

JUDGMENT OF THE COURT OF FIRST INSTANCE (Second Chamber)

13 July 2004*

In Case T-115/02,

AVEX Inc., established in Tokyo (Japan), represented by J. Hofmann, lawyer,

applicant,

v

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

defendant,

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

Ahlers AG, formerly Adolf Ahlers AG, established in Herford (Germany), represented by E.P. Krings, lawyer,

ACTION brought against the decision of the First Board of Appeal of the Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM) of 11 February 2002 (Case R 634/2002-1) relating to the opposition filed by the proprietor of the Community figurative mark comprising the letter 'a' against registration of a Community figurative mark comprising the letter 'a',

* Language of the case: German.

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

composed of: J. Pirrung, President, A.W.H. Meij and N.J. Forwood, Judges,
Registrar: I. Natsinas, Administrator,

having regard to the application lodged at the Registry of the Court of First Instance
on 12 April 2002,

having regard to OHIM's response lodged at the Court Registry on 17 September
2002,

having regard to the intervener's response lodged at the Court Registry on 29 August
2002,

further to the hearing on 10 March 2004,

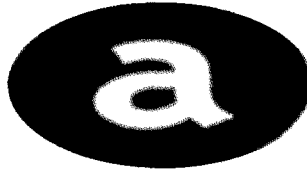
gives the following

Judgment

Background to the dispute

1 On 5 June 1998, the applicant 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 trade mark in respect of which registration was sought was the figurative sign reproduced below:



- 3 The goods and services in respect of which registration was sought are in Classes 9, 16, 25, 35 and 41 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 corresponding, for Class 25, to the following description: 'Clothing, footwear, headgear; non-Japanese style outerwear, coats, sweaters and the like, nightwear, underwear, swimming suits, shirts and the like, socks and stockings, gloves, ties, bandanas, mufflers, hats and caps, shoes and boots, belts, jackets, T-shirts.'
- 4 On 4 October 1999, that application was published in *Community Trade Marks Bulletin* No 78/1999.
- 5 On 22 December 1999, the intervener filed a notice of opposition under Article 42 of Regulation No 40/94 against the mark claimed, basing its opposition on, in particular, Community figurative mark No 270 264, applied for on 1 April 1996 and registered on 28 February 2000, relating, in particular, to 'suits, vests, jackets,

anoraks, trousers, coats, jeans, jeanswear, shirts, sweatshirts, T-shirts, sportswear, caps, working clothes, leisurewear' falling within Class 25, reproduced below:



- 6 By decision of 2 May 2001, the Opposition Division of OHIM found that the conflicting signs were similar and that the goods concerned were identical or similar. Consequently, that division rejected the application for registration of the mark applied for.

- 7 On 2 July 2001, the applicant filed an appeal at OHIM under Article 59 of Regulation No 40/94 against the decision of the Opposition Division.

- 8 By decision of 11 February 2002 (Case R 634/2001-1, 'the contested decision') the First Board of Appeal of OHIM partially annulled the decision of the Opposition Division to the extent to which it rejected the trade mark application in respect of the goods and services falling within Classes 9, 16, 35 and 41. However, it dismissed the appeal as regards the goods falling within Class 25, taking the view that the signs at issue were similar and that the goods concerned, including the 'footwear and boots' referred to in the trade mark application and the 'clothing' covered by the earlier trade mark, were identical or similar.

Forms of order sought

9 At the hearing, the applicant clarified the form of order sought by it, its claim now being that the Court of First Instance should:

— annul the contested decision in so far as it dismisses its appeal in relation to goods in Class 25;

— annul the contested decision in so far as it orders the applicant to pay the intervener's costs in the opposition and appeal proceedings;

— order OHIM to pay the costs.

10 OHIM and the intervener contend that the Court of First Instance should:

— dismiss the application as unfounded;

— order the applicant to pay the costs.

Law

- 11 First, it must be borne in mind that, according to settled case-law, under Article 44 (1) of the Rules of Procedure of the Court of First Instance, which applies to intellectual property matters pursuant to Article 130(1) and Article 132(1) thereof, although specific points in the text of the application can be supported and completed by references to specific passages in the documents attached, a general reference to other documents cannot compensate for the lack of essential elements of legal arguments which, under the provisions mentioned above, must be included in the application itself (Joined Cases T-305/94 to T-307/94, T-313/94 to T-316/94, T-318/94, T-325/94, T-328/94, T-329/94 and T-335/94 *Limburgse Vinyl Maatschappij and Others v Commission* [1999] ECR II-931, paragraph 39). That case-law can be transposed to the response of the other party to opposition proceedings before a Board of Appeal who intervenes before the Court of First Instance, pursuant to Article 46 of the Rules of Procedure, which, by virtue of the second subparagraph of Article 135(1) thereof, applies in matters of intellectual property. Accordingly, the application and the response, in so far as they refer to documents lodged by the applicant and the intervener respectively before OHIM, are inadmissible to the extent to which the general references in them cannot be linked to the pleas and arguments put forward in the application and the response.

The plea that there is no likelihood of confusion

Arguments of the parties

- 12 According to the applicant, the Board of Appeal wrongly concluded that, despite the differences between the goods at issue and between the conflicting signs, there was a likelihood of confusion between the earlier trade mark and the trade mark applied for.

- 13 With regard to the goods, the applicant states that clothing and footwear or boots are not similar goods. Those goods are not manufactured in the same factories, they are not intended for the same use, in so far as fashion shows that their purpose is not merely to provide protection against the natural elements, they are not made from the same raw material and they are not sold in the same places, except to an insignificant extent in supermarkets.
- 14 As regards the conflicting signs, the applicant states that, in principle, letters of the alphabet do not have any distinctive character of their own in the absence of a graphic addition (decision of the second Board of Appeal of 28 May 1999 (Case R 91/1998-2)). It is therefore their graphic representation which gives them their distinctive character. Since trade marks which are not strongly distinctive enjoy lesser protection, the differences between the signs of which they consist acquire greater importance. The applicant refers, in that connection, to the clear and substantial differences between the conflicting signs as regards the shape of the black background, the position of the letter on that background, and the contrast between the bold and normal typefaces used for the respective marks and the calligraphic form of the letter. In the case of figurative trade marks comprising a letter, only a visual comparison of the signs is of any importance since phonetic comparison is not relevant.
- 15 OHIM and the intervener contest all the applicant's arguments. OHIM considers, in addition, that in so far as the applicant limited its objections concerning the similarity of the goods to a comparison of 'clothing' and 'footwear and boots', the likelihood of confusion between the conflicting signs should be examined only to that extent.

Findings of the Court

- 16 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 will not 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 covered 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.

- 17 According to settled case-law, the likelihood of confusion as to the commercial origin of goods or services must be assessed globally, according to the relevant public's perception of the signs and goods or services concerned and taking into account all factors relevant to the circumstances of the case, in particular the interdependence between the similarity of the signs and that of the goods or services designated (see Case T-162/01 *Laboratorios RTB v OHIM — Giorgio Beverly Hills (GIORGIO BEVERLY HILLS)* [2003] ECR II-2821, paragraphs 29 to 33 and the case-law there cited).
- 18 In this case, the earlier trade mark is a Community trade mark. Moreover, the goods in question are ordinary consumer goods. Therefore, for the purpose of assessing the likelihood of confusion, the relevant public comprises the final consumers in the European Community.
- 19 As regards, first, comparison of the conflicting signs, the global assessment of the likelihood of confusion, so far as concerns visual, aural or conceptual similarity, 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 case-law there cited).
- 20 As regards the visual similarity of the conflicting signs, the Board of Appeal rightly considered that, even though a single letter is potentially devoid of distinctive character, both the marks in question include as a dominant element the lower-case

white letter 'a', of a commonplace typeface, on a black background (paragraph 38 of the contested decision). That dominant element makes an immediate impression and is remembered. Conversely, the graphic differences between the trade marks in question — namely the shape of the background (oval for the trade mark applied for and square for the earlier trade mark), the position of the letter on that background (in the centre in the case of the trade mark applied for and in the lower right-hand corner in the case of the earlier trade mark), the thickness of the line used to represent that letter (the trade mark applied for uses a slightly broader line than that used in the earlier trade mark) and the calligraphic details of the letters of the respective marks — are minor and do not constitute elements which will be remembered by the relevant public as effective distinguishing features. Consequently, the conflicting signs are very similar from the visual point of view.

- 21 That conclusion is not undermined by the argument that there may be a divergence between the contested decision and the decision of the Second Board of Appeal of 28 May 1999 (Case R 91/1998-2) on registration of the earlier trade mark. Whilst that board found in its decision that the graphic presentation of the letter 'a' was of particular importance for analysis of the distinctive character of that trade mark, it need merely be pointed out that, in this case, the graphic presentation of the trade mark applied for is very close to that adopted for the earlier trade mark.
- 22 As regards aural and conceptual comparison of the conflicting signs, the parties coincide in the view that it is of little relevance in this case. Be that as it may, the signs are, from those points of view, clearly identical.
- 23 Accordingly, the overall impressions produced by each of the conflicting signs are very similar.
- 24 Next, as regards comparison of the goods, it must be borne in mind that, according to settled case-law, in order to assess the similarity of the goods concerned, all the

relevant factors which characterise the relationship between those goods should be taken into account, those factors including, inter alia, their nature, their intended purpose, their use and whether they are in competition with each other or are complementary (Case T-85/02 *Pedro Díaz v OHIM — Granjas Castelló (CASTILLO)* [2003] ECR II-4835, paragraph 32 and the case-law there cited).

25 It must first be pointed out that at the hearing the applicant did not seriously dispute the fact that the various types of clothing covered by each of the trade marks at issue are, at the very least, similar. In any event, such a finding is correct.

26 As regards, more particularly, the relationship between the 'clothing' covered by the earlier trade mark and the 'footwear and boots' covered by the trade mark applied for, the Board of Appeal took the view that those goods were similar because they have the same purpose, they are often sold in the same places and several manufacturers and designers deal with both those types of goods (paragraph 32 of the contested decision). The generality of that assessment may be called in question in the light of the lack of substitutability of those goods and the absence of evidence to support the assessment. However, in view of the sufficiently close links between the respective purposes of those goods, which are identifiable in particular in the fact that they belong to the same class, and the specific possibility that they can be produced by the same operators or sold together, it may be concluded that those goods may be linked in the mind of the relevant public. In that connection, the various Community and national decisions concerning trade marks on which the applicant relies do not detract from that conclusion in so far as the factual background to those decisions, as regards the signs and goods at issue, displays significant differences from the present case. The goods at issue must therefore be regarded as similar within the meaning of Article 8(1)(b) of Regulation No 40/94 even if they are so in only a limited way.

27 Consequently, having regard, first, to the strong similarity between the conflicting signs and, second, to the similarity between the goods concerned, limited though it

may be in the case of footwear and clothing, the Board of Appeal rightly concluded that there was a likelihood of confusion on the part of the relevant public. The relevant public is likely to believe, in particular, that the commercial origin of footwear bearing the trade mark applied for is the same as that of clothing bearing the earlier trade mark. Accordingly, the present plea must be rejected.

The plea as to the necessity of oral proceedings before the Board of Appeal

- 28 The applicant states that it expressly requested that oral proceedings be held before the Board of Appeal under Article 75(1) of Regulation No 40/94. A hearing could have contributed to the adoption of a decision founded in law since the applicant could have provided information on the German case-law dealing with the issue of the similarity of the goods in question. By refusing to hold oral proceedings, the Board of Appeal, in the applicant's view, exceeded the bounds of its discretion.
- 29 The Court notes that, under Article 75(1) of Regulation No 40/94, '[i]f [OHIM] considers that oral proceedings would be expedient they shall be held either at the instance of [OHIM] or at the request of any party to the proceedings'.
- 30 The Court finds that the Board of Appeal enjoys a discretion as to whether, where a party requests that they be held, oral proceedings before it are really necessary. In this case, it is clear from the contested decision that the Board of Appeal had before it all the information needed as a basis for the operative part of the contested decision. In that connection, the applicant has not shown in what way oral clarifications concerning the German case-law, supplementing those already given in its submissions to the Board of Appeal, would have led to the operative part not being adopted in those terms. In any event, it is settled case-law 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, and not on the basis of national case-law, even where the latter is based on provisions analogous to those of that regulation (see *GIORGIO BEVERLY HILLS*, paragraph 53, and *CASTILLO*, paragraph 37). Thus, the Board of Appeal did not overstep the bounds of its discretion by not acceding to the applicant's request for oral proceedings.

The second head of claim

31 Since the applicant has not put forward any specific reasoning to support its claim for the annulment of paragraph 2 of the operative part of the contested decision concerning the costs of the proceedings before OHIM, the foregoing considerations suffice for that head of claim to be rejected.

32 In view of all the foregoing, the application must be dismissed.

Costs

33 Under Article 87(2) of the Rules of Procedure, the unsuccessful party is to be ordered to pay the costs if they are applied for in the successful party's pleadings. Since 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 (Second Chamber)

hereby:

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

Pirrung

Meij

Forwood

Delivered in open court in Luxembourg on 13 July 2004.

H. Jung

Registrar

J. Pirrung

President