

JUDGMENT OF THE COURT OF FIRST INSTANCE (Third Chamber)

14 April 2005 \*

In Case T-260/03,

**Celltech R&D Ltd**, established in Slough, Berkshire (United Kingdom), represented by D. Alexander, barrister, and N. Jenkins, solicitor,

applicant,

v

**Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)**, represented by I. de Medrano Caballero and A. Folliard-Monguiral, acting as Agents,

defendant,

ACTION brought against the decision of the Second Board of Appeal of OHIM of 19 May 2003 (Case R 659/2002-2) concerning an application for registration as a Community trade mark of the word mark CELLTECH,

\* Language of the case: English.

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

composed of M. Jaeger, President, V. Tiili and O. Czúcz, Judges,  
Registrar: C. Kristensen, Administrator,

having regard to the application lodged at the Court Registry on 18 July 2003,

having regard to the response lodged at the Court Registry on 28 November 2003,

further to the hearing on 12 January 2005,

gives the following

## **Judgment**

### **Background**

- 1 On 30 June 2000, the applicant, formerly Celltech Chiroscience Ltd, filed an application for a Community trade mark at the Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM), pursuant to Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark (OJ 1994 L 11, p. 1), as amended.

- 2 The mark for which registration was sought is the word mark CELLTECH.
- 3 The goods and services for which registration was sought fall within Classes 5, 10 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, and correspond for each of those classes to the following description:
- ‘Pharmaceutical, veterinary and sanitary preparations, compounds and substances’, falling within class 5;
  
  - ‘Surgical, medical, dental and veterinary apparatus and instruments’, falling within class 10;
  
  - ‘Research and development services; consultancy services; all relating to the biological, medical and chemical sciences’, falling within class 42.
- 4 By decision of 4 June 2002, the examiner rejected the application for registration, basing the rejection on Article 7(1)(b) and (c) of Regulation No 40/94. He took the view that the sign at issue consisted of the grammatically correct combination of the two terms ‘cell’ and ‘tech’ (an abbreviation of ‘technical’ or ‘technology’). As a consequence, he found that the mark applied for could not serve as an indicator of origin for the goods and services in respect of which registration was sought, because all of them fell within the field of cell technology.

- 5 On 2 August 2002, the applicant brought an appeal at OHIM against the examiner's decision, under Articles 57 to 62 of Regulation No 40/94.
- 6 By decision of 19 May 2003 ('the contested decision'), the Second Board of Appeal of OHIM dismissed the appeal on the ground that Article 7(1)(b) of Regulation No 40/94 was a bar to registration of the word mark CELLTECH, since the latter was such as to be immediately and unambiguously perceived as a term designating activities in the field of cell technology and products, apparatus and equipment used in connection with, or resulting from, those activities. The Board of Appeal stated that the mark CELLTECH, which consisted of the combination of the English word 'cell' and the English abbreviation 'tech', each of which lacked any distinctive character individually, was nothing more than the sum of those two parts. Accordingly, the Board of Appeal found that the connection between the goods and services to which the application for registration related and the trade mark was not sufficiently indirect to endow the mark with the minimum level of inherent distinctiveness required under Article 7(1)(b) of Regulation No 40/94.

### **Forms of order sought**

- 7 The applicant claims that the Court should:

- principally, annul the contested decision;
  
- in the alternative, annul the contested decision in so far as it concerns products falling within class 5 or within classes 5 and 10;

— order OHIM to pay the costs.

8 OHIM contends that the Court should:

— dismiss the application;

— order the applicant to pay the costs.

## Law

### *Arguments of the parties*

9 The applicant raises a single plea in law alleging infringement of Article 7(1)(b) of Regulation No 40/94.

10 The applicant submits that the Board of Appeal was wrong in its assessment both of the mark claimed as a whole and in its assessment of the individual elements of which the mark consists.

11 In the first place, in the ordinary language of trade, the sign CELLTECH is not apt to describe the goods and services referred to in the application for registration. The term taken as a whole does not consist merely of the juxtaposition of two terms each

of which is directly descriptive of the goods or services concerned. The last syllable of 'celltech' is not a word but an abbreviation and its first syllable is not an adjective. In the second place, the term 'celltech' is more than just the sum of the verbal elements of which it is composed. In the third place, the applicant submitted at the hearing, referring to the judgment of the Court of Justice of 16 September 2004 in Case C-329/02 P *SAT.1 v OHIM* [2004] ECR I-8317 ('the *SAT.1* judgment'), that 'CELLTECH' will be perceived as a stand-alone word, individually identifiable, which, taken as a whole, will allow the consumer to identify the undertaking in question and its goods or services. Consequently, the sign concerned is sufficiently inventive to satisfy the requirement for a minimum level of distinctiveness.

- 12 In the alternative, the applicant complains that OHIM failed to analyse sufficiently the goods or services in respect of which registration was sought. In that regard, it points out that the goods for which registration is sought are, so far as classes 5 and 10 are concerned, pharmaceuticals. There is no type of pharmaceutical product which is, or could be, described by anyone, whether a specialist or not, as a 'celltech pharmaceutical' or in respect of which the term 'celltech' would be an indication of anything.
- 13 OHIM recalls that to be distinctive a sign must serve principally to identify and distinguish the seller, and not merely to inform consumers about the goods and services concerned. Therefore, signs which merely inform potential buyers about an alleged quality of the goods or their ability to perform a particular function are devoid of distinctiveness.
- 14 OHIM contends that, in the present case, the relevant public will consist of a mixture of professionals (goods and services in classes 5, 10 and 42) with a high level of attention and of non-specialist consumers (goods in class 5 except compounds and substances) who are reasonably well informed and reasonably observant and circumspect and who are familiar with English.

- 15 In OHIM's submission, the sign CELLTECH is the result of merely putting two words together, both of which exist in the English lexicon. 'Cell' is defined, in the sphere of biology, as follows:

'[T]he smallest unit of an organism that is able to function independently. It consists of a nucleus, containing the genetic material, surrounded by the cytoplasm in which are mitochondria, lysosomes, ribosomes, and other organelles. All cells are bounded by a cell membrane; plant cells have an outer cell wall in addition.'

- 16 Moreover, 'tech' is the commonly-used abbreviation of 'technical' or 'technology'.

- 17 In OHIM's submission, 'cell' and 'tech' are words in common use in the medical and pharmaceutical fields concerned by the goods and services for which registration is sought and their individual meaning is unambiguous when they are used in relation to those goods and services. The terms provide information about the intended purpose and the nature of the goods and services concerned, i.e. about their application to cell technology or the fact that they result from it. The fact that the words may have — individually — other meanings, in other contexts, is irrelevant.

- 18 OHIM contends that there is nothing unusual about the combination of two words which are frequently used together to describe goods in classes 5 and 10 and services in class 42, all related to the medical and pharmaceutical fields. The sign CELLTECH consists of a syntactically usual juxtaposition of two English words and does not present any perceptible difference from a lexically correct construction, namely 'cell technology'. Moreover, the fact that the words 'cell' and 'tech' do not appear in combination in the dictionary is not proof that the combination is inventive, unusual or fanciful.

*Findings of the Court*

- 19 Under Article 7(1) of Regulation No 40/94, trade marks are not to be registered if they are devoid of distinctive character (subparagraph (b)) or if they consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin, time of production of the goods or of rendering of the service, or other characteristics of the goods or service (subparagraph (c)) (Case C-383/99 P *Procter & Gamble v OHIM* [2001] ECR I-6251, paragraph 35).
- 20 It is clear from the case-law that the essential function of a trade mark is to guarantee the identity of the origin of the product or service designated by the trade mark to the consumer or end-user by enabling him, without any possibility of confusion, to distinguish the product or service from others which have another origin (see, in particular, Case 102/77 *Hoffmann-La Roche* [1978] ECR 1139, paragraph 7, and Case C-299/99 *Philips* [2002] ECR I-5475, paragraph 30).
- 21 In that regard, it must be borne in mind that each of the grounds for refusal to register listed in Article 7(1) of Regulation No 40/94 is independent of the others and calls for separate examination. Furthermore, the various grounds for refusal must be interpreted in the light of the public interest underlying each of them. The public interest taken into account in the examination of each of those grounds for refusal may, indeed must, reflect different considerations, depending upon which ground for refusal is at issue (Joined Cases C-456/01 P and C-457/01 P *Henkel v OHIM* [2004] ECR I-5089, paragraphs 45 and 46, and the *SAT.1* judgment, paragraph 25).
- 22 However, there is a clear overlap between the scope of the grounds for refusal set out in subparagraphs (b) to (d) of Article 7 (Case C-265/00 *Campina Melkunie* [2004] ECR I-1659, paragraph 18, and Case C-363/99 *Koninklijke KPN Nederland* [2004]

ECR I-1619, paragraph 67, and Case T-289/02 *Telepharmacy Solutions v OHIM — (TELEPHARMACY SOLUTIONS)* [2004] ECR II-2851, paragraph 23).

- 23 In particular, it is clear from the case-law of the Court of Justice and the Court of First Instance that a word mark which is descriptive of characteristics of goods or services for the purposes of Article 7(1)(c) of Regulation No 40/94 is, on that account, necessarily devoid of any distinctive character with regard to the same goods or services for the purposes of Article 7(1)(b) of the regulation (*Campina Melkunie*, cited above, paragraph 19; *Koninklijke KPN Nederland*, cited above, paragraph 86, and *TELEPHARMACY SOLUTIONS*, cited above, paragraph 24).
- 24 In order to establish that a trade mark which is not prevented from registration on account of the ground of refusal laid down in Article 7(1)(c) of the regulation is none the less devoid of any distinctive character within the meaning of Article 7(1)(b) thereof, OHIM must set out the reasons why it considers that that trade mark is devoid of distinctive character (the *SAT.1* judgment, paragraph 42).
- 25 It is clear from the contested decision (paragraphs 10 to 12) that the Board of Appeal dismissed the appeal on the ground that Article 7(1)(b) of Regulation No 40/94 was a bar to registration of the word mark CELLTECH, the latter being such as to be immediately and unambiguously perceived as a term designating activities in the field of cell technology and products, apparatus and equipment used in connection with, or resulting from, such activities. The Board of Appeal stated that CELLTECH, which is the combination of the English word 'cell' and the English abbreviation 'tech', each of which lacks any distinctive character individually, was nothing more than the sum of those two component parts. According to the Board of Appeal, 'the order of the words corresponds to a correct syntactical use of the two words, i.e. "cell technology". This means that the term does no more than convey the literal meaning of the two separate words'. In the Board of Appeal's view, the consumers targeted will perceive the word mark CELLTECH as 'an indication of the type of

goods and services covered by the sign, rather than as an indicator of origin'. Consequently, the Board of Appeal held that the connection between the goods and services referred to in the application for registration and the trade mark was not sufficiently indirect to endow the mark with the minimum level of inherent distinctiveness required under Article 7(1)(b) of Regulation No 40/94.

26 Hence the Board of Appeal found, in essence, that the sign CELLTECH was not distinctive within the meaning of Article 7(1)(b) of Regulation No 40/94 on the ground that it would be perceived by the relevant public as descriptive of the type of goods and services concerned.

27 It is therefore appropriate to consider first whether the Board of Appeal established that the word mark for which registration was sought was descriptive of the goods and services claimed. If that were to be the case, the contested decision would have to be upheld on account of the case-law referred to in paragraph 23 above, by virtue of which any descriptive sign is necessarily devoid of distinctiveness. If, however, the sign at issue is not descriptive of the goods and services to which the application for registration relates, it will be necessary, following the *SAT.1* judgment, to ascertain whether the Board of Appeal put forward other arguments in order to conclude that the sign applied for was devoid of distinctiveness.

28 By virtue of the case-law, both the distinctiveness (Case C-64/02 P *OHIM v Erpo Möbelwerk* [2004] ECR I-10031, paragraph 43, and Case T-355/00 *DaimlerChrysler v OHIM (TELE AID)* [2002] ECR II-1939, paragraph 51) and the descriptiveness (Case T-356/00 *DaimlerChrysler v OHIM (CARCARD)* [2002] ECR II-1963, paragraph 25) of a sign must be assessed, first, in relation to the goods or services in respect of which registration is applied for and, second, in relation to the perception which the relevant public has of it.

29 In that regard, it must be stated at the outset that the goods and services covered by the trade-mark application are within the pharmaceutical field.

30 Consequently, as OHIM rightly pointed out, the Board of Appeal was correct in finding that the public targeted consisted not only of specialist consumers from the medical field but also of average consumers; that is not disputed by the applicant.

31 Furthermore, under Article 7(2) of Regulation No 40/94, the targeted public in relation to which the absolute ground of refusal must be assessed is not only the average English-speaking consumer, the sign in question being made up of English-language components, but also specialists as a whole from the medical field, who are knowledgeable about scientific terms in their sphere of activity, regardless of their mother tongue.

32 It must also be stated that CELLTECH is composed of two English-language nouns, the second of which takes the form of an abbreviation. It is undisputed that the component 'cell' refers, in biology, to the smallest unit of an organism that is able to function independently. Similarly, the component 'tech' is the usual abbreviation for the word 'technology' and thus, as an abbreviation, does not depart from the lexical rules of the English language (see, to that effect, the *SAT.1* judgment, paragraph 31).

33 Therefore, it must be held that at least one meaning of the word mark CELLTECH is 'cell technology'.

- 34 As to the nature of the relationship between the word mark CELLTECH and the products and services concerned, the Board of Appeal held, at paragraph 12 of the contested decision, that the term designated activities in the field of cell technology and products, apparatus and equipment used in connection with, or resulting from, such activities.
- 35 Thus, it is necessary to consider whether the Board of Appeal established that the word mark CELLTECH, taken to mean ‘cell technology’, was descriptive of the goods and services concerned, which are in the pharmaceutical field.
- 36 In that regard, it must be noted that neither the Board of Appeal nor OHIM has given an explanation of the meaning in scientific terms of cell technology. OHIM merely produced as an annex to its response an extract from the *Collins English Dictionary* showing the definitions of the terms ‘cell’ and ‘tech’.
- 37 Neither the Board of Appeal nor OHIM explained in what way those terms give any information about the intended purpose and nature of the goods and services referred to in the application for registration, in particular about the way in which those goods and services would be applied to cell technology or how they would result from it.
- 38 Admittedly, it is the case that the goods and services to which the application for registration relates are in general terms pharmaceutical goods and services and, on that account, have a connection with bodies which are composed of cells. However, the Board of Appeal did not show that the relevant public would immediately and without further reflection make a definite and direct association between the pharmaceutical goods and services claimed and the meaning of the word mark CELLTECH (see, to that effect, Case T-359/99 *DKV v OHIM (EuroHealth)* [2001] ECR II-1645, paragraph 35).

39 Furthermore, even supposing that the goods and services concerned may be used for functional purposes involving cell technology, that fact would not be sufficient for a finding that the word mark CELLTECH may serve to designate their intended purpose. Such use of them constitutes at most one of many possible areas of use, but not their technical function (*CARCARD*, cited above, paragraph 40).

40 It follows from the foregoing considerations that the Board of Appeal did not establish that the term 'celltech', even taken as meaning cell technology, is such as to be immediately and unambiguously perceived as designating activities in the field of cell technology and products, apparatus and equipment used in connection with or resulting from such activities. Nor did it establish that the public targeted will view it purely as an indication of the type of goods and services designated by the sign.

41 Consequently, the Court must hold that the Board of Appeal did not demonstrate that the word mark CELLTECH was descriptive of the goods and services in respect of which registration was sought.

42 It is therefore necessary to consider whether, in the contested decision, the Board of Appeal put forward other arguments showing that the word mark at issue was devoid of any distinctive character.

43 It must be borne in mind on this point that whether a trade mark comprising words is distinctive may be assessed, in part, in relation to each of its terms or elements, taken separately, but must, in any event, depend on an appraisal of the whole which they comprise. The mere fact that each of those elements, considered separately, is devoid of distinctive character does not mean that their combination cannot present a distinctive character (see, to that effect, the *SAT.1* judgment, paragraph 28).

- 44 The Board of Appeal did not establish that the sign concerned, taken as a whole, would not allow the public targeted to distinguish the applicant's goods and services from those having a different commercial origin.
- 45 In the light of all of the foregoing, the Court must hold that the Board of Appeal did not establish that the trade mark claimed was prevented from registration on account of the ground for refusal set out in Article 7(1)(c) of Regulation No 40/94. Since the Board of Appeal did not set out any other grounds for a finding that the mark was none the less devoid of any distinctive character for the purposes of Article 7(1)(b), it was wrong in holding that the word mark CELLTECH was devoid of any distinctive character within the meaning of Article 7(1)(b) of Regulation No 40/94.
- 46 It follows that the action must be upheld.

## **Costs**

- 47 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 defendant has been unsuccessful, it must be ordered to pay the costs, in accordance with the form of order sought by the applicant.

On those grounds,

THE COURT OF FIRST INSTANCE (Third Chamber)

hereby:

- 1. Annuls the decision of the Second Board of Appeal of the Office for Harmonisation in the Internal Market (Trade Marks and Designs) of 19 May 2003 (Case R 659/2002-2);**
- 2. Orders the defendant to pay the costs.**

Jaeger

Tiili

Czúcz

Delivered in opened court in Luxembourg on 14 April 2005.

H. Jung

Registrar

M. Jaeger

President