

JUDGMENT OF THE COURT OF FIRST INSTANCE (Fourth Chamber)
15 October 2003 *

In Case T-295/01,

Nordmilch eG, established in Zeven (Germany), represented by C. Spintig,
lawyer,

applicant,

v

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

defendant,

ACTION brought against the decision of the Third Board of Appeal of the Office for Harmonisation in the Internal Market (Trade Marks and Designs) of 19 September 2001 (Case R 826/2000-3), concerning the application for registration of the word **OLDENBURGER**,

* Language of the case: German.

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

composed of: V. Tiili, President, P. Mengozzi and M. Vilaras, Judges,

Registrar: D. Christensen, Administrator,

having regard to the written procedure and further to the hearing on 26 March 2003,

gives the following

Judgment

Background to the dispute

- 1 On 14 August 1997, Westdeutsche Butter Zentrale Hermann von Uum GmbH & Co. KG ('the original claimant') filed an application under Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark (OJ 1994 L 11, p. 1), as amended ('the Regulation'), for a Community trade mark at the Office for Harmonisation in the Internal Market (Trade Marks and Designs) ('OHIM').

- 2 The Community trade mark application was transferred to Nordmilch eG ('the applicant'). The transfer was recorded in OHIM's register on 12 April 2000.

- 3 The trade mark in respect of which registration was sought was the word **OLDENBURGER**.

- 4 The goods in respect of which registration was sought, following alterations made on 17 September 1998 to the list initially filed, are within Classes 29, 30 and 32 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 for each class:
 - Class 29: 'Milk and dairy products, fresh products with a milk and dairy product base...; milk, full-fat milk, dried milk, dried milk products for food, curds, skimmed milk, sour milk, buttermilk, including the aforesaid goods with added fruit or cereals and/or cocoa, dried, sterilised and condensed milk, coffee cream, cream, cream products, including cream products with added salt and herbs, quark, cream, sour cream, kefir, butter, herb butter, butter preparations, cheese, cheese preparations, fresh cheese, fresh cheese preparations, hard cheese, sliced cheese, soft cheese, cheese spread and cheese spread preparations, creme fraiche, yoghurt, yoghurt preparations, desserts, prepared desserts, in particular of yoghurt, quark and cream; including the aforesaid goods with added fruit or herbs or pastry; quark and sour milk products, including quark and sour milk products with fruit, herbs or vegetables; milk preserves, powdered milk, whey; alcoholic and non-alcoholic mixed drinks containing milk...; cheese and milk preparations in the form of snacks...; rice pudding, rice pudding with fruit, semolina pudding...; prepared meals and snacks, in particular with a milk or cheese base...; snacks...; food preparations, containing at least one of the aforesaid goods...; Meat, fish, poultry and game';

— Class 30: ‘Ices, ice cream confectionery, ice cream products, puddings; cheese and milk preparations in the form of snacks...; pastry and confectionery, in particular with a milk base, confectionery and chocolate products, ice cream waffles, muesli preparations, mainly consisting of milk, sour cream, buttermilk, sour milk, yoghurt, kefir, quark, prepared fruits and/or cereals; semolina pudding...; prepared meals, in particular with a milk or cheese base...; fruit sauces; snacks...; food preparations, containing at least one of the aforesaid goods...’;

— Class 32: ‘Non-alcoholic mixed drinks containing milk’.

5 The application was published in *Community Trade Marks Bulletin* No 48/1999 of 21 June 1999.

6 Objections were made pursuant to Article 41 of the Regulation, and following the submission of observations by the original claimant and the applicant, the examiner rejected the application by decision of 7 June 2000.

7 On 4 August 2001 the applicant brought an appeal before the Boards of Appeal of OHIM against the examiner’s decision in accordance with Article 59 of the Regulation.

8 By decision of 19 September 2001 (hereinafter ‘the contested decision’), which was served on the applicant on 1 October 2001, the Board of Appeal dismissed the appeal. It essentially found that the word claimed was capable of constituting an indication of geographical origin that referred to a German region known for producing the goods identified in the application, and that there was a public interest in its remaining freely available.

- 9 Meanwhile an opposition was filed against the application for registration of a Community trade mark. The examination procedure and the original claimant's application were reopened, following which the Opposition Division suspended the opposition procedure in accordance with Rule 20(6) of Commission Regulation (EC) No 2868/95 of 13 December 1995 implementing Council Regulation (EC) No 40/94 (OJ 1995 L 303, p. 1) ('the Implementing Regulation'), pending a final decision in this action.

Procedure and forms of order sought

- 10 By an application lodged at the Registry of the Court on 3 December 2001, the applicant brought this action. OHIM lodged its response on 27 March 2002.

- 11 The applicant claims that the Court should:

— annul the contested decision;

— order OHIM to resume the registration procedure;

— in the alternative, find that Article 7(1)(c) and Article 7(2) of the Regulation do not preclude the registration and remit the case to the Board of Appeal;

- further in the alternative, order OHIM to grant it a period in which to submit a statement under Article 38(2) of the Regulation;

- further in the alternative, declare that Article 7(1)(c) and Article 7(2) of the Regulation do not preclude registration of the trade mark application if the applicant provides the defendant with a statement pursuant to Article 38(2) of the Regulation, and remit the case to the Board of Appeal in order for it to take account of the statement and of the position adopted by the Court of First Instance;

- order OHIM to pay the costs.

12 OHIM contends that the Court should:

- dismiss the action;

- order the applicant to pay the costs.

13 At the hearing, the applicant withdrew its request that the Court order OHIM to resume the registration procedure.

Application for annulment

14 In support of its application the applicant raises three pleas in law: first, infringement of Article 7(1)(c) and Article 7(2) of the Regulation; second, infringement of Article 12(b); and third, infringement of Article 38(2).

First plea: infringement of Article 7(1)(c) and Article 7(2) of the Regulation

Arguments of the parties

- 15 The applicant does not dispute that the term ‘Oldenburg’ designates the principal town of the region of Weser-Ems in the *Land* of Niedersachsen (Lower Saxony) and a town of the same name in the *Land* of Schleswig-Holstein in Germany. Nor does it deny that goods of the kind covered by the application for registration are manufactured in the district of Weser-Ems.
- 16 However, the applicant denies that the mark sought, OLDENBURGER, is composed exclusively of an indication which, taken alone, designates or could designate the geographical origin of the goods to which it is affixed.
- 17 The applicant observes that the Board of Appeal stated, at paragraph 21 of the contested decision, that it is necessary to assess whether the geographical name sought relates to a place without examining whether the geographical indication designates a place that, in the mind of the relevant class of persons, identifies the geographical origin of the goods claimed. It also observes that the Board subsequently failed to confirm that the contested mark OLDENBURGER designated the geographical origin of the goods claimed.
- 18 The applicant considers that the Board of Appeal extended the absolute ground for refusal relating to terms that are exclusively descriptive of origin to cover an indication which merely refers to a geographical indication or is derived from one.

- 19 It does not deny that the trade mark OLDENBURGER refers to the geographical indication Oldenburg, nor even that it is derived from it. It submits that it is not the adjective 'oldenburger' that is at issue but, as is clear from the fact that it is capitalised, the male personalised form or a male inhabitant of the town of Oldenburg.
- 20 The applicant submits that the public does not as a rule take an analytical or linguistic approach to signs which it encounters.
- 21 With regard to the earlier decisions of the Boards of Appeal, it considers that the situations in those cases may be distinguished from that here. Similarly, the case-law stemming from the judgment in Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee* [1999] ECR I-2779 is not relevant as the sign claimed is OLDENBURGER and not Oldenburg. In that regard, the applicant argues that its position is based on the practice of OHIM, which has registered several indications that have a link with a geographical area.
- 22 OHIM states as a preliminary observation that the list of goods within Class 30, as it appears in the application for annulment, does not correspond to the contested list of goods.
- 23 OHIM recalls that pursuant to Article 7(1)(c) of the Regulation trade marks which consist exclusively of signs or indications which may serve to designate the geographical origin of goods or services are not to be registered. It is not permissible for such signs to be monopolised, which would be the consequence of conferring exclusive rights under Article 9 of the Regulation, because there is a public interest which demands that such signs remain available (judgment in *Windsurfing Chiemsee*, paragraphs 25 and 26).

- 24 OHIM considers that signs which are immediately and without further reflection perceived by the relevant persons as a geographical indication are not registrable. By contrast, indications which, whilst they designate a geographical place, are not known to the public or are perceived as fanciful designations, or which are well-known but are not a priori capable of serving to designate the origin of the goods or services for which an application for registration has been made, are registrable.
- 25 OHIM considers that the adjectival form of a place-name clearly falls within the scope of Article 7(1)(c) of the Regulation, which does not prohibit the registration of geographical names as such (OLDENBURG or Oldenburg), but rather the registration of indications which may serve to designate geographical origin.
- 26 With regard to the earlier registrations, OHIM recalls the case-law of the Court of First Instance on the jurisdiction of the Boards of Appeal and points out that the examples cited by the applicant do not relate to geographical names which are well-known in the context of the designated goods.

Findings of the Court

- 27 Article 7(1)(c) of the Regulation 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’ are not to be registered.

- 28 In addition, Article 7(2) of the Regulation provides: 'Paragraph 1 shall apply notwithstanding that the grounds of non-registrability obtain in only part of the Community'.
- 29 Article 7(1)(c) of the Regulation pursues an aim which is in the public interest, namely that descriptive signs or indications relating to the categories of goods or services in respect of which registration is applied for may be freely used by all. The provision therefore prevents such signs or indications from being reserved to one undertaking alone because they have been registered as trade marks (see, by analogy, *Windsurfing Chiemsee*, paragraph 25).
- 30 As regards, more particularly, signs or indications which may serve to designate the geographical origin of the categories of goods in relation to which registration of the mark is applied for, especially geographical names, it is in the public interest that they remain available, not least because they may be an indication of the quality and other characteristics of the categories of goods concerned, and may also, in various ways, influence consumer tastes by, for instance, associating the goods with a place that may give rise to a favourable response (see, by analogy, *Windsurfing Chiemsee*, paragraph 26).
- 31 Furthermore, it may be observed, first, that the registration of geographical names as trade marks solely where they designate specified geographical locations which are already famous, or are known for the category of goods concerned, and which are therefore associated with those goods in the mind of the relevant class of persons, is excluded as, secondly, is the registration of geographical names which are liable to be used by undertakings and must remain available to such undertakings as indications of the geographical origin of the category of goods concerned (see, by analogy, *Windsurfing Chiemsee*, paragraphs 29 and 30).

- 32 In that connection, it must be observed that the Community legislature, in derogation from Article 7(1)(c) of the Regulation, has preserved the possibility of registering signs which may serve to designate geographical origin as collective marks pursuant to Article 64(2) of the Regulation and, for certain goods, where they meet the necessary conditions, as geographical indications or designations of origin which are protected under the provisions of Council Regulation (EEC) No 2081/92 of 14 July 1992 on the protection of geographical indications and designations of origin for agricultural products and foodstuffs (OJ 1992 L 208, p. 1).
- 33 However, Article 7(1)(c) of the Regulation does not in principle preclude the registration of geographical names which are unknown to the relevant class of persons — or at least unknown as the designation of a geographical location — or of names in respect of which, because of the type of place they designate, such persons are unlikely to believe that the category of goods concerned originates there (see by analogy *Windsurfing Chiemsee*, paragraph 33).
- 34 In the light of all the foregoing, a sign's descriptiveness cannot be assessed other than by reference to the goods or services concerned, on the one hand, and by reference to the understanding which the relevant persons have of it, on the other.
- 35 In the present case it must be stated, first of all, that the designated goods, as they appear at paragraph 1 of the contested decision, are foods for everyday consumption by consumers as a whole. Consequently, the relevant public is deemed to be the average consumer who is reasonably well-informed and reasonably observant and circumspect. In addition, since the sign in question relates to a German geographical name, the section of the public by reference to whom the absolute ground for refusal must be assessed is the average consumer in the Member State in which the place designated by that name is situated (see Case T-219/00 *Ellos v OHIM (ELLOS)* [2002] ECR II-753, paragraphs 30 and 31).

- 36 It must next be observed that the word OLDENBURGER derives directly, in its adjectival form, from the name of the German town Oldenburg, which is the principal town in the administrative district of Weser-Ems in Niedersachsen.
- 37 In that connection, the Board of Appeal found at paragraphs 27 to 29 of the contested decision that it is well-known in Germany at national level that Oldenburg is the capital of a region that is essentially centred on agriculture, in particular in the dairy, livestock and meat-processing industries, which the applicant does not deny. From that point of view, it must be observed that a large number of agricultural products carry the designation ‘Oldenburger’ combined with a generic term or the designation ‘Oldenburg’ combined with the name of the producer.
- 38 Having regard to the fact that the geographical area which is directly evoked by the relevant public is known as a region that produces the goods in question, those persons may perceive the geographical name as an indication of the geographical origin of those goods.
- 39 Indeed, the adjectival form is not, for the relevant public, sufficiently different to cause those persons to think that the sign OLDENBURGER refers to something other than the geographical name Oldenburg and consequently that the sign is being affixed to the goods to indicate a characteristic other than their origin.
- 40 In that regard, the applicant’s argument that the word OLDENBURGER is no more than a reference to or a derived form of a geographical indication is irrelevant. First of all, the word in question is commonly used in the sector for the

goods concerned and, secondly, the adjectival form is also customary in German to construct designations of origin or geographical indications that are protected whose purpose is, *inter alia*, to provide the consumer with information on the geographical origin of goods.

- 41 Furthermore, OHIM rightly argued that the other conceivable meanings are so absurd as to be unacceptable, such as, for example, OLDENBURGER for ‘Mann aus Oldenburg’ (man from Oldenburg).
- 42 In addition, the sign claimed does not incorporate any additional elements such as might cause the application of Article 7(1)(c) of the Regulation to be excluded. First of all, as the applicant itself acknowledges, the public does not generally run an analytical eye over signs which it encounters; it will therefore not engage in sufficiently precise scrutiny to discover a meaning in a set of commonplace letters, even capitalised ones. Nor, secondly, does the fact that a geographical name is used on its own constitute a perceptible difference when compared to the usual practice for agricultural products and foodstuffs, according to which it is, on the contrary, usual to designate such goods by a geographical term alone or combined with generic terms designating the type of product.
- 43 With regard to the applicant’s comment that the Board of Appeal was careful to avoid confirming that the contested mark OLDENBURGER designates the geographical origin of the goods claimed, it must be observed that the Board of Appeal has established to the requisite legal standard that the connection between the name of the place and the goods may enable the relevant class of person to perceive the sign in question as an indication of the origin of those goods without there being any need to know in that connection whether the name actually designates the true geographical origin of the goods.

- 44 With regard to the goods, such as fish, for which it has not been established that the geographical area evoked by the sign in respect of which registration was applied for is well-known or not, it must be observed that the Board of Appeal found, at paragraph 32 of the contested decision, rightly, and in accordance with the case-law of the Court of Justice (see by analogy *Windsurfing Chiemsee*, paragraph 31), that it is reasonable to assume that those goods will in future be associated with the word in question in the minds of the relevant persons.
- 45 It must therefore be found that the sign in question consists exclusively of a word which indicates or is capable of indicating to the relevant persons the geographical origin of the designated goods.
- 46 Nor can that assessment be called in question by the applicant's argument at the hearing which was, in summary, that, since the word OLDENBURGER is not in an abstract sense a generic term designating the goods claimed in the trade mark application, it does not fall within the scope of Article 7(1)(c) of the Regulation. First of all, in this context the fact that the word claimed is not the generic term designating the goods is irrelevant if it is established that it may indicate their origin and, secondly, as OHIM correctly countered, the mark claimed cannot be examined in the abstract; it must be examined by reference to the designated goods.
- 47 With regard, finally, to the earlier decisions, suffice it to state that it is well-settled first of all that the Community trade mark regime is an autonomous system and secondly, that the legality of decisions of the Boards of Appeal must be assessed solely on the basis of the Regulation, as interpreted by the Community judicature, and not on the basis of a previous decision-making practice of those Boards (Case T-32/00 *München v OHIM (electronica)* [2000] ECR II-3829, paragraphs 45 to 47, and Case T-106/00 *Streamserve v OHIM (STREAMSERVE)* [2002] ECR II-723, paragraph 66).

- 48 In addition, as the Office argued, the reference to cases relating to geographical names in respect of which it has not been established that they are well-known in the context of the goods concerned cannot be accepted as apposite.
- 49 Therefore, the applicant's submissions based solely on the existence of registrations made by OHIM or the German Patent Office are not relevant.
- 50 Furthermore, it must be pointed out that in order to be accepted it is sufficient that one of the grounds for refusal set out in Article 7(1) of the Regulation obtain in part of the Community, which in this case is Germany (see, by analogy, Case T-91/99 *Ford Motor v OHIM (OPTIONS)* [2000] ECR II-1925, paragraphs 25 to 27).
- 51 In the light of all the foregoing, the first plea must be rejected.

Second plea: infringement of Article 12(b) of the Regulation

Arguments of the parties

- 52 The applicant submits that in cases where there is a risk that registration of the trade mark filed will impede use of the adjective 'oldenburger', the unambiguous wording of Article 12(b) of the Regulation precludes any such impediment.

- 53 OHIM considers that the limit on the exclusive right of the proprietor of a registered trade mark set out in Article 12(b) of the Regulation cannot have the effect of rendering trade marks that are otherwise excluded from protection under Article 7(1)(c) of the Regulation registrable after all.
- 54 Furthermore, OHIM acknowledges that in its judgment in Case C-383/99 P *Procter & Gamble v OHIM* [2001] ECR I-6251, the Court of Justice established a link between Article 7(1) and Article 12 of the Regulation but considers that that link does not mean it can be said that signs which are not capable of protection should be registered. Furthermore the conditions in that case are plainly not satisfied since ‘Oldenburger’ is not an unusual juxtaposition of words but a commercial designation commonly used to designate goods from Oldenburg.

Findings of the Court

- 55 It must be observed that the purpose of Article 12(b) of the Regulation, in the context of its relationship with Article 7(1)(c), in particular for trade marks which do not fall within the scope of that provision because they are not exclusively descriptive, is to ensure, inter alia, that use of an indication relating to geographical origin, which also forms part of a complex trade mark, does not fall within a prohibition that the proprietor of such a mark is entitled to enforce under Article 9 of the Regulation, where that indication is used in accordance with honest practices in industrial and commercial matters (see, by analogy, *Windsurfing Chiemsee*, cited above, paragraph 28, and Case T-359/99 *DKV v OHIM (EuroHealth)* [2001] ECR II-1645, paragraph 28).

- 56 If it is to apply, therefore, there must be a prior finding that a trade mark has been validly registered and that the proprietor thereof is enforcing his rights. The alleged infringer may then rely on Article 12 of the Regulation as a defence to resist a claim of infringement of the proprietor's rights.
- 57 Consequently, application of that provision may not be taken into account during the registration procedure. Therefore, given that the trade mark is not registrable, the second plea must also be rejected.

Third plea: infringement of Article 38(2) of the Regulation

Arguments of the parties

- 58 The applicant argues that its application could lead to registration if it were accompanied by a disclaimer under Article 38(2) of the Regulation and Rule 11(2) of the Implementing Regulation, stating in material part as follows:

‘The applicant for registration of Community trade mark No 607 895 OLDENBURGER hereby declares, in accordance with Article 38(2) of the Regulation and Rule 11(2) of the Implementing Regulation, that it disclaims any exclusive right in the phonetically identical adjective oldenburger.’

- 59 It takes the view that such a disclaimer would limit the protection afforded to the word OLDENBURGER in capital letters and taken alone. It also points out that it itself uses its OLDENBURGER trade mark alongside the geographical and descriptive indication 'Oldenburger Butter' (or 'OLDENBURGER BUTTER').
- 60 The applicant submits that under Article 38(2) of the Regulation, Rule 11(2) of the Implementing Regulation and point 8.13 of the Examination Guidelines of 26 March 1996 (*Official Journal of the Office* 1996, p. 1347), OHIM should have requested it to supply such a disclaimer.
- 61 In relation to that plea, OHIM does not see which provision has been infringed. The applicant does not state clearly whether it is relying on an infringement of the right to a hearing or an infringement of Article 38(2) of the Regulation in conjunction with Rule 11 of the Implementing Regulation.

Findings of the Court

- 62 It must be observed that Article 38(2) of the Regulation provides that OHIM may request a statement where the trade mark contains an element that is devoid of distinctive character.

63 In this case, the trade mark application in question comprises one single component.

64 It is therefore sufficient to observe, first of all, that the provisions on disclaimer under Article 38 of the Regulation do not imply that OHIM is bound to request a disclaimer, and, secondly, that such a disclaimer cannot be required if there is no element to which it could relate. The one element of which the trade mark is composed is not in itself eligible for protection, and there are no other components which the applicant could have disclaimed.

65 Consequently, the third plea must be rejected.

66 It follows that the action must be dismissed in its entirety.

Costs

67 Under Article 87(2) of the Rules of Procedure, the unsuccessful party is to be ordered to pay the costs if they have been asked for in the successful party's pleadings. Since the applicant has been unsuccessful, it must be ordered to pay its own costs as well as those incurred by OHIM, in accordance with the form of order sought by OHIM.

On those grounds,

THE COURT OF FIRST INSTANCE (Fourth Chamber)

hereby:

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

Tiili

Mengozzi

Vilaras

Delivered in open court in Luxembourg on 15 October 2003.

H. Jung

Registrar

V. Tiili

President