance, in the context of the examination envisaged by Article 7(1) of Regulation No 40/94, of its previous decisions.
- 21 OHIM denies having infringed Article 7(1)(c) of Regulation No 40/94.

Findings of the Court

- 22 Article 7(1)(c) of Regulation No 40/94 provides that 'trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin or the time of production of the goods or of rendering of the service, or other characteristics of the goods or service' shall not be registered. Furthermore, Article 7(2) of Regulation No 40/94 provides that 'Paragraph 1 shall apply notwithstanding that the grounds of non-registrability obtain in only part of the Community'.
- 23 According to the case-law Article 7(1)(c) of Regulation No 40/94 prevents the signs or indications to which it refers from being reserved to a single enterprise by reason of their registration as a mark. This provision also pursues an aim of general interest, which requires that such signs or marks can be freely used by all (see, by analogy, Case C-363/99 *Koninklijke KPN Nederland* [2004] I-1619, '*Postkantoor*'), paragraph 54, Case T-219/00 *Ellos v OHIM (ELLOS)* [2002] ECR II-753, paragraph 27, and Case T-348/02 *Quick v OHIM (Quick)* [2003] I-5071, paragraph 27).

24 Furthermore, the signs referred to by Article 7(1)(c) of Regulation No 40/94 are signs regarded as incapable of performing the essential function of a trade mark, namely that of identifying the commercial origin of the goods or service, thus enabling the consumer who acquired the product or service to repeat the experience, if it proves to be positive, or to avoid it, if it proves to be negative, on the occasion of a subsequent acquisition (*ELLOS*, paragraph 23 above, paragraph 28, and *Quick*, paragraph 23 above, paragraph 28).

25 Moreover, for a mark which consists of a word produced by a combination of elements, such as the marks sought, to be regarded as descriptive for the purpose of Article 7(1)(c) of Regulation No 40/94, it is not sufficient that each of its components may be found to be descriptive. The word itself must be found to be so (see, by analogy, *Postkantoor*, paragraph 23 above, paragraph 96).

26 In this regard, a mark consisting of a word composed of elements, each of which is descriptive of characteristics of the goods or services in respect of which registration is sought, is itself descriptive of the characteristics of the goods and services for the purposes of Article 7(1)(c) of Regulation No 40/94, unless there is a perceptible difference between the word and the mere sum of its parts: that assumes either that, because of the unusual nature of the combination in relation to the goods or services, the word creates an impression which is sufficiently far removed from that produced by the mere combination of meanings lent by the elements of which it is composed, with the result that the word is more than the sum of its parts, or that the word has become part of everyday language and has acquired its own meaning, with the result that it is now independent of its components. In the second case, it is necessary to ascertain whether a word which has acquired its own meaning is not itself descriptive for the purpose of the same provision (see, by analogy, *Postkantoor*, paragraph 23 above, paragraph 104).

27 The distinctiveness of a trade mark must be assessed, firstly, in relation to the goods or services in respect of which registration of the sign is applied for (Case T-135/99 *Taurus-Film v OHIM (Cine Action)* [2001] ECR II-379, paragraph 25, and Case

T-136/99 *Taurus-Film v OHIM (Cine Comedy)* [2001] ECR II-397, paragraph 25) and, secondly, in relation to the perception of the section of the public which is composed of the consumers of those products or services (*ELLOS*, paragraph 23 above, paragraph 29, and *Quick*, paragraph 23 above, paragraph 29).

- 28 In this case, as stated correctly by the Board of Appeal (the DigiFilm decision, paragraph 27; the DigiFilmMaker decision, paragraph 28) the goods and services at issue are directed not only at a specialist public but also more widely at the public at large. In addition, the marks sought are made up of elements of the English language. As a consequence, the relevant public is the average English-speaking consumer, normally well informed and reasonably attentive.
- 29 In these circumstances it is necessary to decide, in the context of the application of the absolute grounds for refusal in Article 7(1)(c) of Regulation No 40/94, whether there exists, for this public, a direct and specific relationship between the signs DigiFilm and DigiFilmMaker and the goods and services at issue.
- 30 In this case the Board of Appeal correctly concluded that ‘digi’ is an abbreviation of the word ‘digital’, which is commonly used, notably in the English language, to describe the digital technique, that ‘film’ is an English word designating in this language, and in numerous others, both the roll and the finished work or its making and, also, that the English word ‘maker’, associated like in this case with ‘film’, denotes the film-maker, but also, in the alternative, the apparatus allowing films to be made (the DigiFilm decision, paragraphs 24 to 25; the DigiFilmMaker decision, paragraphs 24 to 26 and 36).
- 31 Moreover, and in conformity with the requirement mentioned at paragraphs 25 and 26 above, from an assessment of the mark sought as a whole, the Board of Appeal concluded correctly that because of the use of upper case the juxtapositions of the terms ‘digi’, ‘film’ and ‘maker’ in DigiFilm and DigiFilmMaker form combinations

clearly capable of being disassociated and it considered, also correctly, that these juxtapositions are neither unusual nor striking nor contrary to the rules of grammar (the DigiFilm decision, paragraph 26; the DigiFilmMaker decision, paragraph 27), and that they would be perceived by the relevant public, immediately and without any particular effort of analysis, as referring to the recording, stocking and processing of digital data, and images in particular, in addition to the supports and apparatus and software facilitating these operations, as envisaged in the applicant's trade mark applications, and not as indications of commercial origin (the DigiFilm decision, paragraphs 28 to 31; the DigiFilmMaker decision, paragraphs 29 to 32). As the Board of Appeal states, the message expressed by the marks sought is clear, direct and immediate. They are not vague in some way or other, do not lend themselves to different interpretations, are not imprecise or akin to a 'suggestive' sign, and all the more so because the juxtaposition of their elements in a single word does not change in any way either the pronunciation or the conceptual content but emphasises again the exact content of the message because of the use of upper case in the composed word (the DigiFilm decision, paragraph 30; the DigiFilmMaker decision, paragraph 32).

32 Lastly, the Board of Appeal correctly held that, in the absence of any additional element whether graphic or made up of some distinctive feature, the marks sought lacked any fanciful element and did not present the minimum degree of distinctive character required, given that they are understood by the public merely as indications of the type and quality of the goods and services covered and not as marks fulfilling the function of indicating the commercial origin. This perception of the marks sought in a descriptive sense is not prevented by the juxtaposition of the terms that make up the said marks, this technique being current and usual in the areas of advertising and marketing (the DigiFilm decision, paragraphs 36 and 37; the DigiFilmMaker decision, paragraphs 37 and 38).

33 The marks sought are not therefore more than the sum of their parts. Neither do they constitute neologisms with their own meaning and therefore, being independent of their components, neologisms in respect of which it is necessary to ascertain whether they are descriptive in regard to the goods and services at issue, in conformity with the case-law cited at paragraph 26 above.

34 These conclusions are not called into question by the applicant's argument that the marks sought are evocative of and not descriptive of the goods and services at issue. The fact, acknowledged by the Board of Appeal (see the DigiFilm decision, paragraphs 32 and 33, and the DigiFilmMaker decision, paragraphs 34 and 35) that chemical photography is an analogue type of reproduction as a result of chemical modifications of a film exposed to light, whereas digital photography does not use a film of this type, but is digital reproduction, as a result of measuring, point by point, light and converting it into digital electrical signals, does not necessarily mean that the marks sought are only evocative (or, to use the applicant's expression, 'suggestive') with regard to the goods and services at issue. The Court considers, like the Board of Appeal, that the relevant public, even where it might be aware of the details of these technical operations, would not pay attention to them and would call a sequence of digital images a digital film. Accordingly, the applicant is incorrect to attribute only an evocative character to the marks sought. In the context, the applicant cannot rely on the *UltraPlus* judgment, paragraph 17 above, in which the Court held that the UltraPlus sign did not designate a quality or characteristic of the products in question (ovenware) which the consumer is able to understand directly but rather extolled, indirectly and in an abstract manner, the excellence of its products, and was thus a case of evocation and not designation for the purposes of Article 7(1)(c) of Regulation No 40/94 (see paragraphs 25 and 27 of the judgment).

35 The applicant's argument that the internet references found by the examiner were irrelevant and that the Board of Appeal referred to them without examining them in detail, is not sufficient to call into question the conclusion that the marks sought are descriptive of the goods and services at issue. Examination of the signs DigiFilm and DigiFilmMaker themselves suffices to conclude that they are, from the point of view of the average English-speaking consumer, descriptive of the goods and services at issue, without the need to refer to the numerous internet references found by the examiner (2 670 references to the term 'digifilm', and 53 500 references to the expression 'digital film'), which, moreover, only go to corroborate the analysis of the Board of Appeal.

- 36 The argument that the marks sought do not feature in the dictionaries and ought to be registered in accordance with the principles set out in *Procter & Gamble v OHIM*, paragraph 19 above (paragraphs 43 and 44), must be rejected. In contrast to the word sign *Baby-dry*, which the Court of Justice held in that judgment to constitute an unusual juxtaposition of the terms and to have, because of this fact, a distinctive character, the signs *DigiFilm* and *DigiFilmMaker* result, as stated by the Board of Appeal, from juxtapositions lacking any originality as descriptive terms and which would be perceived by the average English-speaking consumer as a designation of the goods and services at issue or of their essential characteristics and not as an indication of commercial origin. The fact that the marks sought are not cited in the dictionaries as such does not alter this conclusion in any way (see, in this regard, Case T-19/99 *DKV v OHIM (COMPANYLINE)* [2000] ECR II-1, paragraph 26, and Case T-345/99 *Harbinger v OHIM (TRUSTEDLINK)* [2000] ECR II-3525, paragraph 37).
- 37 Lastly, in relation to the argument of the applicant based on the fact that OHIM has already registered numerous marks that were very close to the marks sought, it is appropriate to recall, as the applicant admitted at the hearing, that decisions concerning registration of a sign as a Community trade mark which the Boards of Appeal are called on to take under Regulation No 40/94 are adopted in the exercise of circumscribed powers and are not a matter of discretion. Accordingly, the legality of the decisions of Boards of Appeal must be assessed solely on the basis of that regulation, as interpreted by the Community judicature, and not on the basis of a previous decision-making practice of those boards (Case T-106/00 *Streamserve v OHIM (STREAMSERVE)* [2002] ECR II-723, paragraph 66, Case T-122/01 *Best Buy Concepts v OHIM (BEST BUY)* [2003] ECR II-2235, paragraph 41, Case T-127/02 *Concept v OHIM (ECA)* [2004] ECR II-1113, paragraph 71, and Case T-112/03 *L'Oréal v OHIM — Revlon (FLEXI AIR)* [2005] ECR II-949, paragraph 68).
- 38 It follows from the preceding considerations that the Board of Appeal did not infringe Article 7(1)(c) of Regulation No 40/94 when it held that the word signs *DigiFilm* and *DigiFilmMaker* are descriptive of the goods and services at issue and that they cannot, for this reason, be registered.

39 The first plea in law must therefore be rejected.

The second plea in law, alleging infringement of Article 7(1)(b) of Regulation No 40/94

Arguments of the parties

40 The applicant contends that the contested decisions are void because the Board of Appeal held that the satisfaction of the conditions for application of Article 7(1)(c) of Regulation No 40/94 means, almost automatically, that there is no distinctive character in the sense of Article 7(1)(b) of the same regulation. In any event, contrary to the conclusions of the Board of Appeal, the marks sought are not descriptive, there being no evidence of their supposed total lack of distinctive character.

41 OHIM denies having infringed Article 7(1)(b) of Regulation No 40/94.

Findings of the Court

42 As is clear from Article 7(1) of Regulation No 40/94, for a sign to be ineligible for registration as a Community trade mark, it is sufficient that one of the absolute grounds for refusal applies, in this case that based on Article 7(1)(c) of that regulation (*COMPANYLINE*, paragraph 36 above, paragraph 30, and Case T-61/03 *Irwin Industrial Tool v OHIM (QUICK-GRIP)* [2004] ECR II-1587, paragraph 35).

- 43 Moreover, although each of the absolute grounds for refusal listed in Article 7(1) of Regulation No 40/94 is independent of the others and calls for separate examination, there is a clear overlap between the scope of each of the grounds for refusal set out in paragraphs (b), (c) and (d) of that provision respectively (see, by analogy, *Postkantoor*, paragraph 23 above, paragraph 85).
- 44 In particular, a word mark which, as in this case, is descriptive of characteristics of goods or services for the purposes of Article 7(1)(c) of Regulation No 40/94 is, on that account, necessarily devoid of distinctive character with regard to the same goods or services for the purposes of Article 7(1)(b) of the Directive (see, by analogy, *Postkantoor*, paragraph 23 above, paragraph 86).
- 45 Having regard to these considerations, and given that the Board of Appeal correctly considered in the contested decisions that Article 7(1)(c) of Regulation No 40/94 prevents the registration of the marks sought in relation to the goods and services at issue, the second plea must be rejected as irrelevant.
- 46 Having regard to all of the preceding considerations, the action must be dismissed.

Costs

- 47 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 OHIM's costs in accordance with the form of order sought by OHIM.

On those grounds

THE COURT OF FIRST INSTANCE (Fifth Chamber)

hereby:

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

Vilaras

Dehousse

Šváby

Delivered in open court in Luxembourg on 8 September 2005.

H. Jung

Registrar

M. Vilaras

President