

Anonymised version

Translation

C-168/24 – 1

Case C-168/24

Request for a preliminary ruling

Date lodged:

28 February 2024

Referring court:

Cour de cassation (France)

Date of the decision to refer:

28 February 2024

Appellant:

PMJC SAS

Respondents:

[W] [X]

[M] [X]

[X] Créative SAS

[...] [references, procedural information]

JUDGMENT OF THE COUR DE CASSATION (COURT OF CASSATION),
COMMERCIAL,
FINANCIAL AND ECONOMIC CHAMBER, OF 28 FEBRUARY 2024

Pmjc, a *société par actions simplifiée* (simplified joint stock company), a single shareholder company with its registered office at [...] 75011 Paris, appealed [...] against the judgment delivered on 12 October 2022 by the Cour d'Appel de Paris (Court of Appeal, Paris) (Pôle 5, Chamber 1) in the proceedings between it and:

1. Mr [W] [X], residing at [...] 75017 Paris,

2. Mr [M] [X], residing at [...] 75007 Paris,

3. [X] Créative, a *société par actions simplifiée* (simplified joint stock company), with its registered office at [...] 75017 Paris [...] [legal representative]

respondents in cassation.

In support of its appeal on a point of law, the appellant relies on three grounds of appeal.

[...] [procedural issue]

[...] [procedural clarifications]

After deliberation in accordance with the law, the Commercial, Financial and Economic Chamber of the Court of Cassation [...] [composition] has delivered the present judgment.

Facts and procedure

- 1 According to the judgment under appeal (Court of Appeal, Paris, 12 October 2022), the company [W] [X], founded in 1978 by Mr [W] [X] to market fashion clothing and accessories, was the subject of insolvency proceedings, at the conclusion of which the company Pmjc made an offer to take over all the company's assets. The offer was accepted by a judgment of 13 September 2011, and followed by a deed of assignment of tangible and intangible assets dated 3 February 2012, relating in particular to the French word mark '[W] [X]' No 1 640 795, registered by Mr [W] [X], who had assigned it in 1999 to the company [W] [X], and '[W] [X]' No 3 201 616, registered in 2002 by the company [W] [X].
- 2 Under a provision of services agreement entered into on 21 July 2011, Mr [W] [X] continued to work with the company Pmjc until the end of the contractually agreed term, namely 31 December 2015.
- 3 On 21 June 2018, claiming that by pursuing his professional and artistic activities through a company named [X] Creative, Mr [W] [X] was engaging in acts of unfair competition and infringing its trade mark rights, the company Pmjc brought an action against him for infringement of the trade marks '[W] [X]' and '[W] [X]' as well as for unfair competition and parasitic competition. By way of counterclaim, Mr [W] [X] sought to have Pmjc's rights in those trade marks revoked on the grounds that they had been using the marks in a deceptive manner from the end of 2017 to the beginning of 2019.
- 4 By judgment of 12 October 2022, the Court of Appeal, Paris revoked Pmjc's rights in the '[W] [X]' and '[W] [X]' trade marks to designate various goods and services.

- 5 [...] [ground of the judgment of the court of appeal relating to French sales law, irrelevant for the purposes of the question referred for a preliminary ruling].
- 6 According to the judgment, EU law does not preclude the revocation of a trade mark based on the surname of a designer where, by its conduct, the assignee of that mark makes the public actually believe that the designer is still involved in the design of the goods or creates a sufficiently serious risk of such a deception.
- 7 The judgment held that such a was indeed the situation in the present case, Pmjc having twice been found guilty of infringing Mr [W] [X]'s copyright in his recent works that had not been assigned in 2012 to Pmjc (Court of Appeal, Paris, 7 September 2021, register No 19/13325; Court of Appeal, Paris, 10 December 2021, register No 20/04255). The above judgments are not subject to appeal. The judgment concludes that because of the fact that their use consists in affixing them to products bearing decorations that constitute infringements of the assignor's copyright, since they relate to original designs by the assignor in compliance with the undertakings given on that point to the assignee company, the trade marks have become deceptive.
- 8 Pmjc lodged an appeal in cassation against the judgment of 12 October 2022.

Examination of the grounds of appeal

The first ground of appeal

Wording of the ground of appeal

- 9 [...] [wording of the first ground of appeal, based on French sales law, irrelevant for the purposes of the question referred for a preliminary ruling]

The Court's reply

- 10 [...]
- 11 [...]
- 12 [...]
- 13 [...]
- 14 [...] [statement of reasons relating to French sales law, irrelevant for the purposes of the question referred for a preliminary ruling].
- 15 The judgment notes that, in support of his application for revocation on the ground that the trade marks had been used in a deceptive manner, Mr [W] [X] submits that, since the end of their collaboration under the provision of services agreement of 21 July 2011, Pmjc has been using the assigned marks in such a way as to lead

the public to believe that he is the author of the designs to which those marks are affixed.

16 [...]

17 [...] [statement of reasons relating to French sales law, irrelevant for the purposes of the question referred for a preliminary ruling]

The second ground of appeal

Wording of the ground of appeal

18 Pmjc criticises the judgment for revoking its rights in the trade mark ‘[W] [X]’ No 3 201 616 to designate ‘clothing for women, men and children’ and ‘dress designing; styling (for clothing)’ and in the trade mark ‘[W] [X]’ No 1 640 795 for ‘cosmetics and beauty products’ and ‘clothing’, whereas, ‘in its judgment of 30 March 2006 in *Emanuel*, C-259/04, the Court of Justice of the European Union ruled that “a trade mark corresponding to the name of the designer and first manufacturer of the goods bearing that mark is not, by reason of that particular feature alone, liable to revocation on the ground that that mark would mislead the public”, and stated that, assuming that the undertaking owning the trade mark wished to make the consumer believe that the designer was still involved in designing the goods bearing the mark, that that would be “conduct which might be held to be fraudulent but which could not be analysed as deception” liable to result in revocation of the trade mark; that in holding that that decision “in no way ... excludes ... the possibility of revocation of a trade mark in the event that its proprietor makes deceptive use of it” and leaves it open to proprietors “to try to show that the use made [of the trade marks at issue] by their proprietor is fraudulent”, the Court of Appeal infringed Article L. 714-6(b) of the code de la propriété intellectuelle (French Intellectual Property Code), as it is to be interpreted in the light of Article 12(2)(b) of Directive 89/104/EEC of 21 December 1988, now Article 12(2)(b) of Directive 2008/95/EC of 22 October 2008.’

The Court’s reply

19 That ground of appeal raises the question of whether the Court of Appeal’s decision complies with Article 12(2)(b) of Directive 2008/95/EC of 22 October 2008 to approximate the laws of the Member States relating to trade marks, the provisions of which are now set out in Article 20(b) of Directive (EU) 2015/2436 of 16 December 2015 to approximate the laws of the Member States relating to trade marks.

Summary of the applicable provisions

- 20 Pursuant to Article L. 714-6(b) of the Intellectual Property Code as it read prior to ordonnance n° 2019-1169 du 13 novembre 2019 (Order No 2019-1169 of 13 November 2019), the proprietor of a trade mark which has become, as a result of its acts, misleading, in particular as to the nature, quality or geographical origin of the goods or services, may have its rights in the mark revoked.
- 21 That provision successively transposed the provisions of Article 12(2)(b) of the First Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks, then the identical provisions of Article 12(2)(b) of Directive 2008/95/EC, and finally the identical provisions of Article 20(b) of Directive (EU) 2015/2436.
- 22 Interpreting Directive 89/104/EEC in its judgment of 30 March 2006, *Emanuel*, C-259/04, the Court of Justice pointed out that the cases of refusal of registration referred to in Article 3(1)(g) of that directive presuppose the existence of actual deceit or a sufficiently serious risk that the consumer will be deceived. The Court then held that, even if the average consumer might be influenced in his act of purchase by imagining that the natural person had been involved in the design of the product bearing the trade mark, that circumstance alone could not be of such a nature as to deceive the public as to the nature, quality or geographical origin of that product (paragraphs 47 to 49).
- 23 The Court added that if, in the presentation of the trade mark, there was an intention on the part of the undertaking to make the consumer believe that the natural person was still the designer of the goods bearing the mark or that that person was involved in their design, that would be conduct which might be held to be fraudulent but which could not be analysed as deception for the purposes of Article 3 of Directive 89/104/EEC and which, for that reason, would not affect the trade mark itself and, consequently, its prospects of being registered (paragraph 50).
- 24 Finally, stating that the conditions for revocation laid down by Article 12(2)(b) of Directive 89/104 are the same as those for the refusal of registration under Article 3(1)(g) of that directive, the Court of Justice ruled that a trade mark corresponding to the name of the designer and first manufacturer of the goods bearing that mark is not, by reason of that particular feature alone, liable to revocation on the ground that that mark would mislead the public, within the meaning of Article 12(2)(b) of Directive 89/104, in particular where the goodwill associated with that mark has been assigned together with the business making the goods to which the mark relates.

Grounds for the reference for a preliminary ruling

- 25 Pmjc submits that that judgment must be interpreted as meaning that any conduct on its part intended to make the consumer believe that Mr [W] [X] is still the

designer of the goods bearing his surname or that he is involved in their design cannot affect the trade mark itself, even if it were held to be deceptive.

- 26 That was the position taken by the tribunal judiciaire de Paris (Court of Paris) in its judgment of 26 June 2020, overturned by the judgment of 12 October 2022.
- 27 That is also how the Advocate General at the Court of Cassation interpreted the above-mentioned *Emanuel* judgment, citing in particular the majority of French legal writers.
- 28 The Court of Appeal, Paris held that, although in paragraph 50 of the *Emanuel* judgment, cited above, the Court of Justice, interpreting Article 3(1)(g) of Directive 89/104/EEC, held that a trade mark bearing the surname of a designer cannot be regarded as deceptive merely because that designer is no longer involved in the design of the goods bearing trade marks consisting of his or her surname, it did not expressly extend the grounds of that paragraph to the interpretation of Article 12(2)(b) of that directive. The Court of Appeal held that the latter provision must be interpreted as meaning that it does not preclude the revocation of a trade mark on the grounds that it is used in such a way as to make the public actually believe that the designer is still involved in the design of the goods bearing trade marks consisting of his or her surname, when that is no longer the case.
- 29 Moreover, in its judgment of 14 May 2009, *Elio Fiorucci* (T-165/06), the Court of First Instance of the European Union, applying Article 50(1)(c) of Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark, the provisions of which are substantially identical to those of Article 12(2)(b) of First Directive 89/104, dismissed the application for revocation based on deceptive use of the trade mark relating to the surname of a designer after registration, not on the ground that it could be ruled out that such deceptive use of the mark would lead to revocation on the grounds of deceit, but on the ground that the intervener had not adduced any evidence of use of the trade mark after its registration.

The question referred

- 30 The question thus arises as to whether Article 12(2)(b) of Directive 2008/95/EC and Article 20(b) of Directive (EU) 2015/2436 must be interpreted as meaning that they preclude the revocation of a trade mark relating to the surname of a designer on the grounds that it is used after the assignment in such a way as to make the public actually believe that the designer whose surname constitutes the trade mark is still involved in the design of the goods bearing that trade mark, when that is no longer the case.

ON THOSE GROUNDS, the Court:

dismisses the first ground of appeal;

before ruling on the second and third grounds of appeal:

having regard to Article 267 of the Treaty on the Functioning of the European Union;

refers the following question to the Court of Justice of the European Union:

‘Must Article 12(2)(b) of Directive 2008/95/EC of 22 October 2008 to approximate the laws of the Member States relating to trade marks and Article 20(b) of Directive (EU) 2015/2436 of 16 December 2015 to approximate the laws of the Member States relating to trade marks be interpreted as precluding the revocation of a trade mark consisting of the surname of a designer on the grounds that it is used after the assignment in such a way as to make the public actually believe that that designer is still involved in the design of the goods bearing the mark, when that is no longer the case?’

[...] [Points of procedure, procedural information]

WORKING DOCUMENT