

JUDGMENT OF THE COURT OF FIRST INSTANCE (First Chamber)

20 July 2004^{*}

In Case T-311/02,

Vitaly Lissotschenko, residing in Dortmund (Germany),

Joachim Hentze, residing in Werl (Germany),

represented by B. Hein, lawyer,

applicants,

v

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

defendant,

^{*} Language of the case: German.

ACTION brought against the decision of the Second Board of Appeal of OHIM of 31 July 2002 (Case R 363/2000-2) concerning registration of the word mark LIMO as a Community trade mark,

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

composed of: B. Vesterdorf, President, P. Mengozzi and M.E. Martins Ribeiro,
Judges,

Registrar: D. Christensen, Administrator,

having regard to the application lodged at the Court Registry on 10 October 2002,

having regard to the reply lodged at the Court Registry on 25 February 2003,

having regard to the measures of organisation of procedure decided on 10 March 2004 and the reply of OHIM lodged on 31 March 2004,

further to the hearing of 27 April 2004,

gives the following

Judgment

Background to the dispute

- 1 On 26 August 1999, Mr Lissotschenko and Mr Hentze ('the applicants') 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 mark in respect of which registration was sought is the word mark LIMO.
- 3 The goods in respect of which registration of the mark was sought fall within Classes 9, 10 and 11 under the Nice Agreement concerning the International Classification of Goods and Services for the Purpose of the Registration of Marks of 15 June 1957, as revised and amended, and correspond to the following descriptions in those classes:
 - Class 9: 'Lasers for non-medical purposes, in particular diode lasers, lasers for measuring technology, lasers for the treatment of materials, lasers for the printing industry, lasers for material testing and quality control, lasers for data processing or data transmission; optical and/or electronic apparatus and

instruments, in particular imaging systems, microoptical systems, control electronics, optical systems with integrated electronics and/or light sources; lenses; optical lenses, supplementary lenses, prisms, corrective lenses; diffraction apparatus (microscopy)';

— Class 10: 'Lasers for medical purposes';

— Class 11: 'Lighting apparatus and installations, light-emitting diodes (LEDs)'.

- 4 By decision of 14 March 2000, the examiner refused the application under Article 38 of Regulation No 40/94 on the ground that the mark applied for was descriptive of the products concerned and devoid of any distinctive character within the meaning of Article 7(1)(b) and (c) of Regulation No 40/94.
- 5 On 4 April 2000, the applicants filed at OHIM an appeal against the examiner's decision in accordance with Article 59 of Regulation No 40/94.
- 6 By decision of 31 July 2002 ('the contested decision'), the Second Board of Appeal of OHIM, first, upheld a plea in law alleging breach of the right of the applicants to be heard and, accordingly, annulled the examiner's decision and ordered reimbursement of the applicants' appeal costs. Secondly, it rejected the application for registration in respect of the goods included in Classes 9 and 10, pursuant to Article 7(1)(b) and (c) of Regulation No 40/94, on the ground that the mark applied for was devoid of any distinctive character and consisted exclusively of elements descriptive of the kind and/or the intended purpose of those goods. Finally, varying the examiner's decision, the Board of Appeal authorised publication of the application for registration of LIMO as a Community trade mark in respect of the goods included in Class 11.

- 7 So far as concerns, in particular, the refusal to register the mark applied for in respect of the goods included in Classes 9 and 10, the Board of Appeal found, first of all, that in electronics the combination of letters 'LIMOS' is used as an abbreviation for 'Laser Intensity Modulation System'. The Board of Appeal relied for that purpose on a book entitled 'Abkürzungen in der Elektronik' (Abbreviations used in Electronics) by Schönborn (Berlin 1993), already mentioned by the examiner, and on the result of internet searches, referring by way of illustration to two pages on Toshiba and Minolta photocopiers.
- 8 Next, the Board of Appeal noted that the goods included in Classes 9 and 10 were capable of being used as components of a laser intensity modulation system, so that the sign LIMOS was descriptive of the nature and/or purpose of those goods which, in its view, are aimed at the specialist consumer or professional customers who are perfectly likely to know that sign in the field of lasers.
- 9 The Board of Appeal added that removal of the letter 's' from the end of LIMOS did not make it less descriptive of the goods in question, as a trade mark, since 'LIMO' is an eloquent abbreviation for most of the expression 'Laser Intensity Modulation System', namely 'Laser Intensity Modulation'. In so doing, the Board of Appeal took the view that the specialist consumer was able to establish a direct and unequivocal link between the goods included in Classes 9 and 10 and the sign LIMO, which he would regard as an abbreviation for the expression 'Laser Intensity Modulation'.
- 10 Finally, the Board of Appeal considered that the trade mark applied for was also devoid of distinctive character in relation to the goods included in Classes 9 and 10. In its view, the consumer in question, who is a professional, will see in the sign LIMO the abbreviation for the phrase 'Laser Intensity Modulation' rather than any indication of the commercial origin of those goods.

Forms of order sought

11 The applicants claim that the Court should:

- annul the contested decision in so far as it refuses registration of the trade mark sought in respect of the goods within Classes 9 and 10;

- order OHIM to pay the costs.

12 OHIM contends that the Court should:

- dismiss the action;

- order the applicants to pay the costs.

Law

13 The applicants submit that the Board of Appeal was wrong to reject the application to register the trade mark LIMO, pursuant to Article 7 of Regulation No 40/94, in respect of the goods included in Classes 9 and 10. In support of their application they raise, in essence, two pleas in law alleging infringement of Article 7(1)(c) and Article 7(1)(b) respectively of Regulation No 40/94.

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

Arguments of the parties

- 14 The applicants deny that the trade mark applied for might be regarded as descriptive of the nature or the intended purpose of the goods in question.

- 15 First, they point out that the signs LIMO and LIMOS are not known to the relevant public as abbreviations of the expressions 'Laser Intensity Modulation' and 'Laser Intensity Modulation System'. Consequently, they claim that there is no need to leave the abovementioned signs free.

- 16 In that connection, the applicants state that the 'Internationale Enzyklopädie der Abkürzungen und Akronyme in Wissenschaft und Technik' (International Encyclopaedia of Abbreviations and Acronyms in Science and Technology) compiled by Mr Peschke (Munich 1998) does not include 'LIMOS' as an abbreviation for 'Laser Intensity Modulation System'.

- 17 They also draw attention to the fact that the sign LIMOS is generally used on the internet as an abbreviation for the word 'limousines' with regard to motor vehicles, and only sporadically with the meaning 'Laser Intensity Modulation System' in relation to photocopiers or reprographic systems. The fact that searches carried out on the internet by OHIM produced only three references containing the abbreviation 'LIMOS' meaning 'Laser Intensity Modulation System' proves that the sequence of letters 'LIMOS' is not an abbreviation generally known to or used by the specialised circles concerned.

- 18 In support of their arguments, the applicants refer to a decision of the Third Board of Appeal of OHIM, that of 31 October 2000 in Case R 294/2000-3 concerning the registration as a Community trade mark of the sign DS in respect of goods and services relating to the field of electronic cameras and photographic development. The decision stated that, when assessing a sign for the purpose of registering it, the value of dictionary definitions is relative, in particular where the result of the analysis based on such dictionary entries is not supported by any other information or evidence. The applicants point out that in that case the examiner's decision of refusal to register the trade mark DS pursuant to Article 7(1)(b) and (c) of Regulation No 40/94 was based on a list of abbreviations showing that 'DS' was the abbreviation for 'Digital Signal', and that the Board of Appeal had annulled that decision, pointing out that it was not possible to conclude on that basis alone that the relevant public would confuse the abbreviation 'DS' with the expression 'Digital Signal' and would thus associate it with a descriptive indication. The applicants maintain that similar doubts arise in the present case, given that the abbreviation 'LIMOS' with the meaning 'Laser Intensity Modulation System' appears in only one book and two internet pages.
- 19 So far as concerns the sign LIMO, the applicants observe that its use as an abbreviation for 'Laser Intensity Modulation' is not established by the documents and internet pages produced by OHIM in support of its assessment, in which only the sign LIMOS appears. The abbreviation 'LIMO' for a laser intensity modulation system does not currently exist and cannot therefore be required to remain free.
- 20 In that regard, the applicants explain that on the internet the sign LIMO is used as an abbreviation for the words 'limousine' or '*limonade*' (lemonade) or again for the expression borrowed from economics 'least input for the most output'. Therefore, since the abbreviation 'LIMO' is ambiguous, the relevant public, which consists of specialists, when faced with that abbreviation will make absolutely no connection with the goods covered by the registration application and falling within Classes 9 and 10.

- 21 The applicants also cite a decision of the Deutsches Bundespatentgericht (German Federal Patents court) of 2 June 1998 concerning an application to register the word sign CT as a national trade mark, in which the existence of a need to leave that sign free was ruled out on the ground that ‘the abbreviation “CT” had a multitude of meanings capable of being descriptive of goods and services relating to it’.
- 22 Secondly, the applicants state that even if the signs LIMOS and LIMO should be regarded as abbreviations of ‘Laser Intensity Modulation System’ and ‘Laser Intensity Modulation’ respectively, they are not descriptive of the goods covered by the Community trade mark application, since those goods are neither laser intensity modulation systems nor, unlike ‘Laser Intensity Modulation’, procedures or methods, but merely individual products which even in combination would not constitute such a system either.
- 23 OHIM contends that the findings of the Board of Appeal are well founded so far as concerns the descriptive nature of the trade mark applied for.

Findings of the Court

- 24 Under Article 7(1)(c) of Regulation No 40/94, the following are not to be registered: ‘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’.

- 25 Article 7(1)(c) of Regulation No 40/94 prohibits the signs and indications therein referred to from being reserved to one undertaking alone because they have been registered as trade marks. It therefore pursues an aim which is in the public interest, namely that descriptive signs or indications may be freely used by all (Case C-191/01 P *OHIM v Wrigley* [2003] ECR I-12447, paragraph 31, Case T-356/00 *DaimlerChrysler v OHIM (CARCARD)* [2002] ECR II-1963, paragraph 24, and Case T-348/02 *Quick v OHIM (Quick)* [2003] ECR II-5071, paragraph 27).
- 26 From that point of view, the signs and indications referred to in Article 7(1)(c) of that regulation are those which may serve in normal usage from the point of view of the relevant public to designate, either directly or by reference to one of their essential characteristics, goods or services such as those in respect of which registration is sought (Case C-383/99 P *Procter & Gamble v OHIM* [2001] ECR I-6251, paragraph 39, *CARCARD*, paragraph 25, and Case T-360/00 *Dart Industries v OHIM (UltraPlus)* [2002] ECR II-3867, paragraph 22).
- 27 Thus, a sign's distinctiveness can be assessed only by reference first to the goods and services concerned and secondly to the understanding which the relevant public has of that sign (*CARCARD*, paragraph 25, and *UltraPlus*, paragraph 22).
- 28 In the present case, the Board of Appeal found that the relevant public was composed of consumers who were specialists (paragraph 17 of the contested decision). Since the goods in question are intended for professionals rather than for the average consumer, that analysis by the Board of Appeal must be upheld. In any event, it has not been contested by the applicants. The relevant public must therefore be deemed to be composed of specialists, who are well-informed, observant and circumspect (see Case T-34/00 *Eurocool Logistik v OHIM (EUROCOOL)* [2002] ECR II-683, paragraph 47).

- 29 A preliminary observation, as regards the applicants' argument that there is no need for the signs LIMOS and LIMO to remain free because they are not customary in the technical language used to describe the goods in question, is that in paragraph 35 of the judgment in Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee* [1999] ECR I-2779 the Court held that the application of Article 3(1)(c) of First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks (OJ 1989 L 40, p. 1), the wording of which is identical to that of Article 7(1)(c) of Regulation No 40/94, does not depend on there being a real, current or serious need for a sign or indication to remain free.
- 30 Accordingly, for the purpose of applying Article 7(1)(c) of Regulation No 40/94, it is necessary only to consider, on the basis of the relevant meaning of the word sign at issue, whether, from the viewpoint of the public addressed, there is a sufficiently direct and specific relationship between the sign and the goods or services in respect of which registration is sought (Case T-106/00 *Streamserve v OHIM (STREAM-SERVE)* [2002] ECR II-723, paragraph 40, confirmed on appeal by the order in Case C-150/02 P *Streamserve v OHIM* [2004] ECR I-1461, and *CARCARD*, paragraph 28).
- 31 It must be noted that the Board of Appeal did not claim that the sign LIMO was customarily used, in technical language, as an abbreviation for the expression 'Laser Intensity Modulation'. In that regard, the applicants point out that the sign LIMO does not appear either in specialist literature or on the internet, where it appears to be used on the contrary as an abbreviation for the words 'limousine' or 'limonade' or for the expression borrowed from economics 'least input for the most output'.
- 32 None the less, the fact that the sign LIMO is not usually used in specialist circles as an abbreviation for the expression 'Laser Intensity Modulation' is not sufficient to conclude automatically that it is not descriptive. For OHIM to refuse to register a trade mark under Article 7(1)(c) of Regulation No 40/94 it is not necessary that the signs and indications composing the mark that are referred to in that article actually

be in use at the time of the application for registration in a way that is descriptive of goods or services such as those in relation to which the application is filed, or of characteristics of those goods or services. It is sufficient, as the wording of that provision itself indicates, that such signs and indications could be used for such purposes (*OHIM v Wrigley*, paragraph 32, and the order in Case C-326/01 P *Telefon & Buch v OHIM* [2004] ECR I-1371, paragraph 28).

- 33 In the present case, in its analysis for the purpose of establishing whether the sign LIMO could be used to describe goods falling within Classes 9 and 10 covered by the Community trade mark applied for or characteristics of those goods, the Board of Appeal found first that 'LIMOS', being a known abbreviation of 'Laser Intensity Modulation System' for the kind of goods in question, was descriptive of the kind and/or intended purpose thereof. Next, it found that shortening 'LIMOS' to 'LIMO' by removing the letter 's' did not alter the fact that the trade mark applied for was descriptive.
- 34 So far as concerns the sign LIMOS, the Board of Appeal could validly conclude, in paragraph 16 of the contested decision, that it was used in the field of electronics as an abbreviation for the expression 'Laser Intensity Modulation System', relying on the fact that it appears with that meaning both in a work on abbreviations used in the field of electronics and in internet pages.
- 35 The inclusion of such an abbreviation in a work dedicated to abbreviations in the field of electronics is of particular significance, which cannot be ignored merely because the encyclopaedia cited by the applicants (see paragraph 16 above) does not itself include 'LIMOS' as an abbreviation.

- 36 Moreover, proof of the actual use of 'LIMOS' as an abbreviation for 'Laser Intensity Modulation System' lies not only in the definition contained in a dictionary entry but also in documents of a commercial nature. The internet pages referred to by way of example by the Board of Appeal, show that 'LIMOS' is the abbreviation for 'Laser Intensity Modulation System' which, in those pages, designates a copying system used in the FC 70 Toshiba and the CF 9001 Minolta colour copiers.
- 37 In those circumstances, the applicants' complaint that the Board of Appeal departed from the criteria of assessment used by it in its decision on the application for the trade mark DS (see paragraph 18 above) is manifestly wrong in fact. Furthermore, it must be borne in mind that the relevant public in this case is composed of specialists, contrary to the position in the case which gave rise to that decision, in which the Board of Appeal relied precisely on the fact that the relevant public consisted of average consumers rather than professionals and thus concluded that a reference in a dictionary of acronyms and abbreviations was not sufficient for the examiner to be able to infer that the letters 'DS' could be perceived by such a public as standing for 'Digital Signal'. Accordingly, the applicants cannot rely at all on that decision in order to support their argument.
- 38 As regards the descriptive nature of the sign LIMOS, it must be noted, as the Board of Appeal did in paragraph 17 of the contested decision, that the applicants, at page 3 of their document of 7 June 2000 setting out the grounds of their appeal before the OHIM, acknowledged that 'the products referred to in the application ... are products which, in any event, can be components of "Laser Intensity Modulation Systems"', although they added that 'none of those products, however, may be directly described as being such a system'. Taking note of that acknowledgement, which was, moreover reiterated by the applicants before the Court at the hearing of 27 April 2004, the Board of Appeal stated that the sign LIMOS was descriptive 'of the kind and/or intended purpose' of those products.

- 39 Neither the Board of Appeal in its decision nor OHIM in the present proceedings has shown in what way the sign LIMOS is descriptive of the kind of products covered by Classes 9 and 10.
- 40 None the less, it is not disputed that those products may be used as components of a laser intensity modulation system. The applicants have made no serious argument which might undermine the conclusion of the Board of Appeal that, in view of that characteristic of the products, the sign LIMOS, as an abbreviation for the expression 'Laser Intensity Modulation System', is descriptive, at the very least, of their intended purpose. They merely observed, in essence, that it was not possible to obtain a 'Laser Intensity Modulation System' just by combining two or more of the products in issue. That clarification, which does not mean that those products, considered individually, could not be used as a component of such a system in combination with other products not covered by the application for a Community trade mark, is irrelevant.
- 41 Given that all the products covered by Classes 9 and 10 are intended for specialist consumers likely to know the sign LIMOS as an abbreviation for 'Laser Intensity Modulation System' in the field of those goods, and may be incorporated in such a system, it must be held that, in the absence of any evidence to the contrary from the applicants, the sign is descriptive of one of the possible intended purposes of the goods at issue which the relevant public is liable to take into account when making a choice and which accordingly constitutes an essential characteristic thereof (see to that effect Case T-222/02 *HERON Robotunits v OHIM (ROBOTUNITS)* [2003] ECR II-4995, paragraph 44).
- 42 Thus, if from the point of view of the relevant public the sign LIMOS bears a sufficiently direct and specific relationship with the goods falling within Classes 9

and 10 in respect of which registration is sought, it remains to be ascertained whether the same conclusion applies with regard to the sign LIMO, which is the subject of the application for a Community trade mark.

43 In that regard, the Board of Appeal was right to find that removing the letter 's' at the end of the sign LIMOS does not made the resulting sign less descriptive, for the purpose of Article 7(1)(c) of Regulation No 40/94 and in relation to the goods at issue.

44 It has been established that 'LIMOS' is used as an abbreviation for the expression 'Laser Intensity Modulation System', and that is sufficient to show that the sign LIMO is capable of being used, and perceived by the relevant public, as an abbreviation for the expression 'Laser Intensity Modulation'. The fact that the sign LIMO is capable of describing the phenomenon of modulating laser intensity rather than a system which produces that phenomenon is not sufficient to remove the descriptive character of that sign in relation to the goods at issue. If the latter may be components of a system which modulates laser intensity, a sign designating such modulation still remains descriptive of one possible intended purpose of such products.

45 Thus, the Board of Appeal was right to consider that the specialist consumer will be in a position to establish a sufficiently direct and specific link between the goods falling within Classes 9 and 10 covered by the application for a Community trade mark and the sign LIMO, and that he will perceive that sign as the abbreviation for 'Laser Intensity Modulation' and as referring, at the very least, to one of the possible intended purposes of those goods, namely as part of a laser intensity modulation system.

46 Finally, it is also necessary to reject the applicants' argument that — in view of the allegedly ambiguous meaning of the sign LIMO, which is allegedly used as an abbreviation for the words 'limousine' and '*limonade*' or even the expression 'least

input for most output’, or may be perceived as the name of a certain company — the relevant public, when considering that sign, will not think of the goods covered by Classes 9 and 10.

- 47 In that regard, it is sufficient to point out that registration of a word sign must be refused, pursuant to Article 7(1)(c) of Regulation No 40/94, if at least one of its possible meanings identifies a feature of the goods or services concerned (judgment in *OHIM v Wrigley*, paragraph 32; order in *Telefon & Buch v OHIM*, paragraphs 28 and 37; judgments in *STREAMSERVE*, paragraph 42, and *CARCARD*, paragraph 30). However, it is clear from the foregoing considerations that one of the possible meanings of the sign LIMO is ‘Laser Intensity Modulation’ and that the relevant public is perfectly capable of understanding that sign with that meaning.
- 48 It follows that the plea alleging infringement of Article 7(1)(c) of Regulation No 40/94 must be rejected.
- 49 In those circumstances, there is no need to examine the plea in law alleging infringement of Article 7(1)(b) of Regulation No 40/94. It is settled case-law that it is sufficient that one of the absolute grounds for refusal applies for a sign not to be registrable as a Community trade mark (Case C-104/00 P *DKV v OHIM* [2002] ECR I-7561, paragraph 29, Case T-360/99 *Community Concepts v OHIM (Investorworld)* [2000] ECR II-3545, paragraph 26, Case T-331/99 *Mitsubishi HiTec Paper Bielefeld v OHIM (Giroform)* [2001] ECR II-433, paragraph 30, and Joined Cases T-79/01 and T-86/01 *Bosch v OHIM (Kit Pro and Kit Super Pro)* [2002] ECR II-4881, paragraph 36).
- 50 The action must therefore be dismissed.

Costs

- 51 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 applicants have been unsuccessful, they must, having regard to the form of order sought by OHIM, be ordered to pay the costs.

On those grounds,

THE COURT OF FIRST INSTANCE (First Chamber)

hereby:

- 1. Dismisses the action;**
- 2. Orders the applicants to pay the costs.**

Vesterdorf

Mengozi

Martins Ribeiro

Delivered in open court in Luxembourg on 20 July 2004.

H. Jung

B. Vesterdorf

Registrar

President