

JUDGMENT OF THE COURT OF FIRST INSTANCE (Second Chamber)
13 July 2004*

In Case T-115/03,

Samar SpA, established in Mottalciata (Italy), represented by A. Ruo, lawyer,

applicant,

v

Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM), represented by O. Montalto and M.L. Capostagno, acting as Agents,

defendant,

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

Grotto SpA, established in Vicenza (Italy), represented by M. Bosshard and S. Vereia, lawyers,

ACTION brought against the decision of the Third Board of Appeal of OHIM of 30 January 2003 (Case R 340/2002-3), concerning the opposition of the proprietor of the national figurative mark BLUE JEANS GAS to registration of the Community word mark GAS STATION,

* Language of the case: Italian.

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: J. Palacio González, Principal Administrator,

having regard to the application lodged at the Court Registry on 7 April 2003,

having regard to the response of the intervener lodged at the Court Registry on 21 July 2003,

having regard to the response of OHIM lodged at the Court Registry on 25 July 2003,

further to the hearing on 4 February 2004,

gives the following

Judgment

Background to the dispute

- 1 On 12 January 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) 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 mark whose registration was sought is the word sign GAS STATION.
- 3 The goods in respect of which registration was sought fall within Class 25 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 description: ‘Clothing, footwear, headgear’.
- 4 The application was published in *Community Trade Marks Bulletin* No 22/99 of 22 March 1999.
- 5 On 21 June 1999, the intervener filed a notice of opposition under Article 42 of Regulation No 40/94 against the trade mark applied for in respect of all the goods covered by the application. The intervener relied in particular on its earlier national figurative mark No 677 288, registered inter alia for goods falling within Class 25, namely ‘trousers, jackets, jeans, shirts, skirts, heavy jackets, jerseys, sweaters, short coats (“capispalla”), socks, shoes, boots, slippers’, which is reproduced below:



- 6 By decision of 28 February 2002, the Opposition Division of OHIM upheld the opposition in light of the marked similarity between the signs and the interrelation between the signs and goods when assessing confusion.

7 On 16 April 2002, the applicant filed a notice of appeal at OHIM, under Article 59 of Regulation No 40/94, challenging the decision of the Opposition Division.

8 By decision of 30 January 2003 ('the contested decision'), a copy of which was sent to the applicant on 10 February 2003, the Board of Appeal dismissed the appeal on the ground that a likelihood of confusion existed given the inherent nature of the intervener's trade mark, the strong similarity of the marks, the identity or similarity of the goods covered and the time at which the relevant public perceives the mark.

Procedure and forms of order sought

9 The applicant claims that the Court should:

- declare that there is no likelihood of confusion in the present case and annul the contested decision;

- in the alternative, declare that there is no likelihood of confusion in the present case in respect of all the goods applied for, with the exception of jeans, or, at the very least, in respect of the goods which the Court considers appropriate, and annul the contested decision to that extent;

- order OHIM to pay the costs.

10 OHIM and the intervener contend that the Court should:

- dismiss the action;

- order the applicant to pay the costs.

Law

- 11 The applicant puts forward two pleas in law, one alleging that the statement of reasons in the contested decision is defective and the other alleging an error of assessment in the analysis of the likelihood of confusion. The applicant explained at the hearing that the words 'declare that there is no likelihood of confusion' in its first head of claim and the reference in its application to all its arguments already set out before OHIM were merely standard clauses, and the Court took formal note of this.
- 12 At the hearing the applicant produced a document designed to prove the existence of numerous Italian trade marks in the clothing sector that include the word 'gas'; it pleaded Article 48 of the Rules of Procedure of the Court of First Instance and insisted that, following the Court's refusal to allow a second round of pleadings, it had been assured that it could put forward its arguments at the hearing. This document was accepted by the Court as an interim measure, subject to a subsequent decision as to its admissibility.

Admissibility of the document produced at the hearing

- 13 In accordance with settled case-law, the purpose of actions brought before the Court of First Instance is to review the legality of decisions of the Boards of Appeal within the meaning of Article 63 of Regulation No 40/94. Facts which are pleaded before the Court without having previously been brought before the departments of OHIM can affect the legality of such a decision only if OHIM should have taken them into account of its own motion. It follows from the concluding words of Article 74(1), according to which, in proceedings relating to relative grounds for refusal of registration, OHIM is to be restricted in its examination to the facts, evidence and arguments provided by the parties and the relief sought, that OHIM is not required to take into account of its own motion facts which have not been put forward by the parties. Therefore, such facts cannot affect the legality of a decision of the Board of Appeal.
- 14 It is common ground that the document produced at the hearing, which is intended to prove the existence of numerous Italian trade marks in the clothing sector that include the word 'gas', was not put before OHIM. Accordingly, it cannot be taken into account by the Court.
- 15 Nor can the applicant rely on Article 48(1) and (2) of the Rules of Procedure to justify the late submission of that document. First, the applicant has not put forward any reason that would have legitimated, if appropriate, the submission of new evidence at the stage of the reply. Second, the *audi alteram partem* rule cannot justify the late submission of that document since the latter cannot be regarded as merely responding to OHIM's and the intervener's pleadings. OHIM and the intervener endeavoured exclusively to prove the inherent distinctiveness of the word 'gas' without ever referring to any distinctiveness of the earlier mark on the Italian clothing market.

- 16 Accordingly, the document produced by the applicant at the hearing must be excluded without any need to consider its evidential value or to hear more detailed argument on it from the other parties to the present action.

Defective statement of reasons

- 17 The applicant pleads that the Board of Appeal infringed the obligation to state reasons by asserting without explanation, in paragraph 20 of the contested decision, that the signs at issue present a degree of conceptual association. It states that it is accordingly not in a position to contest that reason.
- 18 The Court holds that the applicant's criticism derives from an incomplete reading of the contested decision. In paragraph 20 thereof, the Board of Appeal expressly adopts the assessment made by the Opposition Division that the signs at issue 'present a possibility of conceptual association'. The applicant therefore needed only to refer to that assessment in the Opposition Division's decision, which was notified to it, and, if appropriate, to criticise its reasoning before the Court.
- 19 For the sake of completeness, in so far as the conceptual association pointed out by the Board of Appeal is based on the component 'gas', as is to be supposed from the continuation of paragraph 20 which characterises this component as dominant, the Court notes, first, that the applicant's criticism of the Opposition Division's decision — namely that it is contradictory to accept that the word 'gas' means fuel for an internal combustion engine but to observe that it does not mean petrol — is set out in the first indent of paragraph 6 of the contested decision. Second, the Board of Appeal found, in paragraph 24 of the contested decision, that the word 'gas' has a specific meaning and that 'the question of the actual meaning given to it by Italian-speaking consumers ("gas", "motor fuel") is ultimately irrelevant'. It was therefore

simple for the applicant to bring together the findings in paragraph 20 of the contested decision and those in paragraph 24 and, if appropriate, to criticise before the Court the Board of Appeal's opinion that the signs at issue display conceptual similarity whatever the meaning given to the word 'gas'.

20 Accordingly, this plea must be rejected.

Error of assessment in the analysis of the likelihood of confusion

Arguments of the parties

21 The applicant argues that it is wrong to compare separately the signs at issue and the goods which they identify. It states that in the present case the Board of Appeal found that the term 'blue jeans' was descriptive and concluded therefrom that the word 'gas' was the dominant component in the intervener's mark. In the applicant's submission, such a finding is true only for jeans, namely items of clothing made from denim, and is not true when applied to other goods such as sweaters, slippers and boots. Furthermore, in its analysis the Board of Appeal unjustly neglected the word 'station' which appears in the mark applied for.

22 As regards visual comparison of the marks at issue, the applicant contends that for all the goods other than jeans the dominant component of the intervener's mark is 'BLUE JEANS', which is strongly distinctive. The dominant aspect of the mark applied for is constituted by the two words 'gas' and 'station'. The two marks therefore do not resemble each other at all. When the marks at issue refer to jeans, the term 'blue jeans' is descriptive and therefore the dominant component of the intervener's mark is 'gas'. The dominant aspect of the mark applied for remains 'gas station'. Since the intervener's mark has a very distinctive graphic aspect, the word

which the two marks at issue have in common, namely 'gas', is not sufficient to establish a likelihood of confusion. Such an analysis is, in the applicant's submission, confirmed by the approach taken by the Court in its judgment in Case T-110/01 *Vedial v OHIM — France Distribution (HUBERT)* [2002] ECR II-5275, at paragraph 54.

23 The applicant submits with regard to aural comparison that the two marks at issue are entirely distinct, especially for goods other than jeans. That is all the more true if greater attention is given to the initial parts of the marks as the case-law indicates.

24 As regards conceptual comparison, the marks at issue are totally different in respect of goods other than jeans, because one has the term 'blue jeans' as its dominant component, and the other has the term 'gas station', which designates a store of gas. Even if it is accepted that the term 'blue jeans' is descriptive, the intervener's mark evokes the idea of gas whereas the applicant's mark evokes the idea of storage — of gas in the present case.

25 In the applicant's submission, the Board of Appeal did not draw the appropriate conclusions from its definition of the relevant public, namely the reasonably well informed and reasonably circumspect public in general. However, it made it clear at the hearing that it was not calling this definition into question.

26 The applicant concludes therefrom that the differences between the marks preclude a likelihood of confusion.

- 27 OHIM and the intervener note first of all that the applicant does not dispute the identity or similarity of the goods at issue. They then submit that the dominant component in each of the opposing marks is unquestionably the word 'gas'. Both the approach of the Board of Appeal and the result reached by it are correct.

Findings of the Court

- 28 Article 8(1)(b) of Regulation No 40/94 provides that, upon opposition by the proprietor of an earlier trade mark, a trade mark 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 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.
- 29 In accordance with settled case-law, the likelihood of confusion as to the commercial origin of the goods or services must be assessed globally in accordance with the perception by the relevant public of the signs and the goods or services at issue and taking into account all the factors characterising the case in point, in particular the interdependence between the similarity of the signs and the similarity of the goods or services designated (see Case T-162/01 *Laboratorios RTB v OHIM — Giorgio Beverly Hills (GIORGIO BEVERLY HILLS)* [2003] ECR I-2821, paragraphs 29 to 33, and the case-law cited).
- 30 It must be stated at the outset that the Board of Appeal correctly found, first, that the relevant public in the present case is Italian consumers, given that the earlier mark taken into account is an Italian national mark (paragraph 13 of the contested decision), and second, that that public is made up of average consumers who are reasonably well informed and reasonably observant and circumspect (paragraph 30 of the contested decision) since the goods covered by the marks at issue are everyday consumer goods.

- 31 Also, the Board of Appeal rightly pointed out that the goods covered by the marks at issue are identical or similar (paragraph 12 of the contested decision).
- 32 As regards comparison of the opposing signs, in accordance with settled case-law the global assessment of the likelihood of confusion must, as far as concerns the visual, aural or conceptual similarity of the opposing signs, be based on the overall impression given by the signs, bearing in mind, in particular, 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 cited).
- 33 The applicant's complaint that the Board of Appeal compared the opposing signs in an abstract manner, without consideration of the goods covered by the marks at issue, is not well founded. The Board of Appeal expressly held, relying on the judgment in Case C-39/97 *Canon* [1998] ECR I-5507, that 'the conclusion on the likelihood of confusion rests on consideration of the marked similarity of the signs and the interrelation between the signs and goods when assessing confusion' (paragraph 12 of the contested decision). The Board of Appeal likewise stated that 'the capacity of the sign to perform the function of a trade mark must be assessed in relation to the goods indicated in the application' (paragraph 21 of the contested decision).
- 34 In its examination, the Board of Appeal rightly held that the dominant component of the earlier mark lies in the word 'gas' (paragraphs 20 and 28 of the contested decision). First, the term 'blue jeans' is purely descriptive of items of clothing that are made of, or reproduce the look of, denim. For the other items of clothing, this term is not as strongly distinctive as the word 'gas' which has no connection with

clothing (paragraph 24 of the contested decision). Second, the graphic component 'BLUE JEANS' in the figurative sign at issue is minor, since it is written in much smaller letters and appears as a mere addition to the word 'gas'.

35 The Board of Appeal could likewise hold that the word 'gas' constituted the dominant component of the mark applied for inasmuch as the word 'station', while having a certain inherent importance, does not alter the meaning of the word 'gas' (paragraph 27 of the contested decision). The word 'station' may refer to a number of different places, be it the stopping point of a means of land transport or the place where motor fuel is sold or stored, and acquires a definitive meaning only through the attribute placed next to it. Accordingly, the word 'station' reinforces the meaning of the word 'gas' without offering an alternative meaning.

36 Consequently, as regards their dominant component the signs at issue are visually, aurally and conceptually identical.

37 As regards the opposing signs taken as a whole, the Board of Appeal was able to hold, without committing an error of assessment, that the differences between those signs constituted by the secondary graphic component 'BLUE JEANS' and the secondary verbal component 'station' would not be kept in mind by the relevant public which would retain the component 'gas' (paragraphs 27 to 29 of the contested decision). It is to be remembered that the average consumer only rarely has the chance to make a direct comparison between the different marks, but must place his trust in the imperfect picture of them that he keeps in his mind (Case C-342/97 *Lloyd Schuhfabrik Meyer* [1999] ECR I-3819, paragraph 26).

38 This conclusion is not called into question by the Court's reasoning in the judgment in *HUBERT* (paragraph 22 above), relied upon by the applicant. In that judgment the Court accorded preponderant weight to a graphic component and to the verbal

components which were differentiating as against the verbal component common to the opposing marks, namely the word 'Hubert'. However, unlike the graphic component in the present case, the graphic component there was particularly important. As has been found above, the component 'BLUE JEANS' is secondary, appearing as a mere addition to the component 'gas'.

39 Consequently, given the identity or similarity of the goods covered by the marks at issue and the similarity of the opposing signs, the conclusion of the Board of Appeal that there exists a likelihood of confusion between the marks on the part of the relevant public must be upheld.

40 Since such a likelihood of confusion exists for all the goods covered, even though it appears even greater for clothing made of denim, the contested decision should not be annulled in so far as it relates to clothing other than clothing made of denim or to other sub-categories of goods falling within Class 25.

41 In view of the foregoing, this action must be dismissed.

Costs

42 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. Since the applicant has been unsuccessful it must be ordered to pay the costs, as applied for by OHIM and the intervener.

On those grounds,

THE COURT OF FIRST INSTANCE (Second Chamber)

hereby:

- 1. Dismisses the action;**
- 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