

JUDGMENT OF THE COURT OF FIRST INSTANCE (Fifth Chamber)

22 March 2007 *

In Case T-364/05,

Saint-Gobain Pam SA, established in Nancy (France), represented by Messrs J. Blanchard and G. Marchais, lawyers,

applicant,

v

Office for Harmonization in the Internal Market (Trade marks and designs) (OHIM), represented by A. Rassat, acting as Agent,

defendant,

the other party to the proceedings before the Board of Appeal of OHIM being

Propamsa, SA, established in Barcelona (Spain),

* Language of the case: French.

Action brought against the decision of the Fourth Board of Appeal of OHIM of 15 April 2005 (Case R 414/2004-4), relating to the registration of the word mark PAM PLUVIAL, concerning opposition proceedings between Propamsa, SA and Saint-Gobain Pam SA,

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

composed of M. Vilaras, President, F. Dehousse and D. Šváby, Judges,

Registrar: E. Coulon, greffier

having regard to the application lodged at the Registry of the Court of First Instance on 26 September 2005,

having regard to the response lodged at the Court Registry on 25 January 2006,

having regard to the oral procedure, the hearing which was fixed for 7 December 2006 not having taken place as neither of the parties appeared,

gives the following

Judgment

Background to the dispute

- 1 On 27 September 2000, the applicant, Saint-Gobain Pam SA, submitted an application for a Community trade mark to the Office for Harmonization 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 for which registration was sought (hereinafter the 'mark sought') is the word sign PAM PLUVIAL.

- 3 Following two limits on the list of goods initially covered by the trade mark application made by the applicant on 9 October 2000 and 29 May 2002, and accepted by OHIM on 11 October 2000 and 4 July 2002 respectively, the goods in respect of which registration was sought fall within Classes 6 and 17 of the Nice Agreement concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, and correspond to the following descriptions:
 - 'Pipes and tubes of metal or based on metal, pipes and tubes of cast iron, fittings of metal for the aforesaid goods' (Class 6);

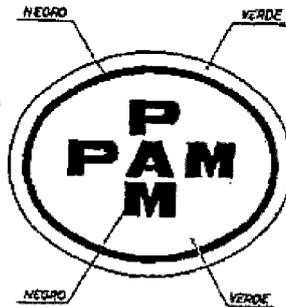
 - 'Fittings, not of metal, for rigid pipes and tubes, not of metal' (Class 17).

- 4 The Community trade mark application was published in *Community Trade Marks Bulletin* No 61/2001, on 16 July 2001.

5 On 20 September 2001, Propamsa, SA filed a notice of opposition under Article 42(1) of Regulation No 40/94 against the registration of the mark sought.

6 The opposition was based on the following earlier rights:

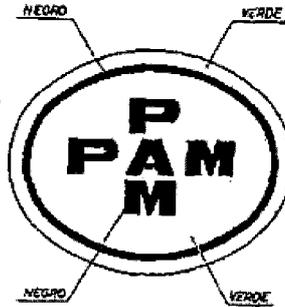
- the figurative trade mark registered in Spain on 26 July 1976 under No 737992 for ‘construction materials’ (Class 19) and reproduced below (hereinafter the ‘earlier mark’):



- The figurative trade mark registered in Spain on 26 July 1976 under No 120075 for ‘cements’ (Class 19), reproduced below:

PAM

- The French designation of the international figurative mark reproduced below, registered on 2 September 1981, under No 463089, with effect in Austria, the Benelux, Germany, France and Italy for ‘adhesive substances destined for industry’ (Class 1) and ‘materials for construction (non-metallic), wrought or unwrought’ (Class 19):



- 7 The opposition was directed against all the goods covered by the Community trade mark application.
- 8 The ground relied on in support of the opposition was the likelihood of confusion, within the meaning of Article 8(1)(b) of Regulation No 40/94, between the mark sought on the one hand, and the three marks referred to at paragraph 6 above on the other.
- 9 By decision of 29 March 2004, OHIM’s Opposition Division upheld the opposition and rejected the applicant’s application for a Community trade mark. The Opposition Division stated first of all that the comparison of the goods covered by the conflicting marks must be made taking into consideration, first, all the goods covered by the mark sought regardless of their current or intended use by the

applicant, and, secondly, all the goods for which the marks relied on in opposition were registered, since the applicant did not request proof of genuine use of the earlier marks within the meaning of Article 43(2) and (3) of Regulation No 40/94. Next, the Opposition Division found that pipes and tubes of metal and not of metal, and construction materials designated by the earlier marks, were similar. The latter products include at least pipes and tubes not of metal which have the same nature and purpose as, are aimed at the same end users as, and can be used in combination and be in competition with tubes and pipes of metal. It also found that fittings of metal and not of metal for pipes and tubes covered by the mark sought, and construction materials, in so far as they are necessary in the assembling or repair of the tubes and pipes of metal and not of metal, were similar. Finally, with regard to the comparison of the conflicting marks, the Opposition Division found that the dominant component of the marks was the word 'pam' and that the marks were therefore highly similar and the visual and aural coincidences between the dominant elements of the signs were enough to counteract the visual and aural differences from the non-dominant part of the signs. Based on those considerations, the Opposition Division found that there was a likelihood of confusion between the conflicting marks in Spain and France for all the relevant goods.

- 10 On 26 May 2004, the applicant brought an appeal under Articles 57 to 62 of Regulation No 40/94 against the decision of the Opposition Division.
- 11 By decision of 15 April 2005 (hereinafter the 'contested decision'), which was served on the applicant on 19 July 2005, the fourth Board of Appeal dismissed the applicant's appeal and upheld the decision of the Opposition Division.
- 12 The Board of Appeal first of all dismissed as out of time the request submitted by the applicant in its pleading stating the grounds of appeal for proof of genuine use of the marks on which the opposition was based. In that regard the Board of Appeal found that the request should have been made at any stage during the opposition

proceedings, that is to say, before OHIM had informed the parties that the proceedings were closed, and it could not be submitted for the first time at the stage of the appeal before the Board of Appeal.

- 13 Next, the Board of Appeal, after having compared the mark sought with the earlier mark, found that the marks were globally similar having regard to the phonetic and visual identity of the dominant word element ‘pam’, which outweighs the visual and aural differences in the subsidiary word element ‘pluvial’ in the mark sought. The Board of Appeal also took the view that the goods covered by the two marks in question were similar and complementary on the ground that they were distributed via the same business channels, sold in the same outlets and are intended for the same end users. Having regard to these factors, the Board of Appeal found that there was a likelihood of confusion between the marks in question on the part of the relevant public in Spain and that therefore it was not necessary to consider whether there was a likelihood of confusion between the mark sought and the other marks relied on in opposition by Propamsa.

Forms of order sought

- 14 The applicant requests that the Court should:

- annul the contested decision;

- order OHIM to pay the costs.

15 OHIM contends that the Court should:

- dismiss the appeal;

- order the applicant to pay the costs.

Law

16 In support of its application the applicant relied on two grounds, namely infringement of Article 43 of Regulation No 40/94 and infringement of Article 8(1)(b) of that regulation.

Annexes 9 to 15, 17, 18, 22 and 23 of the application

Arguments of the parties

17 OHIM observes that annexes 9 to 15, 17, 18, 22 and 23 of the application, relating to the influence of the Saint-Gobain group and the conditions of use of the conflicting marks, are being produced for the first time before the Court of First Instance, since they were not submitted to the Opposition Division or to the Board of Appeal. The documents cannot therefore be taken into account and they must be excluded from consideration by the Court, in accordance with the settled case-law without there being any need to examine their probative value (Case T-10/03 *Koubi v OHIM* —

Flabesa (CONFORFLEX) [2004] ECR II-719, paragraph 52; Case T-399/02 *Eurocermex v OHIM (Beer bottle shape)*, [2004] ECR II-1391, paragraph 52; and Case T-164/03 *Ampafrance v OHIM — Johnson & Johnson (monBeBé)* [2005] ECR II-1401). In any event, the same documents cannot cause the contested decision to be called in question.

Findings of the Court

- 18 According to the case-law, the purpose of actions before the Court of First Instance is to review the legality of decisions of the Boards of Appeal of OHIM for the purposes of Article 63 of Regulation No 40/94, so it is not the Court's function to review the facts in the light of documents produced for the first time before it (Case T-322/03 *Telefon & Buch v OHIM — Herold Business Data (Weisse Seiten)* [2006] ECR II-835, paragraph 65; see, also, to that effect *CONFORFLEX*, cited in paragraph 17 above, paragraph 52).
- 19 In this case it must be observed that annexes 9 to 15, 17, 18, 22 and 23 of the application are in fact being produced before the Court for the first time. Accordingly no regard may be paid to those documents and they must be excluded from consideration, without there being any need to examine their probative value (see, to that effect, *Weisse Seiten*, cited in paragraph 18 above, paragraph 65, and case-law cited therein).

First plea: infringement of Article 43 of Regulation No 40/94

Arguments of the parties

- 20 The applicant, referring to the principle of continuity of functions between the departments of OHIM, argues that the Board of Appeal was wrong to dismiss as out

of time the request for proof of use of the earlier marks relied on in opposition, which was made for the first time in the pleading setting out the grounds of its application. According to the applicant, under the aforementioned principle a party is perfectly entitled to rely before the Board of Appeal on matters of fact and law on which it did not place reliance before the Opposition Division.

- 21 That finding is all the more correct given that in this case the applicant became convinced based on the enquiry it arranged that Propasma would only use the marks relied on in opposition for cement and not for the other goods for which they were registered. The applicant was therefore entitled to request in its pleading filed with the Board of Appeal on 26 May 2004 that Propasma provide proof of genuine use of the marks during the five years preceding the publication of the application for the Community trade mark.
- 22 According to the applicant, to decide otherwise would directly call into question the ‘fundamental principle’ stemming from both the eighth recital in the preamble to 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), and the ninth recital in the preamble to Regulation No 40/94, whereby there is no justification for protecting national or Community trade marks or, as against them, any trade mark which has been registered before them, except where the trade marks are actually used.
- 23 The applicant adds that Article 43 of Regulation No 40/94 relied on in the contested decision only provides for one procedural time-limit in Article 43(1), namely the time-limit laid down by OHIM for the submission of observations, by the parties during the examination of the opposition, on communications of other parties or of OHIM. Yet, according to the applicant, although the opponent may only provide proof of genuine use within the period laid down by OHIM, there is no provision for any particular time-limit for submitting a request for proof of genuine use by the other party to the opposition procedure. Accordingly, the right of an applicant for a

Community trade mark under the ‘fundamental principle’ mentioned in the preceding paragraph to request the production by the opponent of proof of use of his mark cannot be dependent on observance of a time-limit not laid down in any specific provision.

²⁴ It is certainly true that a time-limit for presenting proof of use was laid down by Commission Regulation (EC) No 1041/2005 of 29 June 2005 amending Regulation (EC) No 2868/95 implementing Council Regulation (EC) No 40/94 on the Community trade mark (OJ 2005 L 172, p. 4). However that regulation is not applicable in this case since it only entered into force on 25 July 2005, that is to say after the date on which the contested decision was adopted.

²⁵ OHIM points out first of all that, while it is fully aware of the Court’s case-law on the principle of continuity of functions, it does not always share the opinion of the Court on this principle, as is shown inter alia by the appeal it brought before the Court of Justice in Case C-29/05 P against the judgment of the Court of First Instance in Case T-164/02 *Kaul v OHIM — Bayer (ARCOL)* [2004] ECR II-3807.

²⁶ OHIM, next, points to its practice on requests for proof of genuine use within the meaning of Article 43(2) and (3) of Regulation No 40/94 reflected in the directives on proceedings before OHIM adopted by Decision EX-04-2 of the President of OHIM of 10 May 2004, following consultation with the Administrative Board and interested parties including the main associations of representatives before OHIM. Under point 1.1 of those directives, in the version in force at the time when the contested decision was delivered, a request for proof of use could only be made up to the time when OHIM informs the parties in writing that the no further observations may be submitted, in other words, that it is ready to determine the opposition.

- 27 The directive reflects the settled decision-making practice of both the Opposition Divisions and the Boards of Appeal. The contested decision therefore confirmed this practice, which has not up to now been called into question, at point 1.1. In that regard, OHIM points out that a decision to the contrary would have the effect, *inter alia*, of lengthening the proceedings, encouraging delaying tactics and thus jeopardising the purpose of the opposition procedure, which is to resolve simply and rapidly and with legal certainty trade mark conflicts ahead of registration and court proceedings.
- 28 In this case, the applicant which, as it argued itself, is one of the worldwide industry leaders, and is used to proceedings before OHIM by reason of its considerable trade mark portfolio, did not, in the course of the procedure before the Opposition Division, exercise its right to require Propamsa to provide proof of genuine use of the trade marks relied on in opposition. The applicant limited itself to vague statements on Propamsa's products and on their use in the general area of construction in association with other products. The opposition decision was therefore right to refuse to take those allegations into account.
- 29 OHIM further explains that the applicant submitted a request for proof of genuine use within the meaning of Article 43(2) and (3) of Regulation No 40/94 for the first time in its pleading setting out the grounds of appeal before the Board of Appeal on 20 July 2004 and not on 26 May 2004, the date on which this action was brought, as the applicant wrongly states at paragraph 43 of its application. The applicant's argument before the Court of First Instance that its request for proof of use of the earlier marks was motivated by the fact that it had become convinced, following the enquiry report attached as annex 23 to the application, that Propamsa would only use the marks for cement cannot succeed and is at the very least questionable. First of all, that pleading cannot be taken into consideration, as it was not presented or even referred to before the Board of Appeal. Secondly and most importantly, if, highly unusually, the Court were to decide to take that document into consideration, it would find that it is not dated and that only annex 6 thereof bears the date 13 August 2004. The document cannot therefore be the basis for a view which the applicant claims it reached on 26 May 2004, or 20 July 2004.

- 30 OHIM also draws the attention of the Court to the new provisions of Regulation No 1041/2005 (see paragraph 24 above), which, while they are not applicable in this case, none the less clarify the intention of the legislature. New Rule 22 of Regulation No 2868/95 as amended is even more liberal than OHIM's previous decision-making practice because it provides that a request for proof of genuine use of the mark on which an opposition is based is only admissible if it is submitted within the time-limit laid down for the submission of observations on the opposition by the applicant for the trade mark.
- 31 Finally, OHIM estimates that the alleged illegality of the contested decision, even if it were accepted, cannot in any event lead to its annulment. In fact, even if the earlier mark was only used for cements and if the comparison had to be limited to cements, there would, for the same reasons as those that appear in the contested decision, be a likelihood of confusion for Spanish consumers such as to mislead the public as to the origin of the products in question.

Findings of the Court

- 32 Pursuant to Article 43(2) and (3) of Regulation No 40/94, for the purposes of examining an opposition introduced under Article 42 of that regulation, the earlier mark is presumed to have been put to genuine use as long as the applicant does not request proof of that use (Joined Cases T-183/02 and T-184/02 *El Corte Inglés v OHIM — González Cabello et Iberia Líneas Aéreas de España (MUNDICOR)* [2004] ECR II-965, paragraph 38).
- 33 In this case it is common ground that the applicant made such a request for the first time only at the time of the appeal to the Board of Appeal. The applicant however considers that that request was admissible. It argues in that connection, first, that Regulation No 40/94 does not provide for any period for submitting such a request

and, further, that to lay down such a time-limit would run counter to the principle stemming from the ninth recital in the preamble to that regulation referred to at paragraph 22 above. The applicant considers, secondly, that it was possible for it to submit its request for the first time before the Board of Appeal under the principle of the continuity of functions between the lower divisions at OHIM and the Boards of Appeal.

34 It must be observed that according to the case-law the request for proof of genuine use of the earlier mark must be made expressly and timeously to OHIM (*MUNDICOR*, cited in paragraph 32 above, paragraph 38, Case T-112/03 *L'Oréal v OHIM — Revlon (FLEXI AIR)* [2005] ECR II-949, paragraph 24, and Case T-303/03 *Lidl Stiftung v OHIM — REWE-Zentral (Salvita)* [2005] ECR II-1917, paragraph 77). In that context it has been held that, in principle (and the ninth recital in the preamble to Regulation No 40/94 does not preclude this), the request for proof of genuine use of the earlier mark must be made in the period prescribed by the Opposition Division to the applicant for the Community trade mark to submit its observations in reply to the notice of opposition (*FLEXI AIR*, paragraphs 25 to 28).

35 However, whether the applicant for the mark must submit a request for proof of genuine use of the earlier mark within the time-limit prescribed by the Opposition Division for submission of its observations in reply to the notice of opposition, or whether such a request is to be presented within a specific period which may be imposed on the trade mark applicant by the Opposition Division, after which the latter is entitled to disregard such a request, is not relevant in this case. In fact the applicant did not make a request for proof of genuine use of the earlier mark within the time-limit prescribed pursuant to Article 43(1) of Regulation No 40/94 for submission of its observations on Propamsa's opposition. In addition, OHIM states that no specific time-limit was imposed on the applicant by the Opposition Division for that purpose. However, OHIM argues that in accordance with paragraph 1.1 of directives of the president of OHIM, referred to above (see paragraph 26), which reflect a settled decision-making practice in this field, the applicant should have presented its request for proof of genuine use of the earlier mark at any time during the course of the opposition procedure and before the Opposition Division informed the parties that it was ready to determine the opposition.

- 36 Therefore, it is not the observance of any period laid down for submission of such a request that is at issue in this case, but rather the question as to the division of OHIM to which the request must be presented and, more particularly, whether the request must imperatively be submitted to the Opposition Division or whether it may still be presented for the first time at the time of the appeal before the Board of Appeal.
- 37 It must be observed in this connection that the request for proof of genuine use of the earlier mark has the effect of shifting the burden of proof to the opponent to demonstrate genuine use (or the existence of proper reasons for non-use) upon pain of having his opposition dismissed (*MUNDICOR*, cited in paragraph 32 above, paragraph 38, *FLEXI AIR*, cited in paragraph 34 above, paragraph 24, and *Salvita*, cited in paragraph 34 above, paragraph 77). Genuine use of the earlier mark is therefore a matter which, once raised by the applicant for the trade mark, must be settled before a decision is given on the opposition proper (*FLEXI AIR*, cited in paragraph 34 above, paragraph 26). The request for proof of genuine use of the earlier mark therefore adds to the opposition procedure a specific and preliminary question and in that sense changes the content thereof.
- 38 It must further be observed that, under Article 127(1) of Regulation No 40/94, an Opposition Division is to be responsible for taking decisions on an opposition to an application to register a Community trade mark, while under Article 130(1) of the same regulation the Boards of Appeal are responsible for deciding on appeals from decisions of, inter alia, the Opposition Divisions.
- 39 It follows from the foregoing provisions and considerations that it is for the Opposition Division, first of all, to determine the opposition, as defined by the various procedural acts and requests of the parties, including, where appropriate, a request for proof of genuine use of the earlier mark. That is why such a request cannot be made for the first time before the Board of Appeal. To allow the contrary

would mean the Board of Appeal examining a very specific request related to new legal and factual matters that go beyond the opposition procedure as submitted and dealt with by the Opposition Division. Yet the Board of Appeal is uniquely competent to determine applications brought against decisions of the Opposition Divisions and not to determine new oppositions itself at first instance.

- 40 The principle of continuity of functions, as referred to in the case-law of the Court, (Case T-308/01 *Henkel v OHIM — LHS (UK) (KLEENCARE)* [2003] ECR II-3253, paragraphs 25 and 26; Case T-57/03 *SPAG v OHIM — Dann and Backer (HOOLIGAN)* [2005] ECR II-287, paragraph 18; and Case T-323/03 *La Baronnie de Turis v OHIM — Baron Philippe de Rothschild (LA BARONNIE)* [2006] ECR II-2085, paragraphs 57 and 58), cannot in any event justify the submission of such a request for the first time before the Board of Appeal, since it does not entail the Board of Appeal examining a case different from that submitted to the Opposition Division, that is to say a case whose scope has been extended by the addition of the preliminary issue of genuine use of the earlier mark.
- 41 It follows that the contested decision was right to find in this case that the applicant was not entitled to request for the first time at the stage of the appeal before the Board of Appeal that the opponent provide proof of genuine use of the earlier marks relied on in opposition. The first plea must therefore be dismissed.

Second plea: infringement of Article 8(1)(b) of Regulation No 40/94

Arguments of the parties

- 42 The applicant first of all challenges the conclusion of the contested decision that the goods covered by the mark sought, because they may be used in the construction of

buildings, are equivalent to construction materials covered by the earlier mark or complementary.

43 The applicant argues that the concepts of ‘construction materials’ and ‘construction materials not of metal’, covered by the Propamsa marks registered under numbers 737992 and 463089 respectively, are so vague and so broad that they could include an infinite number of goods unrelated to one another, thus giving the proprietor of the relevant trade marks an unjustified and questionable monopoly. The applicant points out in this connection that the French courts have already annulled trade marks where the description of the goods or services they covered was imprecise, for example in the case of trade marks for ‘business services’.

44 The applicant points out that setting up any human activity, whatever its nature or objective, calls for a construction operation that may be more or less complex and necessitates the use of a very large number of goods from the most commonplace to the most sophisticated. Yet that does not by any means mean that all such goods and services must be regarded as equivalent or complementary to construction materials.

45 The applicant accepts that, when comparing the goods and services in question, account must be taken of their general characteristics, but points out that the goods and services cannot be assumed to be similar or complementary solely because they may be used in a construction operation unless goods and services with very different characteristics are deemed to be similar.

46 Thus, for example, cement and electric wires cannot be considered to be similar or complementary solely because they are used in construction. Such products are in fact different in nature, serve different functions and are on the whole made by

different companies. In the same way, architectural services in Class 42 and non-metal pipes in Class 19 cannot be regarded as similar on the sole ground that they are used in construction.

47 In the same context the applicant claims that, by finding at paragraph 20 that the construction of buildings and infrastructures inevitably involves various systems such as canalisation, waste water treatment, fire protection, drinking water pipelines and irrigation, for which the conflicting goods are needed, the contested decision wrongly found that the two types of goods were similar.

48 Accordingly the applicant considers that in this case the goods covered by the mark sought, namely pipes of metal and fittings therefore, and construction materials, cannot be regarded as similar on the sole basis that the goods are, like many very diverse goods, used in the construction of buildings. The goods covered by the mark sought have very different functions from construction materials and cannot be substituted for the latter.

49 The applicant points out in this regard that the systems it markets are used not in the erection of the buildings but in the context of the creation of infrastructures for the drainage and conveyance of water. Its customers are therefore essentially regional authorities and not buildings construction companies.

50 The applicant secondly challenges the statement in the contested decision (paragraph 13) that the relevant public comprises both a specialised and the general public.

- 51 In the applicant's view, the market for cast iron ductile metal pipes, intended in particular for treating rainwater, is composed of a very small number of traders and is targeted only at a highly specialised group involved in the creation of rainwater and waste water drainage networks. That group essentially comprises French and foreign regional authorities, which are wholly familiar with the applicant's goods. The relevant public in this case is therefore made up of particularly specialised and qualified persons.
- 52 In support of that argument the applicant relies on the decision of OHIM's First Board of Appeal of 10 February 2005, in Case R 411/2004-1, the conclusions of which may be transposed directly to this case with regard to the relevant public.
- 53 The applicant is the market leader in rainwater canalisation, as is demonstrated by the plaque presenting the PAM PLUVIAL range and an extract from the applicant's Internet site, annexed to the application.
- 54 Propamsa, on the other hand, does not operate in this sector and uses its earlier mark PAM for cement only, as was established by the investigation made at the applicant's request.
- 55 This product is marketed by Propamsa among customers in close proximity, comprising individuals and small building companies who are not familiar with the applicant and its products.

- 56 Thirdly, and finally, the applicant challenges the dismissal by the contested decision (paragraph 15) of its argument that the sign PAM would inevitably be perceived by the relevant specialist public as relating to its company name ('Saint-Gobain Pam').
- 57 Research by the applicant on the internet based on the key words 'Pam' and 'pipes' in French, Spanish and English produces responses only on the applicant and none on Propamsa. The applicant is appending the results of its research to its application.
- 58 This fact demonstrates the applicant's global reputation in the field of canalisation, a field where Propamsa is entirely absent. The relevant public cannot therefore in any circumstances regard the goods covered by the mark sought as coming from Propamsa or a company economically connected with it. That view is borne out by the fact that all the applicant's products systematically bear the PAM trade mark or marks derived from it, such as PAM PLUVIAL, PAM NATURAL or PAM GLOBAL.
- 59 Furthermore, the distribution channels in respect of the goods covered by the marks relied on in opposition in this case are entirely different, since the applicant only markets its goods directly or via its subsidiaries outside France.
- 60 Accordingly, the conclusion reached by the contested decision on whether there is a likelihood of confusion is wrong, since there is no question whatever of there being a likelihood of confusion in this case.

- 61 OHIM claims first of all that the contested decision correctly applied the case-law (Case T-286/03 *Gillette v OHIM — Wilkinson Sword (RIGHT GUARD XTREME sport)*, not published in the ECR, paragraph 33), which states that, in the context of opposition proceedings, the goods must be compared taking account of the wording of the trade mark application as filed or limited, and the conditions of use or the intended use of the mark sought are for these purposes irrelevant.
- 62 That is all the more valid in this case where the applicant, with the exception of the amendment to the list of goods accepted by OHIM on 4 July 2002, did not limit the wording of that application as it could have done at any time under Article 44(1) of Regulation No 40/94 and Rule 13 of Regulation No 2868/95.
- 63 Secondly, with regard to the public in relation to whom the likelihood of confusion between the conflicting marks is to be assessed in this case, OHIM claims that the goods covered by the marks are, by reason of their general characteristics, likely to be of interest both to the general public, particularly DIY enthusiasts, and to a more specialised and necessarily more attentive and well-informed public made up of professionals, in particular in the construction industry. Therefore, contrary to the applicant's claims, the contested decision identified the relevant public correctly in this case.
- 64 In any event OHIM considers that it is not necessary for the Court to determine this question since it is sufficient to assess the likelihood of confusion in the mind of the average consumer. Indeed, according to the case-law, if there is no likelihood of confusion on the part of the average consumer, that circumstance suffices for the action to be dismissed, since that assessment is particularly true for the 'professional' section of the relevant public which, by definition, has a higher level of attention than the average consumer (Case T-147/03 *Devinlec v OHIM — TIME ART (QUANTUM)* [2006] ECR II-11, paragraph 62).

- 65 Furthermore, OHIM points out that, since the earlier mark was registered and protected in Spain, the relevant public in this case is the average consumer in that Member State.
- 66 Thirdly, OHIM considers that the contested decision was right to find, first, that the goods covered by the two conflicting marks were similar having regard to their identical intended purpose and use. Contrary to the applicant's claims, 'construction materials' as covered by the earlier mark constitute a perfectly well-defined category. It is clear from the definition of that category in the electronic Le Robert dictionary that the relevant public will not, in this case, have any difficulty in imagining what kinds of goods are included in that category. They are construction goods, finished and unfinished, and relatively simple products made from them. The contested decision was therefore correct to confer on the expression 'construction materials' all the rights attaching to words constituting a category with a recognised meaning.
- 67 Nor can the applicant in this case derive any useful argument from the fact that construction projects require a very large number of goods. It is not in fact necessary for the purposes of this case to compare all the goods and services necessary for a construction project, such as electric wires or architectural services, with the goods covered by the mark sought. As the Board of Appeal found in the contested decision, the comparison ought to relate to the general characteristics of the goods covered by the marks relied on in opposition. Yet, according to OHIM it is undeniable that those goods all have the same purpose and use in the construction of buildings and infrastructures.
- 68 The foregoing consideration is confirmed by the applicant itself in acknowledging before the Opposition Division that its goods were intended to be used in a wide range of fields, whereas before the Court of First Instance it states that they may be used not only in construction projects but also to create infrastructures for the

drainage and conveyance of water. It is therefore clearly established that the goods in question all have the same intended purpose and use.

69 OHIM also claims that the contested decision was correct to find, next, that the goods covered by the conflicting trade marks were complementary. Indeed the construction of buildings and infrastructures inevitably involves the creation of various systems such as canalisations, waste water treatment systems, fire protection systems and drinking water and irrigation networks, requiring use of the goods covered by the mark sought. It is thus inconceivable that pipes and tubes and their component pieces and parts can be used to create buildings and infrastructures, without using construction materials including cements.

70 OHIM points out further that, as the contested decision found at paragraph 22, the goods covered by the conflicting marks usually have the same business channels, are sold at the same outlets and are intended for the same end users, that is to say individuals, particularly DIY enthusiasts on the one hand, and building professionals such as, for example, builders, plumbers, and heating technicians on the other. Accordingly the relevant public will naturally gain the impression that all the goods covered by the conflicting marks may have the same commercial origin.

71 OHIM contends that the argument the applicant advances to challenge this paragraph of the contested decision is based exclusively on the use it intends to make of the mark sought, but that this is irrelevant.

72 Fourthly, OHIM claims that the contested decision correctly concluded that the conflicting marks were similar in view of their dominant visual and aural similarities.

The applicant did not, however, submit any argument in its application liable to call that conclusion into question.

73 OHIM points out that the word ‘pam’ has no meaning in Spanish. On the other hand the word ‘pluvial’ in the mark sought means ‘related to rain’ in Spanish. The contested decision was therefore correct to point out that the relevant public would perceive the latter term as a reference to certain qualities or functions of the goods covered by the mark sought, namely that those goods are intended for use in rainy conditions or are particularly adapted to such conditions.

74 Based on those considerations, and having regard to the case-law (Case C-251/95 *SABEL* [1997] ECR I-6191, paragraph 23; Case C-342/97 *Lloyd Schuhfabrik Meyer* [1999] ECR I-3819, paragraph 25; and Case T-6/01 *Matratzen Concord v OHIM — Hukla Germany (MATRATZEN)* [2002] ECR II-4335, paragraphs 33 and 35), OHIM claims that the word ‘pam’, which constitutes both the only verbal element of the earlier mark and one of the two verbal components of the mark sought is dominant in the overall impression made by the latter, which the applicant does not deny.

75 Visually and phonetically, OHIM recalls that not only is the word ‘pam’ the only word in the earlier mark but it also occupies first position in the mark sought. That position gives the word a particular importance as that the public tends to focus attention on the beginning of the mark first of all rather than on the end, and this tendency is more natural if the first part of the mark in question contains, as in this case, an intrinsically distinctive and striking component both when read and when heard. The Board of Appeal was therefore correct to find that there was visual and aural similarity between the conflicting marks.

76 Conceptually, the word ‘pam’ has no meaning in Spanish whereas the word ‘pluvial’ does have a meaning (related to rain) that renders it ancillary. The applicant’s claims before the Court that the relevant public perceives the word ‘pam’ as relating to its current company name, and before the Board of Appeal that ‘pam’ is perceived as an abbreviation of its previous company name (Pont-à-Mousson), are by no means evident and were not expanded upon. The Court ought therefore, like the Board of Appeal (paragraph 15, second sentence, of the contested decision), to dismiss those claims by the applicant as unfounded.

77 Fifthly and finally, OHIM contends that the various factors which must be taken into account under the case-law when making an overall assessment of the likelihood of confusion confirm that there is a likelihood of confusion in this case. The similarity of the conflicting marks and of the goods they cover has been established. Furthermore, it is common ground that the earlier mark is at least averagely intrinsically distinctive for all goods it designates. The contested decision was therefore correct to find that the relevant public, remembering the word ‘pam’ in the earlier mark, will, when faced with the goods covered by the mark sought, be likely to assume they have the same commercial origin as the goods covered by the earlier mark, all the more because the goods in question may be offered for sale together and via the same distribution channels.

78 The contested decision was also right to find, at paragraph 27, that the average consumer may reasonably suppose that the earlier mark is derived from a principal mark ‘pam’ and designates a series of products offered in the same family of marks. In other words, there is a likelihood that the reference public will consider the conflicting marks to relate certainly to two distinct ranges of products but which come from the same company or from companies that are economically linked.

Findings of the Court

- 79 Under Article 8(1)(b) of Regulation No 40/94, upon opposition from the proprietor of an earlier mark the mark sought is to be refused registration '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; the likelihood of confusion includes the likelihood of association with the earlier trade mark'. Furthermore, under Article 8 (2)(a)(ii) of Regulation No 40/94, earlier marks means trade marks registered in a Member State, with a date of application for registration which is earlier than the date of application for registration of the Community trade mark.
- 80 It is settled case-law that there is a likelihood of confusion where the public might believe that the goods or services in question are from the same undertaking or, where appropriate, from economically connected undertakings.
- 81 According to that same case-law, the likelihood of confusion must be assessed globally, according to the perception that the relevant public has of the signs and of the goods and services in question and taking into account all factors relevant to the circumstances of the case, including the interdependence between the similarity of the signs and of the designated goods or services (see Case T-162/01 *Laboratorios RTB v OHIM — Giorgio Beverly Hills (GIORGIO BEVERLY HILLS)* [2003] ECR II-2821, paragraphs 31 to 33, and case-law cited).
- 82 In this case, it must first of all be observed that the contested decision found that there was a likelihood of confusion between the mark sought and the earlier mark.

The contested decision was not therefore the result of a comparison of the mark sought with the other marks relied on by Propamsa in support of its opposition (contested decision, paragraphs 14 and 29).

83 It must be recalled in this connection that the purpose of the action before the Court of First Instance is to obtain a review of the legality of the decision of the Board of Appeal. The review must therefore be carried out with regard to the issues of law raised before the Board of Appeal (Case T-133/05 *Meric v OHIM — Arbora & Ausonia (PAM-PIM'S BABY-PROP)* [2006] ECR II-2737, paragraph 22). Accordingly it must be determined whether the Board of Appeal was right to find that there was a likelihood of confusion between the mark sought and the earlier mark but it is not necessary to take account of the other marks relied on by Propamsa in support of its opposition.

84 Given the applicant's arguments relating to the goods covered by the mark sought and the public at which those goods are aimed, it is necessary, secondly, to consider whether the Board of Appeal correctly defined, for the purposes of examining whether there was a likelihood of confusion between the conflicting marks, the goods covered by the marks on the one hand, and the relevant public on the other.

— The goods to be taken into account in assessing the likelihood of confusion

85 It must be recalled in this connection that the comparison of the goods required by Article 8(1)(b) of Regulation No 40/94 must relate to the description of the goods covered by the earlier mark relied on in opposition and not the goods for which the trade mark is actually used, unless, following an application in accordance with

Article 43(2) and (3) of Regulation No 40/94, the proof of use of the earlier mark is only in respect of some of the goods or services for which it is registered (*PAM-PIM'S BABY-PROP*, cited in paragraph 83 above, paragraph 30).

⁸⁶ In this case, as was stated in the context of the examination of the first plea, the request for proof of genuine use of the earlier mark was made by the applicant for the first time before the Board of Appeal and was rightly dismissed by the latter as being out of time. Therefore the Board of Appeal was right, in the contested decision, to take account, for the purposes of comparison with the goods covered by the mark sought, of all the goods for which the earlier mark was registered, namely 'construction materials'.

⁸⁷ Contrary to what the applicant asserts (paragraph 43 above), this category of goods is sufficiently limited and, having regard to the meaning of the words used, must be considered to include any unfinished or half-finished material necessary or useful for building, as well as relatively simple products made from such materials.

⁸⁸ In any event, it must be observed that the earlier mark is a Spanish national trade mark and the validity of its registration cannot be called into question in the context of the registration procedure in respect of a Community trade mark but only in the context of annulment proceedings brought in the Member State concerned (*MATRATZEN*, cited in paragraph 74 above, paragraph 55, and Case T-269/02 *PepsiCo v OHIM — Intersnack Knabber-Gebäck (RUFFLES)* [2005] ECR II-1341, paragraph 25). Therefore, the divisions of OHIM were in this case required to take account of the list of goods covered by the earlier mark as established when registering that mark as a national trade mark.

89 With regard, further, to the goods covered by the mark sought, it must be observed that, in the context of opposition proceedings, OHIM may only take account of the list of goods as it appears in the trade mark application subject only to any amendments thereto (*RIGHT GUARD XTREME sport*, cited in paragraph 61 above, paragraph 33). Accordingly the applicant's statements relating to the specific goods for which it intends to use the mark sought are irrelevant in this case since the applicant did not amend the list of the goods covered by its Community trade mark application in accordance with its professed intentions. The contested decision was therefore correct, in order to assess the likelihood of confusion in this case, to have regard to all the goods described in the Community trade mark application, as amended (see paragraph 3 above), submitted by the appellant.

— The relevant public

90 With regard to the public in relation to which the likelihood of confusion between the conflicting marks is to be assessed in this case, the applicant's claims that the target public for the mark sought is limited to an extremely specialised public, essentially comprising regional authorities (see paragraphs 49 and 51 above), must be rejected. Those claims are based on the applicant's intentions as to use of the mark sought which, as has already been pointed out, are irrelevant.

91 The contested decision was therefore correct to state at paragraph 13 that, having regard to the nature and purpose of the goods covered by the conflicting marks, the relevant public must be considered to be made up of both specialists, that is to say professionals in the construction and repairs sector, and of the general public, including the average consumer who, as OHIM points out, may acquire the goods in question to engage in DIY.

— Comparison of the goods

- 92 In order to assess the similarity of the goods covered by the conflicting marks, under the case-law all the relevant factors which characterise the relationship between those goods should be taken into account, including, inter alia, their nature, their end users and their method of use and whether they are in competition with each other or are complementary (Case T-85/02 *Díaz v OHIM — Granjas Castelló (CASTILLO)* [2003] ECR II-4835, paragraph 32, and Case T-346/04 *Sadas v OHIM — LTJ Diffusion (Arthur et Félicie)* [2005] ECR II-4891, paragraph 33).
- 93 In this case, it is clear from the contested decision (paragraphs 20 and 22) that when comparing the relevant goods the Board of Appeal took account of the fact that both the goods covered by the earlier mark and those covered by the mark sought were goods that may be used in the construction of buildings and infrastructures, which includes the construction of various systems using all those products such as canalisation, the treatment of waste water, fire protection, and pipes for drinking water and irrigation. Since these products therefore have identical purposes and uses in the construction of buildings and infrastructures, the contested decision was right to find them to be similar.
- 94 The conclusion of the contested decision that the goods covered by the conflicting marks are complementary is also correct. In this connection it must be observed that complementary goods are goods which are closely connected in the sense that one is indispensable or important for the use of the other so that consumers may think that the same undertaking is responsible for the production of both goods (Case T-169/03 *Sergio Rossi v OHIM — Sissi Rossi (SISSI ROSSI)* [2005] ECR II-685, paragraph 60, confirmed on appeal in Case C-214/05 P *Rossi v OHIM* [2006] ECR II-7057). In this case, as OHIM rightly points out, it is not possible to use pipes and

fittings for pipes covered by the mark sought in the construction of the systems referred to in the previous paragraph without using the construction materials covered by the earlier mark.

95 Finally, it was also correct that the contested decision, when comparing the goods covered by the conflicting marks, took account of the fact that those goods were generally marketed at the same outlets and via the same commercial channels as the construction materials. It must be pointed out in that connection that, according to the case-law, although the goods covered by the conflicting marks do have some things in common, particularly the fact that they are sold at the same sales outlets, any differences between the goods are not so great as to rule out, by themselves, the possibility of a likelihood of confusion (see, to that effect, *SISSI ROSSI*, cited in paragraph 94 above, paragraph 68).

96 In those circumstances, the conclusion of the contested decision that the goods covered by the conflicting marks are similar and complementary must be approved. The applicant's argument to the contrary in so far as it refers to goods other than those covered by the marks is not relevant and must be dismissed.

— Comparison of the signs

97 It must be recalled that, according to the case-law, a complex trade mark may be regarded as being similar to another trade mark which is identical or similar to one

of the components of the complex mark where that component forms the dominant element within the overall impression created by the complex mark. That is the case where that component is likely to dominate, by itself, the image of that mark which the relevant public keeps in mind, with the result that all the other components of the mark are negligible within the overall impression created by it (*MATRATZEN*, cited in paragraph 74 above, paragraph 33, and Case T-153/03 *Inex v OHIM — Wiseman (Representation of a cowhide)* [2006] ECR II-1677, paragraph 27). With regard to the assessment of the dominant character of one or more given components of a complex trade mark, account must be taken, in particular, of the intrinsic qualities of each of those components by comparing them with those of other components. In addition and accessorially, account may be taken of the relative position of the various components within the arrangement of the complex mark (*MATRATZEN*, cited in paragraph 74 above, paragraph 35).

98 In this case the contested decision was correct to find, at paragraph 14, that the word ‘pam’, which is the only verbal element of the earlier mark, written both from left to right and downwards, constitutes the central and dominant component of the earlier mark. This component occupies a central position in the earlier mark and attracts the attention of a consumer contemplating the mark to the exclusion of the other aspects of the mark, namely the coloured font and the oval outline which are clearly of secondary and accessory importance.

99 Since the dominant element in the earlier mark, ‘pam’, is identical to the first part of the mark sought, PAM PLUVIAL, the contested decision found that the conflicting marks were visually and aurally similar. They certainly differ in that the mark sought contains the word ‘pluvial’. However this word is a secondary and auxiliary component of the mark sought because of its meaning in Spanish, which is the same as in French. This meaning leads the public to consider the word as an indication relating to the goods covered by the earlier mark, in that they are intended to be used for rainwater or in rainy conditions. These are the reasons why the contested

decision found, at paragraph 17, that the visual and aural identity of the dominant verbal elements of the conflicting marks outweighed the visual and aural differences resulting from the presence of the subsidiary component ‘pluvial’ in the mark sought.

- 100 The Court approves that finding also. The verbal element ‘pam’ is also the dominant component of the mark sought because it is short and easily memorised, because it does not have any particular meaning in Spanish, as established in the contested decision and not denied by the applicant, and because it appears at the beginning of the mark sought, that is to say in a position to which the consumer usually pays more attention (*PAM-PIM’S BABY-PROP*, cited in paragraph 83 above, paragraph 51).
- 101 Having regard to the fact that the word ‘pam’ has no meaning in Spanish, the contested decision was also correct to find, at paragraph 15, that it was not possible to make a conceptual comparison of the conflicting marks in this case. As the contested decision found, the fact that the word ‘pluvial’ has a meaning in Spanish is not sufficient to connect the mark sought with a particular concept because of the secondary and ancillary nature of this part of the mark.
- 102 The above finding is not called into question by the applicant’s claim that the verbal component ‘pam’ might be perceived as a reference to its company name (see paragraph 56 above). As the contested decision correctly pointed out, the alleged link between the applicant’s former and current company names and the verbal element ‘pam’ is not apparent and has in no way been proved by the applicant. In any event if the verbal element ‘pam’ could be perceived as a reference to the applicant, no conceptual difference between the two marks can be established on that basis because the verbal element is also present in the earlier mark.

103 It follows from all of the foregoing that the Board of Appeal was correct to conclude at paragraph 18 of the contested decision that the conflicting marks were globally similar.

— Assessment of the overall likelihood of confusion

104 Having regard to the similarity of the conflicting marks and of the goods covered by them and to the interdependence of the factors to be taken into account in assessing the likelihood of confusion, it must be concluded, as the Board of Appeal found in the contested decision (paragraph 28), that there is a likelihood of confusion in this case within the meaning of Article 8(1)(b) of Regulation No 40/94.

105 The fact that the mark sought contains the word 'pluvial' does not exclude the likelihood of confusion since, as was correctly pointed out at paragraph 27 of the contested decision, this component may lead the average consumer to suppose that the mark sought is derived from a principal 'pam' trade mark and designates a specific range forming part of the 'PAM family of trade marks'. Indeed the applicant's assertion that it systematically uses marks derived from the common root 'pam' for its various products (see paragraph 58 above) supports that conclusion.

106 Finally, the argument that the relevant public will associate the verbal component 'pam' with the applicant because of its alleged reputation cannot in any event succeed. In fact, apart from the fact that consideration was not given to annexes 13 to 15 of the application, relied on by the applicant to demonstrate the alleged

connection, in the proceedings on the grounds set out in paragraphs 18 and 19 above, any association if established could not in any way preclude the likelihood of confusion in this case, since the relevant public could be led to believe that the goods designated by the earlier mark come from the applicant.

107 It follows from the foregoing considerations that the second plea raised by the applicant is unfounded and must be dismissed, together with the application in its entirety.

Costs

108 Under Article 87(2) of the Rules of Procedure of the Court of First Instance, the unsuccessful party must be ordered to pay the costs if they are applied for in the successful party's pleadings. Since the applicant has been unsuccessful, and OHIM has applied for costs, it must be ordered to pay the costs.

On those grounds,

THE COURT OF FIRST INSTANCE (Fifth Chamber)

hereby:

1. Dismisses the action;

2. Orders the applicant, Saint-Gobain Pam SA, to pay the costs.

Vilaras

Dehousse

Šváby

Delivered in open court in Luxembourg on 22 March 2007.

E. Coulon

Registrar

M. Vilaras

President