

ORDER OF THE COURT OF FIRST INSTANCE (Second Chamber)

11 May 2006 *

In Case T-194/05,

TeleTech Holdings, Inc., established in Denver, Colorado (United States),
represented by A. Gould and by M. Blair, Solicitors,

applicant,

v

Office for Harmonization in the Internal Market (Trade Marks and Designs)
(OHIM), represented by D. Botis, acting as Agent,

defendant,

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

* Language of the case: English.

Teletch International SA, established in Paris (France), represented by J.-F. Adelle and F. Zimeray, lawyers,

intervener,

ACTION brought against the decision of the First Board of Appeal of OHIM of 3 March 2005 (R 497/2004-1), relating to opposition proceedings between TeleTech Holdings, Inc. and Teletch International SA,

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

composed of J. Pirrung, President, A.W.H. Meij and I. Pelikánová, Judges,
Registrar: E. Coulon,

having regard to the application lodged at the Court Registry on 9 May 2005,

having regard to the response of OHIM lodged at the Court Registry on 10 October 2005,

having regard to the response of the intervener lodged at the Court Registry on 7 October 2005,

makes the following

Order

Background to the dispute

- 1 On 14 May 2001 the intervener applied to the Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) for registration of the word sign TELETECH INTERNATIONAL as a Community trade mark in respect of services falling within Classes 35, 38 and 42 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.

- 2 On 24 June 2002 the applicant filed a notice of opposition, in accordance with Article 42 of Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark (OJ 1994 L 11, p. 1), as amended, against the registration of that Community trade mark. The opposition concerned all the services referred to in the preceding paragraph and was founded, inter alia, on the existence of a likelihood of confusion within the meaning of Article 8(1)(b) of Regulation No 40/94, between the trade mark sought and the following earlier trade marks:
 - the Community word mark TELETECH GLOBAL VENTURES;

 - the United Kingdom national word mark TELETECH.

- 3 By decision of 23 April 2004, the Opposition Division upheld the opposition, considering that there was a likelihood of confusion between the trade mark sought and the earlier United Kingdom trade mark. It did not consider it necessary to examine the other grounds for refusal of registration at issue, stating that the existence of a likelihood of confusion with the earlier United Kingdom trade mark was enough to prevent the registration sought.

- 4 On 23 June 2004 the applicant brought an appeal before OHIM, pursuant to Articles 57 to 59 of Regulation No 40/94, against the decision of the Opposition Division. The applicant stated that the appeal was not directed against the rejection of the application for a Community trade mark as such, but against the refusal to examine the other grounds cited for refusal of registration.

- 5 By decision of 3 March 2005, R 497/2004-1 (the 'contested decision'), the First Board of Appeal of OHIM dismissed the appeal as inadmissible. It held that, as the registration of the Community trade mark sought had been refused in its entirety, the applicant had not in any way been adversely affected by the Opposition Division's decision.

Forms of order sought

- 6 The applicant claims that the Court of First Instance should:

— annul the contested decision;

- remit the matter to the Opposition Division, so that it also rules on the ground for refusal of registration founded on the earlier Community trade mark;

- order OHIM to pay the costs incurred in the proceedings before the Court of First Instance and the Board of Appeal.

7 OHIM claims that the Court of First Instance should:

- dismiss the action;

- order the applicant to pay the costs.

8 The intervener claims that the Court of First Instance should dismiss the action.

Law

9 As set out in Article 111 of the Rules of Procedure of the Court of First Instance, where the action is manifestly lacking any foundation in law, the Court of First Instance may, without taking further steps in the proceedings, give a decision on the action by reasoned order.

- 10 In this instance, the Court of First Instance considers that it has sufficient information from the documents in the file and has decided, pursuant to that article, to give judgment without taking further steps in the proceedings.

Arguments of the parties

- 11 In support of its action, the applicant essentially puts forward a single plea, alleging an infringement of Article 58 of Regulation No 40/94. There are two branches to that plea. By the first branch, the applicant challenges the reasoning followed by the Court of First Instance in Case T-342/02 *Metro-Goldwyn-Mayer Lion v OHIM — Moser Grupo Media (Moser Grupo Media)* [2004] ECR II-3191. By the second branch, it submits that the facts of this dispute can be distinguished from those which gave rise to that case.
- 12 In the first branch of the plea, the applicant points out that the Court of First Instance relied, in paragraph 44 of *Moser Grupo Media*, on the reasoning set out in paragraph 33 of the judgment in Case T-138/89 *NBV and NVB v Commission* [1992] ECR II-2181. The applicant is of the opinion that the legal position of the applicants in *NBV and NVB v Commission* can be distinguished from its own in the present case inasmuch as its own legal position has been changed by the statement of reasons given in the Opposition Division's decision.
- 13 It claims that a Community trade mark applicant whose application is refused following opposition from the proprietor of a Community trade mark is prevented from applying for the application's conversion to a national trade mark application, under Article 108(1)(a) of Regulation No 40/94. According to *TeleTech Holdings*,

Inc., in such a case, grounds for refusal of registration apply to the Community trade mark sought throughout the whole Community, with the result that its conversion to a national trade mark would not take place by reason of Article 108(2)(b) of Regulation No 40/94.

¹⁴ Furthermore, whilst the rejection of a trade mark application on the basis of an earlier Community trade mark prevents the trade mark applicant from claiming the priority of the Community trade mark application in all the Member States, the rejection of a Community trade mark application on the sole basis of an earlier national trade mark allows the trade mark applicant to claim, through an application for conversion, a more advantageous priority date than where national trade mark applications are submitted after that rejection.

¹⁵ The applicant adds that the objective of Regulation No 40/94 is to persuade economic operators to move from a national system of registered trade mark protection to a Community system for the unitary protection of a trade mark in all the Member States. It refers, in that regard, to the first recital in the preamble to the regulation and to Article 34 thereof.

¹⁶ In the second branch of its single plea, the applicant puts forward three factual differences between this case and the case which culminated in the judgment in *Moser Grupo Media*.

- 17 First, in the case which gave rise to that judgment, the rejection of the Community trade mark application by the Opposition Division on the basis of only some of the earlier national trade marks put forward in support of the opposition can be explained by the fact that it was difficult to prove that the other national trade marks put forward existed. No such difficulty exists regarding the earlier Community trade mark TELETECH GLOBAL VENTURES put forward in support of the applicant's opposition. Similarly, in the case which gave rise to *Moser Grupo Media*, the opponent relied on an application for a Community trade mark, whereas, in this instance, the Community trade mark relied on has already been registered.
- 18 Second, in the case which gave rise to *Moser Grupo Media*, the applicant complained that the Opposition Division had not founded the rejection of the trade mark application on all the national trade marks put forward in support of the opposition whereas, in this instance, the Opposition Division is alleged to have disregarded an earlier Community trade mark.
- 19 Third, the applicant points out that the earlier Community trade mark TELETECH GLOBAL VENTURES has been the subject of a decision declaring its invalidity in part in relation to most of the services for which it was registered (decision of the Cancellation Division of OHIM of 22 February 2001, confirmed by the decision of the First Board of Appeal of OHIM of 28 May 2003 which was challenged before the Court of First Instance; see, also, Case T-288/03 *TeleTech Holdings v OHIM — Teletech International (TELETECH GLOBAL VENTURES)* [2005] ECR II-1767, under appeal, dismissing the action brought by the applicant against the decision of the First Board of Appeal). The applicant contends that, should that decision on invalidity become final, it will no longer be able to rely on the earlier Community trade mark TELETECH GLOBAL VENTURES in a conversion procedure or in national trade mark registration procedures. By contrast, had the Opposition Division founded the rejection of the trade mark application on the earlier Community trade mark, the conversion of the intervener's Community trade mark application to applications for national trade marks would have been precluded in accordance with Article 108(2)(b) of Regulation No 40/94.

20 OHIM and the intervener dispute the applicant's arguments.

Findings of the Court of First Instance

21 As provided in the first sentence of Article 58 of Regulation No 40/94, '[a]ny party to proceedings adversely affected by a decision may appeal'.

22 It follows that, in so far as the decision covered by Article 58 of Regulation No 40/94 allows the claims of the party concerned, that party does not have locus standi to bring an appeal before the Board of Appeal, and such an appeal is therefore inadmissible.

23 In the present case, it is necessary to determine whether the Board of Appeal was fully entitled to hold that the decision of the Opposition Division had not adversely affected the applicant in any way.

24 By its single plea, the applicant in essence complains that the Board of Appeal failed to have regard to the fact that the intervener could apply for the conversion of its Community trade mark application to a national trade mark application under Article 108(1)(a) of Regulation No 40/94, that conversion being excluded only in respect of the United Kingdom where, under the Opposition Division's decision, grounds for refusal of registration apply to the trade mark application pursuant to Article 108(2)(b) of the same regulation. By contrast, if the Opposition Division had upheld the opposition on the basis of a likelihood of confusion between the earlier

Community trade mark and the sign applied for, conversion of the trade mark application would, according to the applicant, have been precluded in all the Member States of the Community. Furthermore, it submits that the earlier Community trade mark may well be declared invalid, so that, in future, it would no longer be able to rely on that trade mark to challenge the registration of the TELETECH INTERNATIONAL national trade marks.

25 In that regard, a preliminary point to note is that, as provided in the second recital in the preamble to Regulation No 40/94, Community arrangements for trade marks allow undertakings, by means of one procedural system, to obtain Community trade marks to which uniform protection is given and which produce their effects throughout the entire area of the Community and the unitary character of the Community trade mark thus stated will apply unless otherwise provided for in that regulation.

26 Against that background, the aim of opposition proceedings is to prevent Community trade marks being registered which are in conflict with earlier marks or rights (*Moser Grupo Media*, paragraph 34). That interpretation, which is the only one wholly apt to achieve the objectives of Regulation No 40/94 (*Moser Grupo Media*, paragraph 34), is reflected in the first sentence of Article 43(5) of Regulation No 40/94, which provides that, '[i]f examination of the opposition reveals that the trade mark may not be registered in respect of some or all of the goods or services for which the Community trade mark application has been made, the application shall be refused in respect of those goods or services'. It follows from that provision that, in fact, examination of the opposition is intended to establish whether there is, in relation to all or part of the relevant goods or services in respect of which the trade mark application is disputed, any ground for refusal of registration which warrants the rejection of the trade mark application.

27 However, it does not follow from that provision that OHIM is required to found the rejection of the trade mark application on all the grounds for refusal of registration

put forward in support of the opposition, on the basis of which a trade mark application could be rejected. The aim of opposition proceedings is to give undertakings an opportunity to challenge, by means of one procedural system, applications for Community trade marks which might give rise to a likelihood of confusion with their earlier marks or rights, and not to settle pre-emptively potential conflicts at national or even Community level (see, concerning conflicts at national level, *Moser Grupo Media*, paragraph 35).

- 28 In this instance, given that the Opposition Division rejected the trade mark application for all the goods or services for which registration was sought, it upheld the applicant's opposition in its entirety, in accordance with the first sentence of Article 43(5) of Regulation No 40/94.
- 29 As regards the applicant's argument that a close link should be acknowledged between opposition proceedings and the possibility, for the applicant for a Community trade mark, to request conversion of its application to a national trade mark application, it should first be noted that the conversion procedure provided for in Articles 108 to 110 of Regulation No 40/94 is merely optional for an applicant for a Community trade mark (*Moser Grupo Media*, paragraph 41). Also, the fact that an application for conversion may be transmitted to the national authorities concerned, in accordance with Article 109(3) of Regulation No 40/94, does not mean that the trade mark application will automatically lead to registration. It is the task of the national authorities to examine any possible grounds for refusal of registration, and the applicant is able, in principle, to assert his rights before those authorities. As a result, the Court finds that the interest which the applicant relies on to show *locus standi* for the purpose of appealing against the Opposition Division's decision concerns a future and uncertain legal situation (*Moser Grupo Media*, paragraph 43; see, also, to that effect, Case T-185/03 *Fusco v OHIM — Fusco International (ENZO FUSCO)* [2005] ECR II-715, paragraph 70).

30 Although Article 108(2)(b) of Regulation No 40/94 provides, on grounds of consistency of decisions and procedural economy, that conversion is not to take place for the purpose of protection in a Member State in which, in accordance with the decision of OHIM, grounds for refusal of registration apply to the Community trade mark application, that provision only requires OHIM to comply with such a decision where one has already been made. However, there are no grounds for assuming that that provision also seeks to require the body adjudicating on an opposition to adjust its decision in order to prevent as far as possible the applicant for a Community trade mark from applying for its conversion. Firstly, as OHIM rightly pointed out, had the legislature intended to link the opposition and conversion procedures more closely, it would have done so explicitly. Secondly, such an interpretation would patently be contrary to the need for procedural economy, since it might oblige OHIM to examine multiple grounds for refusal of registration even where it is obvious that just one of them is sufficient for rejection of the Community trade mark application concerned.

31 The applicant's argument is also put in doubt by Rule 21(2) and (3) of Commission Regulation (EC) No 2868/95 of 13 December 1995 implementing Council Regulation No 40/94 (OJ 1995 L 303, p. 1), concerning the treatment of multiple oppositions. According to Rule 21(2) of that regulation, '[i]f a preliminary examination of one or more oppositions [entered in respect of the same application for a Community trade mark] reveals that the Community trade mark for which an application for registration has been filed is possibly not eligible for registration in respect of some or all of the goods or services for which registration is sought, [OHIM] may suspend the other opposition proceedings'. Under Rule 21(3) of the same regulation, once a decision rejecting the application has become final, the oppositions on which a decision was deferred are deemed to have been disposed of. OHIM rightly maintains that, if such a procedure is allowed in the case of multiple oppositions, it should be so a fortiori where a number of grounds for refusal of registration are put forward in a single opposition notice.

32 In addition, the applicant assumes that the automatic effect of the rejection of a trade mark application on the ground of a likelihood of confusion between the trade mark claimed and an earlier Community trade mark is that such a likelihood is deemed to exist in all the Member States of the Community. Although Article 8 of Regulation No 40/94 does not contain a provision similar to Article 7(2) of that regulation, under which it is enough, for the purpose of refusing to register a trade mark, that an absolute ground for refusal obtains in only part of the Community, it follows from the unitary character of the Community trade mark that registration must also be refused where a relative ground for refusal stemming from an earlier Community trade mark obtains in only part of that area (Case T-355/02 *Muelhens v OHIM — Zirh International (ZIRH)* [2004] ECR II-791, paragraph 36, and Joined Cases T-117/03 to T-119/03 and T-171/03 *New Look v OHIM — Naulover (NLSPORT, NLJEANS, NLACTIVE and NLCollection)* [2004] ECR II-3471, paragraph 34). It seems, therefore, unreasonable to preclude conversion of the trade mark application for the purpose of protecting the mark in a Member State where no ground for refusal of registration exists or, at least, in respect of a State in which such a ground has not been recorded in the OHIM decision in question.

33 In the second place, as regards the argument that the earlier Community trade mark is likely to have been removed once and for all from the Community Register by the time any potential application for conversion is transmitted to the national authorities, thus preventing the applicant from asserting the rights relating to that trade mark, OHIM rightly pointed out that the applicant's earlier Community trade mark was already subject to an application for invalidity at the time when the Opposition Division ruled on the opposition. In such a case, any duty to examine all the grounds for refusal of registration put forward would have led it to suspend the opposition proceedings until the end of the invalidity proceedings, in accordance with Rule 20(6) of Regulation No 2868/95, in the version then in force. Such a suspension of proceedings would have been all the more necessary had the Opposition Division subscribed to the applicant's argument that there is a close link between the opposition and conversion procedures.

34 Consequently, the alleged factual differences between this case and that which gave rise to *Moser Grupo Media* must be placed in context. In fact, in the latter case, the earlier Community trade mark put forward in support of the opposition had not yet been registered. In such a situation, it was not necessary to prolong the proceeding further by suspending it under Rule 20(6) of Regulation No 2868/95, in the version then in force, in order to wait until the Community trade mark had been registered (*Moser Grupo Media*, paragraph 46). That reasoning can be applied to the case of a Community trade mark in respect of which an application for invalidity has been made, which has been granted by the Cancellation Division and the Board of Appeal but which has not yet taken effect, in accordance with Article 62(3) of Regulation No 40/94.

35 In the third place, where an opposition is founded on a number of earlier national and Community trade marks, OHIM is under no obligation to give priority to the Community marks. As is apparent from the fifth recital in the preamble to Regulation No 40/94, the Community law relating to trade marks does not replace the laws of the Member States on trade marks and it does not appear to be justified to require undertakings to apply for registration of their trade marks as Community trade marks. Consequently, the applicant's argument that the objective of Regulation No 40/94 is to persuade economic operators to move from a national system of registered trade mark protection to a Community system for the unitary protection of a trade mark in all the Member States is unfounded. In particular, while the effect of Article 34 of Regulation No 40/94, under which the proprietor of a Community trade mark can claim the seniority of a national trade mark which it has allowed to lapse or has surrendered, is to facilitate, in practice, the replacement of a national trade mark by a Community trade mark, the fact remains that that provision, which is merely optional for economic operators, is far from having the scope attributed to it by the applicant. As is apparent, inter alia, from Articles 108 to 110 of Regulation No 40/94, the regulation also includes provisions which, conversely, enable Community trade marks to be converted to national trade marks.

36 Lastly, those considerations are not affected by the applicant's argument that the judgments cited in paragraph 44 of the judgment in *Moser Grupo Media* do not cover situations which are fully comparable to that of this case.

37 It follows from all of those considerations that the decision of the Opposition Division has not adversely affected the applicant in any way, so that the applicant is not entitled to bring an appeal before the Board of Appeal. The contested decision therefore is not vitiated by error. Since the applicant's single plea is manifestly unfounded, the action must be dismissed, and there is no need to consider the admissibility of the applicant's second head of claim.

Costs

38 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 OHIM's costs, in accordance with the form of order sought by OHIM. Since the intervener has not applied for costs against the applicant, the intervener shall bear its own costs.

On those grounds,

THE COURT OF FIRST INSTANCE (Second Chamber)

hereby orders:

1. **The action is dismissed.**

2. **The applicant is ordered to pay the costs, with the exception of those incurred by the intervener.**

3. **The intervener shall bear its own costs.**

Luxembourg, 11 May 2006.

E. Coulon

Registrar

J. Pirrung

President