

JUDGMENT OF THE COURT (First Chamber)

22 June 2006^{*}

In Case C-25/05 P,

APPEAL under Article 56 of the Statute of the Court of Justice, brought on 24 January 2005,

August Storck KG, established in Berlin (Germany), represented by I. Rohr, H. Wrage-Molkenthin and T. Reher, Rechtsanwälte,

appellant,

the other party to the proceedings being:

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

defendant at first instance,

^{*} Language of the case: German.

THE COURT (First Chamber),

composed of P. Jann, President of the Chamber, N. Colneric, J.N. Cunha Rodrigues, M. Ilešič (Rapporteur) and E. Levits, Judges,

Advocate General: D. Ruiz-Jarabo Colomer,

Registrar: B. Fülöp, Administrator,

having regard to the written procedure and further to the hearing on 16 February 2006,

after hearing the Opinion of the Advocate General at the sitting on 23 March 2006,

gives the following

Judgment

- 1 By its appeal, August Stork KG seeks to have set aside the judgment of the Court of First Instance of the European Communities (Fourth Chamber) of 10 November 2004 in Case T-402/02 *Storck v OHIM (Shape of a sweet wrapper)* [2004] ECR II-3849 ('the judgment under appeal') dismissing its action for annulment of the decision of the Second Board of Appeal of the Office for Harmonization in the

Internal Market (Trade Marks and Designs) (OHIM) of 18 October 2002 (Case R 256/2001-2) ('the decision in dispute') refusing registration of a figurative mark representing a gold-coloured sweet wrapper with twisted ends.

Legal context

- ² Article 7 of Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark (OJ 1994 L 11, p. 1), entitled 'Absolute grounds for refusal', states:

'1. The following shall not be registered:

...

(b) trade marks which are devoid of any distinctive character;

...

2. Paragraph 1 shall apply notwithstanding that the grounds of non registrability obtain in only part of the Community.

3. Paragraph 1(b), (c) and (d) shall not apply if the trade mark has become distinctive in relation to the goods or services for which registration is requested in consequence of the use which has been made of it.’

- 3 Article 73 of Regulation No 40/94, entitled ‘Statement of reasons on which decisions are based’, states:

‘Decisions of [OHIM] shall state the reasons on which they are based. They shall be based only on reasons or evidence on which the parties concerned have had an opportunity to present their comments.’

- 4 Article 74(1) of Regulation No 40/94, entitled ‘Examination of the facts by the Office of its own motion’, provides:

‘In proceedings before it [OHIM] shall examine the facts of its own motion; however, in proceedings relating to relative grounds for refusal of registration, [OHIM] shall be restricted in this examination to the facts, evidence and arguments provided by the parties and the relief sought.’

Background to the dispute

- 5 On 30 March 1998 the appellant filed an application with OHIM under Regulation No 40/94 for registration as a Community trade mark of a figurative mark which is a

two-dimensional representation in perspective of a sweet in a gold-coloured wrapper with twisted ends, reproduced below:



- 6 The products in respect of which registration was sought are ‘sweets’ and come within Class 30 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.
- 7 By a decision of 19 January 2001 the examiner refused the application on the ground that the mark applied for was devoid of any distinctive character within the meaning of Article 7(1)(b) of Regulation No 40/94 and that it had not become distinctive through use for the purposes of Article 7(3) thereof.
- 8 By the decision in dispute the Second Board of Appeal of OHIM confirmed the examiner’s decision. As regards the distinctive character *ab initio* of the mark, it found, inter alia, that the gold colour featuring on the graphic representation of the mark applied for was usual and frequent in trade in respect of sweet wrappers. It also

found that the evidence adduced by the applicant did not prove that the mark had acquired distinctive character in consequence of the use made of it, in respect of sweets in general or caramels in particular.

The procedure before the Court of First Instance and the judgment under appeal

9 The appellant brought an action before the Court of First Instance for annulment of the decision in dispute, based on four pleas in law.

10 As to the first plea, alleging infringement of Article 7(1)(b) of Regulation No 40/94, the Court of First Instance found, in paragraphs 55 to 62 of the judgment under appeal, that the Board of Appeal had rightly concluded that the mark applied for was devoid of any distinctive character within the meaning of that provision, for the following reasons:

‘55 It must be found that the Board of Appeal did not err in law in finding that “the configuration of the mark in question (twisted wrapper, light brown or gold coloured) did not fundamentally stand out against the other usual presentations in the trade” (paragraph 14 of the decision [in dispute]).

56 The Board of Appeal rightly found at paragraph 15 of the decision [in dispute] that the shape of the wrapper in question was “a normal and traditional shape for a sweet wrapper” and that “a large number of sweets so wrapped could be

found on the market". The same applies in respect of the colour of the wrapper in question, namely light brown (caramel), or, as is apparent from the graphic representation of the mark applied for, gold or of a golden hue. Those colours are not unusual in themselves, nor is it rare to see them used for sweet wrappers, as the Board of Appeal rightly pointed out at paragraph 16 of the decision [in dispute]. Thus, the Board of Appeal was entitled to find, at paragraph 18 of the decision [in dispute], that, in the present case, the average consumer perceives the mark not as being, in itself, an indication of the commercial origin of the product, but as a sweet wrapper, neither more nor less ...

- 57 Accordingly, the characteristics of the combination of shape and colour of the mark applied for are not sufficiently different from those of the basic shapes commonly used for wrappers for sweets or caramels and therefore they are not likely to be remembered by the relevant public as indicators of commercial origin. The twisted wrapper ..., in light brown or gold, is not substantially different from the wrappers of the goods in question (sweets, caramels), which are commonly used in trade, thus coming naturally to mind as a typical wrapper shape for those goods.

...

- 60 ... The Board of Appeal was entitled to refer, at paragraphs 19 and 20 of the decision [in dispute], to the risk of monopolisation of the wrapper in question for sweets, since its findings confirmed the lack of distinctive character of that

wrapper for those goods, reflecting the general interest underlying the absolute ground for refusal founded on Article 7(1)(b) of Regulation No 40/94.

...

62 It follows from all the foregoing considerations that the mark applied for, as it is perceived by the average consumer who is reasonably well informed and reasonably observant and circumspect, does not enable the goods in question to be identified and distinguished from those of a different commercial origin. Therefore, it is devoid of distinctive character with respect to those goods.'

11 As to the second plea, alleging infringement of Article 7(3) of Regulation No 40/94, the Court of First Instance held, in paragraphs 82 to 89 of the judgment under appeal, that the applicant had not established that the mark applied for had acquired distinctive character throughout the Community as a result of the use which had been made of it, within the meaning of that provision, mainly for the following reasons:

'82 First, in relation to the applicant's arguments based on the sales figures for the products concerned in the Community from 1994 to 1998, the Board of Appeal was entitled to find that they were not such as to demonstrate that in the present case the mark applied for had become distinctive in consequence of the use which had been made of it.

83 In paragraph 25 of the decision [in dispute], the Board of Appeal found to the appropriate legal standard that the figures in question did not enable it to assess

the share of the relevant market held by the applicant in respect of the mark applied for. In spite of the information as to the number of units and the tonnes of sweets sold in the wrapper in question shown by those figures, “a realistic assessment of [the applicant’s] market strength is impossible in the absence of data on the total volume of the relevant product market or assessments of the sales of competitors with which the applicant’s figures could be compared”. ...

- 84 Next, the Board of Appeal was also entitled to consider that the advertising costs incurred by the applicant raised the same problems as the sales figures referred to above. Thus, at paragraph 26 of the decision [in dispute], the Board of Appeal pointed out that the information put forward by the applicant concerning those costs were of little use in so far as “there was no evidence as to the volume of advertising in the product market”. ... Accordingly, that advertising material cannot constitute evidence ... that the relevant section of the public perceives that mark as indicating the commercial origin of the products in question ...
- 85 Furthermore, the Board of Appeal found in the same paragraph of the decision [in dispute] that the costs in question were not very high “in a large number of Member States of the European Union”, adding “that those figures [were] completely missing for certain Member States”. Those costs did not cover all the Member States of the European Union in any year of the reference period (1994–1998).
- 86 ... It must be held that there is an absolute ground for refusal under Article 7(1)(b) of Regulation No 40/94 in relation to the mark applied for throughout the Community. That mark must therefore have become distinctive through use throughout the Community in order to be registrable under Article 7(3) of that regulation ...

87 In those circumstances, the advertising costs referred to above cannot in any event constitute proof that, in the whole Community and for the period 1994 to 1998, the relevant public or at least a substantial part of it perceived the mark applied for as indicative of the commercial origin of the goods in question.

...'

12 As to the third plea, alleging infringement of the first sentence of Article 74(1) of Regulation No 40/94, the Court of First Instance found that the Board of Appeal had not infringed that provision for the following reason, contained in paragraph 58 of the judgment under appeal, to which paragraph 95 of that judgment refers:

'The reference in ... the decision [in dispute] to the usual practice in trade for sweets and caramels, without specific examples of that practice being given, does not undermine the assessment of the Board of Appeal as to the lack of inherent distinctive character of the mark applied for. In finding that the combination of shape and colour of the mark applied for was not unusual in trade, the Board of Appeal based its analysis essentially on facts arising from practical experience generally acquired from the marketing of general consumer goods, such as sweets or caramels, which are likely to be known by anyone and are in particular known by the consumers of those goods ...'

13 Finally, as to the fourth plea, alleging infringement of Article 73 of Regulation No 40/94, the Court of First Instance held, in particular, in paragraphs 103 to 105 of the judgment under appeal, that it cannot be alleged that the Board of Appeal based its decision on reasons or evidence on which the applicant had not had an

opportunity to present its comments, since the examiner had already found, in his decision, that ‘the applicant’s turnover did not enable it to be inferred that the consumer recognised the sweets from their wrapper and associated them with a single undertaking’ and that ‘in the absence of comparable turnover figures for competitors or information on the market as a whole, it [was] impossible to assess the turnover figures’.

The appeal

¹⁴ In support of its appeal the appellant relies on four grounds of appeal, and claims that the Court should:

- set aside the judgment under appeal;
- give final judgment on the dispute by granting the forms of order sought at first instance; or
- in the alternative, remit the case to the Court of First Instance;
- order OHIM to pay the costs.

¹⁵ OHIM contends that the Court should dismiss the appeal and order the appellant to pay the costs.

The first ground of appeal

Arguments of the parties

¹⁶ In the first ground of appeal, which falls into three parts, the appellant claims that the Court of First Instance infringed Article 7(1)(b) of Regulation No 40/94.

¹⁷ First, in paragraph 55 of the judgment under appeal, the Court of First Instance wrongly made the finding that the mark applied for has distinctive character subject to the condition that it be fundamentally different from other forms of presentation of sweet wrappers commonly used in trade, thus imposing stricter requirements than those normally applied for establishing such character.

¹⁸ The Court of First Instance also wrongly required that the trade mark applied for be markedly different from similar marks which might exist in the confectionery sector.

¹⁹ According to the appellant, the fact that confusion with products of a different origin is likely to occur is relevant only in the context of an opposition based on the likelihood of confusion of the mark applied for with an earlier mark.

²⁰ Second, the Court of First Instance also erred in law in basing its decision, in paragraph 60 of the judgment under appeal, on the 'risk of monopolisation of the wrapper in question for sweets' to reason its finding of lack of distinctive character

of the mark applied for. According to the applicant, there is no need to take into account the possible need to preserve availability in the context of Article 7(1)(b) of Regulation No 40/94.

- 21 Finally, the Board of Appeal and the Court of First Instance failed to ascertain whether the mark applied for possesses in itself, independently of other similar forms of presentation of sweet wrappers on the market, a minimum level of distinctiveness. Had the Court of First Instance done so it would have come to the conclusion that the mark is not devoid of any distinctive character.
- 22 OHIM contends, first, that the Court of First Instance in no way made the mark applied for subject to stricter criteria than those normally required, but applied the settled case-law stating that the shape of the product in respect of which registration as a mark is sought must depart significantly from the norm or customs of the relevant sector. That case-law, developed in relation to three-dimensional marks, should also apply where, as in the present case, the mark applied for is the two-dimensional representation of the three-dimensional shape of the product concerned.
- 23 It claims, second, that the Court of First Instance did not justify its finding that the mark applied for is devoid of any distinctive character by the existence of a risk of monopolisation.
- 24 Finally, the complaint that the Court of First Instance should have found that the mark applied for has distinctive character seeks to challenge its assessment of the facts and is, thus, inadmissible on appeal.

Findings of the Court

- ²⁵ As regards the first part of the first ground of appeal, it is settled case-law that the distinctive character of a trade mark, within the meaning of Article 7(1)(b) of Regulation No 40/94, must be assessed, firstly, by reference to the goods or services in respect of which registration has been applied for and, secondly, by reference to the perception of them by the relevant public, which consists of average consumers of the goods or services in question who are reasonably well informed and reasonably observant and circumspect (see, in particular, Joined Cases C-456/01 P and C-457/01 P *Henkel v OHIM* [2004] ECR I-5089, paragraph 35, and Case C-173/04 P *Deutsche SiSi-Werke v OHIM* [2006] ECR I-551, paragraph 25).
- ²⁶ According to equally established case-law, the criteria for assessing the distinctive character of three-dimensional marks consisting of the appearance of the product itself are no different from those applicable to other categories of trade mark (see *Henkel v OHIM*, paragraph 38, Case C-136/02 P *Mag Instrument v OHIM* [2004] ECR I-9165, paragraph 30, and *Deutsche SiSi-Werke v OHIM*, paragraph 27).
- ²⁷ None the less, for the purpose of applying those criteria, the relevant public's perception is not necessarily the same in the case of a three-dimensional mark, which consists of the appearance of the product itself, as it is in the case of a word or figurative mark, which consists of a sign unrelated to the appearance of the products it denotes. Average consumers are not in the habit of making assumptions about the origin of products on the basis of their shape or the shape of their packaging in the absence of any graphic or word element, and it could therefore prove more difficult to establish distinctiveness in relation to such a three-dimensional mark than in relation to a word or figurative mark (see, inter alia, *Henkel v OHIM*, paragraph 38, *Mag Instrument v OHIM*, paragraph 30, and *Deutsche SiSi-Werke v OHIM*, paragraph 28).

- 28 In those circumstances, only a mark which departs significantly from the norm or customs of the sector and thereby fulfils its essential function of indicating origin is not devoid of any distinctive character for the purposes of Article 7(1)(b) of Regulation No 40/94 (see, in particular, *Henkel v OHIM*, paragraph 39, *Mag Instrument v OHIM*, paragraph 31, and *Deutsche SiSi-Werke v OHIM*, paragraph 31).
- 29 That case-law, which was developed in relation to three-dimensional trade marks consisting of the appearance of the product itself, also applies where, as in the present case, the trade mark applied for is a figurative mark consisting of the two-dimensional representation of that product. In such a case, the mark likewise does not consist of a sign unrelated to the appearance of the products it covers.
- 30 Therefore, the Court of First Instance rightly took into consideration the shapes and colours of sweet wrappers commonly used in trade in assessing whether the mark applied for is, or is not, devoid of any distinctive character.
- 31 The Court of First Instance found, in paragraph 55 of the judgment under appeal, that ‘the Board of Appeal did not err in law in finding that “the configuration of the mark in question ... did not fundamentally stand out against the other usual presentations in the trade”’, and, in paragraph 57 of that judgment, that the wrapping at issue ‘is not substantially different’ from wrappers for sweets or caramels commonly used in trade. In so far as the requirement of a fundamental or substantial difference goes further than the mere significant departure required by the case-law cited in paragraph 28 of this judgment, the Court of First Instance would have erred in law if it had made recognition of the distinctive character of the mark applied for subject to compliance with such a requirement.

32 Such is not the case, however. In paragraphs 56 and 57 of the judgment under appeal, the Court of First Instance, endorsing, in particular, the factual findings of the Board of Appeal, found that the shape of the wrappers at issue is a normal and traditional shape for a sweet wrapper, that a large number of sweets so wrapped could be found on the market, that the golden colour of the wrappers at issue is not unusual in itself, and it is not rare to see it used for sweet wrappers, that the characteristics of the combination of shape and colour of the mark applied for are not sufficiently different from those of the basic shapes commonly used for sweet wrappers, and that the wrappers in dispute come naturally to mind as a typical wrapper shape for those goods.

33 By those findings the Court of First Instance established to the requisite legal standard that the mark applied for does not depart significantly from the norm or customs of the confectionery sector. Therefore, it did not err in law in finding that the mark is devoid of any distinctive character.

34 As regards the appellant's complaint that the Court of First Instance required that the mark applied for be markedly different from similar marks which might exist in the confectionery sector, it is based on an incorrect interpretation of the judgment under appeal, since the Court of First Instance in no way sought to ascertain whether other marks used for that type of product were identical or similar to the mark applied for.

35 The first part of the first ground of appeal must therefore be dismissed as unfounded.

36 As regards the second part of the first ground of appeal, it is sufficient to observe that the Court of First Instance did not base its conclusion that the mark applied for is devoid of any distinctive character on the existence of a risk of monopolisation of the sweet wrapper at issue. In paragraph 60 of the judgment under appeal, the Court

of First Instance stated merely that such a risk confirmed the finding made in paragraphs 53 to 57 of that judgment that the mark applied for is devoid of any distinctive character.

37 Therefore, that part must be dismissed as unfounded.

38 Finally, as regards the last part of the ground of appeal, first, as is apparent from paragraph 30 of this judgment, the Court of First Instance did not err in law in any way by taking the sweet packaging commonly used in trade into account in assessing whether the mark applied for is, or is not, devoid of any distinctive character.

39 Secondly, in so far as it challenges the Court of First Instance's finding that the mark applied for is devoid of any distinctive character, that part of the first ground is effectively requesting that the Court of Justice substitute its own assessment of the facts for that of the Court of First Instance.

40 The findings of the Court of First Instance in paragraphs 56 and 57 of the judgment under appeal and reiterated in paragraph 32 of this judgment constitute factual assessments. In accordance with Article 225(1) EC and the first paragraph of Article 58 of the Statute of the Court of Justice, an appeal lies on a point of law only. The Court of First Instance thus has exclusive jurisdiction to find and appraise the relevant facts and to assess the evidence. The appraisal of those facts and the assessment of that evidence thus do not, save where the facts or evidence are distorted, constitute points of law subject, as such, to review by the Court of Justice on appeal (see, in particular, Case C-104/00 P *DKV v OHIM* [2002] ECR I-7561, paragraph 22, and *Deutsche SiSi-Werke v OHIM*, paragraph 35).

- 41 Since distortion of the facts and evidence submitted to the Court of First Instance is not alleged in the present case, the final part of the first ground of appeal must be dismissed as being partly unfounded and partly inadmissible, and consequently the ground must be dismissed in its entirety.

The second ground of appeal

Arguments of the parties

- 42 In the second ground of appeal the appellant alleges that, in paragraphs 55 to 58 of the judgment under appeal, the Court of First Instance infringed Article 74(1) of Regulation No 40/94, pursuant to which OHIM is to examine the facts of its own motion.
- 43 It is apparent from that provision that the Board of Appeal was not entitled to merely make known the results of its own subjective assessment of the market situation, but should have undertaken an inquiry and given concrete examples of wrappers which are allegedly identical in appearance to the mark applied for, the existence of which it alleged in finding the mark to be 'customary'. By not stipulating the wrappers to which it was referring the Board of Appeal deprived the appellant of the opportunity to challenge the relevance of those examples.
- 44 By stating, in paragraph 58 of the judgment under appeal, that the Board of Appeal was able to base its decision on facts arising from practical experience generally acquired and by approving those unsubstantiated claims of that Board, the Court of First Instance failed to have regard for OHIM's obligation under Article 74(1) of Regulation No 40/94 to examine the facts of its own motion.

45 OHIM contends, as its principal argument, that the second ground of appeal is inadmissible in so far as the appellant merely reproduces verbatim a plea in law previously submitted to, and rejected by, the Court of First Instance, without criticising the response of that Court.

46 In the alternative, OHIM contends that that ground of appeal is unfounded. Article 74(1) of Regulation No 40/94 requires OHIM, and OHIM alone, to examine the facts and does not require it to support its findings of fact with concrete examples.

Findings of the Court

47 Under Article 225 EC, the first paragraph of Article 58 of the Statute of the Court of Justice and Article 112(1)(c) of the Rules of Procedure of the Court of Justice, an appeal must indicate precisely the contested elements of the judgment which the appellant seeks to have set aside and also the legal arguments specifically advanced in support of the appeal. That requirement is not satisfied by an appeal which, without even including an argument specifically identifying the error of law allegedly vitiating the judgment under appeal, merely repeats or reproduces verbatim the pleas in law and arguments previously submitted to the Court of First Instance (see, in particular, Case C-352/98 P *Bergaderm and Goupil v Commission* [2000] ECR I-5291, paragraphs 34 and 35, and Case C-208/03 P *Le Pen v Parliament* [2005] ECR I-6051, paragraph 39).

48 By contrast, provided that the appellant challenges the interpretation or application of Community law by the Court of First Instance, the points of law examined at first instance may be discussed again in the course of an appeal. Indeed, if an appellant could not thus base his appeal on pleas in law and arguments already relied on before the Court of First Instance, an appeal would be deprived of part of its purpose (see, in particular, Case C-41/00 P *Interporc v Commission* [2003] ECR I-2125, paragraph 17, and *Le Pen v Parliament*, paragraph 40).

- 49 The second ground of appeal seeks specifically to call into question the interpretation of Article 74(1) of Regulation No 40/94 adopted by the Court of First Instance to dismiss the allegation, raised in the context of the first plea in law at first instance, concerning the lack of concrete examples capable of substantiating the Board of Appeal's assertions regarding the customary nature of the wrappers at issue. That ground of appeal must therefore be found to be admissible.
- 50 As to whether it is well founded, under Article 74(1) of Regulation No 40/94 OHIM examiners and, on appeal, the Boards of Appeal of OHIM are required to examine the facts of their own motion in order to determine whether the mark registration of which is sought falls under one of the grounds for refusal of registration laid down in Article 7 of that regulation. It follows that the competent bodies of OHIM may be led to base their decisions on facts which have not been put forward by the applicant for the mark.
- 51 Whilst it is in principle the task of those bodies to establish in their decisions the accuracy of such facts, such is not the case where they rely on facts which are well known.
- 52 In that regard, an applicant for a trade mark against whom OHIM relies on such well-known facts may challenge their accuracy before the Court of First Instance.
- 53 The finding, by the Court of First Instance, as to whether the facts on which the Board of Appeal of OHIM has based its decision are well known or not is a factual assessment which, save where the facts or evidence are distorted, is not subject to review by the Court of Justice on appeal.

54 Therefore, the Court of First Instance did not err in law in finding, in paragraphs 58 and 95 of the judgment under appeal, that the Board of Appeal could legitimately have based its finding that the wrapping at issue is not unusual in trade on facts shown by practical experience generally acquired in the marketing of confectionery and likely to be known by anyone, and in particular by consumers of confectionery, without that Board being required to provide concrete examples.

55 The second ground of appeal must therefore be dismissed as unfounded.

The third ground of appeal

56 In the third ground of appeal, the appellant alleges that the Court of First Instance infringed Article 73 of Regulation No 40/94, pursuant to which decisions of OHIM may be based only on reasons on which the parties have had an opportunity to present their comments.

57 Since the Board of Appeal did not show the sweet wrappers which it alleges to be similar to the mark applied for, the appellant could not, at any point in the proceedings, adopt a position on that matter and was therefore deprived, in particular, of the opportunity to demonstrate that those wrappers do, in fact, bear decisive differences to the mark applied for. Its right to be heard was thus infringed.

58 Therefore, by holding, in paragraph 58 of the judgment under appeal, that the Board of Appeal was not required to give concrete examples of existing wrappers which are similar to the mark applied for and by basing the judgment under appeal on allegations on which the appellant had not had an opportunity to present its comments, the Court of First Instance infringed Article 73 of Regulation No 40/94.

59 OHIM contends that that ground of appeal is manifestly unfounded. First, the Board of Appeal did analyse the appellant's arguments in that regard but rejected them. Second, since it acknowledges having dealt with shapes commonly used for wrappers for sweets in its action before the Court of First Instance, the appellant cannot claim not to have had the opportunity to present its comments on the way in which the Board of Appeal assessed the market for those wrappers.

Findings of the Court

60 First, the third ground of appeal must be declared inadmissible in so far as it alleges that the Court of First Instance infringed Article 73 of Regulation No 40/94 by not annulling the decision in dispute for being based on grounds on which the appellant had not had an opportunity to present its comments.

61 According to settled case-law, to allow a party to put forward for the first time before the Court of Justice a plea in law which it has not raised before the Court of First Instance would be to allow it to bring before the Court, whose jurisdiction in appeals is limited, a case of wider ambit than that which came before the Court of First Instance. In an appeal the Court's jurisdiction is therefore confined to review of the findings of law on the pleas argued before the Court of First Instance (see, in particular, Joined Cases C-186/02 P and C-188/02 P *Ramondín and Others v Commission* [2004] ECR I-10653, paragraph 60).

- 62 Although the appellant submitted before the Court of First Instance that the Board of Appeal had not shown the accuracy of its findings in relation to the customary nature of the wrapper at issue, it raised that ground only for the purposes of establishing infringement of Article 74(1) of Regulation No 40/94.
- 63 Second, that ground of appeal is unfounded in so far as it alleges that, by its own unsubstantiated claims, the Court of First Instance also infringed Article 73 of Regulation No 40/94.
- 64 That provision is to be complied with by bodies of OHIM in the context of assessment of applications for registration, but not in the context of proceedings before the Court of First Instance, which are governed by the Statute of the Court of Justice and by the Rules of Procedure of the Court of First Instance.
- 65 Moreover, the appellant was in a position to challenge before the Court of First Instance the Board of Appeal's assertion that the sweet wrapper at issue is not significantly different from numerous other wrappers commonly used in the confectionery market. Accordingly, its rights of defence, and particularly its right to be heard, were observed before that court.
- 66 The third ground of appeal must accordingly be rejected as being partly inadmissible and partly unfounded.

The fourth ground of appeal

⁶⁷ In the fourth ground of appeal, which falls into two parts, the appellant claims that the Court of First Instance infringed Article 7(3) of Regulation No 40/94 by making the evidence that the mark applied for had become distinctive through use subject to false requirements.

⁶⁸ First, the Court of First Instance erred in law in holding, in paragraphs 83 and 84 of the judgment under appeal, that the figures relating to sales of the products covered by the mark applied for and the advertising costs incurred in promoting the mark do not establish that the mark has acquired distinctive character through the use which has been made of it, in the absence of information relating to the share of the confectionery market and the share of the amount of publicity for the market to which those figures relate, respectively.

⁶⁹ According to the appellant, awareness of a mark does not depend on the absence of other more well-known marks but solely on whether a sufficient amount of the product has been distributed on the market over a long period of time, thus ensuring that consumers encounter that mark. Therefore, the market share held by the mark applied for is not relevant for the purposes of assessing whether it has acquired distinctive character through use where it is established that it is widely distributed, in large quantities and over a long period. In the present case, the figures provided by the appellant prove that this is the case.

- 70 Second, the Court of First Instance erred in law in finding, in paragraphs 85 to 87 of the judgment under appeal, that the evidence that the mark applied for acquired distinctive character through the use which has been made of it should be provided for all the Member States of the Union.
- 71 According to the appellant, it is contrary to the objective of the Union, which is to abolish national borders and create a single market, to require proof of use of the mark applied for for each Member State. Thus, a mark is registrable for the purposes of Article 7(3) of Regulation No 40/94 where the applicant for a trade mark furnishes proof that it has acquired distinctive character through the use which has been made of it in a substantial part of the Union, even if, in certain Member States, the mark has not acquired such character or the applicant for the trade mark could not furnish proof thereof.
- 72 In support of that analysis, the appellant relies on Article 142a(2) of Regulation No 40/94, introduced by the Act concerning the conditions of accession of the Czech Republic, the Republic of Estonia, the Republic of Cyprus, the Republic of Latvia, the Republic of Lithuania, the Republic of Hungary, the Republic of Malta, the Republic of Poland, the Republic of Slovenia and the Slovak Republic to the European Union and the adjustments to the Treaties on which the European Union is founded (OJ 2003 L 236, p. 33) ('the Act of Accession'), which provides: '[t]he registration of a Community trade mark which is under application at the date of accession may not be refused on the basis of any of the absolute grounds for refusal listed in Article 7(1) [of Regulation No 40/94], if these grounds became applicable merely because of the accession of a new Member State'.
- 73 OHIM submits that, in so far as it challenges the duty to establish that the mark applied for has acquired distinctive character through use throughout the Community, the appellant overlooks the general scheme of Article 7 of Regulation No 40/94.

74 It is apparent from Article 7(2) of Regulation No 40/94 that an application for a Community trade mark must be rejected even if the grounds for refusal exist only in part of the Community. Where one of the grounds for refusal laid down in Article 7(1)(b), (c) or (d) concerns the Community as a whole, the distinctive character acquired through use must be shown throughout the Community and not only in certain Member States.

Findings of the Court

75 As regards the first part of the fourth ground of appeal, it is settled case-law that, in order to assess whether a mark has acquired distinctive character following the use which has been made of it, the following may also be taken into account: the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant class of persons who, because of the mark, identify goods as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations (see, to that effect, in relation to Article 3(3) 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), a provision which is identical, in substance, to Article 7(3) of Regulation No 40/94, and Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee* [1999] ECR I-2779, paragraph 51, Case C-299/99 *Philips* [2002] ECR I-5475, paragraph 60, and Case C-353/03 *Nestlé* [2005] ECR I-6135, paragraph 31).

76 The market share held by the mark is therefore an indication which may be relevant for the purposes of assessing whether that mark has acquired distinctive character through use. Such is the case, in particular, where, as in the present case, a mark consisting of the appearance of the product in respect of which registration is sought appears to be devoid of any distinctive character because it does not depart significantly from the norm or customs of the sector. It is probable, in such a case,

that such a mark is likely to acquire distinctive character only if, following the use which is made of it, the products which bear it have more than a negligible share of the market in the products at issue.

77 For the same reasons, the share of the amount of publicity for the market in the products in dispute represented by advertising investment in promoting a mark may also be relevant for assessing whether the mark has acquired distinctive character through use.

78 Moreover, the question whether or not such information is necessary for assessing whether a given mark has acquired distinctive character through use for the purposes of Article 7(3) of Regulation No 40/94 comes within the scope of the assessment of the facts by OHIM and, on appeal, by the Court of First Instance.

79 In those circumstances, the Court of First Instance did not err in law in finding, in paragraphs 82 to 84 of the judgment under appeal, that the sales figures for the appellant's products and the publicity costs which it incurred are not sufficient, in the absence of information relating to the market share which they represent in respect of both the global confectionery market and the global amount of advertising costs in that market, to show that the mark applied for has acquired distinctive character as a result of the use which has been made of it.

80 The first part of the fourth ground of appeal is therefore unfounded.

81 As to the second part of the fourth ground, under Article 7(1)(b) of Regulation No 40/94, read in conjunction with Article 7(2) thereof, a mark must be refused registration if it is devoid of any distinctive character in part of the Community.

82 In addition, under Article 7(3) of Regulation No 40/94, Article 7(1)(b) thereof does not apply if the trade mark has become distinctive in relation to the goods or services for which registration is requested in consequence of the use which has been made of it.

83 It follows that a mark can be registered under Article 7(3) of Regulation No 40/94 only if evidence is provided that it has acquired, through the use which has been made of it, distinctive character in the part of the Community in which it did not, *ab initio*, have such character for the purposes of Article 7(1)(b). The part of the Community referred to in Article 7(2) may be comprised of a single Member State.

84 Contrary to the appellant's analysis, Article 142a of Regulation No 40/94, in the version resulting from the Act of Accession, supports the latter interpretation.

85 As they found it necessary to introduce an express provision to the effect that registration of a Community trade mark which is under application at the date of accession may not be refused on the basis of any of the absolute grounds for refusal listed in Article 7(1) of Regulation No 40/94, if these grounds became applicable merely because of the accession of a new Member State, the authors of the Act of Accession considered that, if that provision did not exist, such an application would

have had to have been refused if the mark was devoid of any distinctive character in one of the new Member States.

⁸⁶ Since, in paragraphs 85 to 87 of the judgment under appeal, following an assessment of the facts and evidence, the Court of First Instance found, first, that the mark applied for was devoid of any distinctive character, *ab initio*, in all of the Member States of the Community and, second, that the appellant did not establish that that mark was the subject of advertising campaigns in certain Member States during the reference period, it rightly found that the figures provided in relation to the advertising costs incurred by the appellant did not provide proof that the mark had acquired distinctive character as a result of the use which had been made of it.

⁸⁷ The second part of the fourth ground of appeal is also unfounded, and consequently that ground of appeal must be dismissed in its entirety.

⁸⁸ Since all the appellant's grounds of appeal have failed, the appeal must be dismissed.

Costs

⁸⁹ Under Article 69(2) of the Rules of Procedure, applicable in appeal proceedings by virtue of Article 118 thereof, the unsuccessful party is to be ordered to pay the costs if they have been applied for in the successful party's pleadings. Since OHIM has applied for costs and the appellant has been unsuccessful, the latter must be ordered to pay the costs.

On those grounds, the Court (First Chamber) hereby:

- 1. Dismisses the appeal;**
- 2. Orders August Storck KG to pay the costs.**

[Signatures]