

JUDGMENT OF THE COURT OF FIRST INSTANCE (Fourth Chamber)

26 October 2000 *

In Case T-345/99,

Harbinger Corporation, established in Atlanta, Georgia (United States of America), represented by R. Collin, M.-C. Mitchell and E. Logeais, of the Paris Bar, with an address for service in Luxembourg at the Chambers of Decker and Braun, 16 Avenue Marie-Thérèse,

applicant,

v

Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM), represented by J. Miranda de Sousa, Head of the Coordination Service in the Legal Department, and A. Di Carlo, of the same department, acting as Agents, with an address for service in Luxembourg at the office of C. Gómez de la Cruz, of the Legal Service of the Commission, Wagner Centre, Kirchberg,

defendant,

* Language of the case: English.

APPLICATION for annulment of the decision of 17 September 1999 of the Third Board of Appeal of the Office for Harmonisation in the Internal Market (Trade Marks and Designs) (Case R 163/1998-3) refusing the registration of the term TRUSTEDLINK as a Community trade mark,

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

composed of: V. Tiili, President, R.M. Moura Ramos and P. Mengozzi, Judges,

Registrar: G. Herzig, Administrator,

having regard to the application lodged at the Registry of the Court on 2 December 1999,

having regard to the response lodged at the Registry of the Court on 25 February 2000,

further to the hearing on 4 May 2000,

gives the following

Judgment

Background to the dispute

- 1 On 29 March 1996, the applicant filed an application for a Community trade mark at the Office for Harmonisation in the Internal Market (Trade Marks and Designs) (hereinafter 'the Office').

- 2 The sign in respect of which the application was made is the term TRUST-EDLINK.

- 3 In the terms of the application filed by the applicant on 29 March 1996, the goods and services in respect of which registration was sought came under the following classes within the meaning 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:

'Class 9: Computer software for electronic commerce including electronic document, financial electronic document, file, and transaction interchanges; e-forms and e-mail communication software; network and internet tools; network, internet and database access programs, internet and network application programs; and internet and network agent programs;

Class 35: Business consulting services for using electronic commerce technologies and services; technical consulting services for electronic commerce technologies and services (help in the working or management of the business affairs or commercial functions of an industrial or commercial enterprise);

Class 38: Software integration services for integrating corporate application systems with electronic commerce technologies and services; communication services for communicating electronic documents, financial electronic documents, files and transaction messages in electronic documents, financial electronic documents, files and transaction messages in electronic commerce;

Class 41: Education services for electronic commerce technologies and services;

Class 42: Services for assisting organisations in deploying, expanding or managing electronic commerce technologies and services; technical consulting services for electronic commerce technologies and services, not as direct aid in the operations or functions of a commercial undertaking; computer programming; computer programming for software integration for integrating corporate application systems with electronic commerce technologies and services.⁴

⁴ By decision of 18 August 1998, the examiner refused the application under Article 38 of Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark (OJ 1994 L 11, p. 1), as amended, on the ground that the sign TRUSTEDLINK was devoid of any distinctive character.

- 5 On 8 October 1998, the applicant filed at the Office an appeal against the
examiner's decision, under Article 59 of Regulation No 40/94.
- 6 The appeal was submitted to the examiner for interlocutory revision under
Article 60 of Regulation No 40/94.
- 7 On 6 November 1998, the appeal was remitted to the Third Board of Appeal.
- 8 The appeal was dismissed by decision of 17 September 1999 (hereinafter 'the
contested decision') on the ground that the term TRUSTEDLINK is devoid of any
distinctive character in relation to the goods and services concerned.

Forms of order sought by the parties

- 9 The applicant claims that the Court should:

- reverse or annul the contested decision;

- order that the application for a Community trade mark be referred back to
the Office to be published in accordance with Article 40 of Regulation
No 40/94;

- in the alternative, hold that the term TRUSTEDLINK is in conformity with Article 7 of Regulation No 40/94 in respect of the following goods and services:
 - business ‘consulting’ services;
 - technical ‘consulting’ services;
 - education services;
 - computer programming;
- in that case, after reversing the contested decision, order that the application for a Community trade mark be referred back to the Office to be published in accordance with Article 40 of Regulation No 40/94 in respect of those goods and services;
- order the Office to pay the costs.

10 The Office contends that the Court should:

- dismiss the application;

— order the applicant to pay the costs.

- 11 In the course of the hearing, the applicant withdrew the heads of claim which had been put forward both principally and in the alternative that the application for a Community trade mark be referred back to the Office to be published in accordance with Article 40 of Regulation No 40/94, and the Court took formal note of that withdrawal.

Law

- 12 In support of its claims, the applicant relies on two pleas in law alleging, first, infringement of Article 7(1)(b) of Regulation No 40/94 and, second, breach of the obligation to give a proper statement of reasons.

The plea alleging infringement of Article 7(1)(b) of Regulation No 40/94

Arguments of the parties

- 13 The applicant claims that the Board of Appeal erred in law in concluding that the term TRUSTEDLINK is not capable of distinguishing the applicant's goods and services from those of other undertakings.

- 14 According to the applicant, the various absolute grounds for refusal provided for in Article 7(1)(b), (c) and (d) of Regulation No 40/94 must be interpreted in conjunction with each other, so that it is clear that a trade mark is distinctive if it is neither usual nor descriptive. The applicant claims that a sign is usual or generic when it is made up of a word imposed by the nature or use of the goods or by the rules and customs of a language. A sign is descriptive when it describes the immediate and direct purpose of the goods or service to which it applies. In addition, a sign is not exclusively descriptive if it is made up of descriptive and fanciful terms. Consequently, for an absolute ground for refusal to be applied, the sign must be made up exclusively of descriptive or usual terms.
- 15 Furthermore, distinctiveness can be appreciated only with reference to the goods or services for which registration of the sign is requested.
- 16 As far as the word ‘trusted’ is concerned, the applicant claims that it is not commonly used in the field of the goods and services concerned and it does not refer to an essential quality of those goods and services, or to their purpose. The same applies to the word ‘link’, which is not a generic term in the field of information technology services.
- 17 According to the applicant, the fact that the term TRUSTEDLINK has been registered as a trade mark in the United States constitutes proof that the word ‘link’ is not in common use for the goods and services concerned.
- 18 The combination of the words ‘trusted’ and ‘link’ to designate the goods and services concerned is the result of a totally arbitrary choice because the word TRUSTEDLINK is not listed in any dictionary. Moreover, it is not made up exclusively of descriptive or usual words. Finally, that combination of words can

apply to a number of goods and services other than those in the field of information technology.

- 19 The applicant submits that the goods and services concerned are directed towards highly qualified consumers for whom a risk of confusion is less likely than for ordinary consumers.
- 20 The term TRUSTEDLINK brings to mind, at most, the guarantee offered to a company by the creation of an Internet site aiming to bring about commercial transactions without actually describing either the goods or services or their essential qualities.
- 21 At the hearing, the applicant again submitted that the Office's assessment of the distinctiveness of signs including the word 'link' is not consistent.
- 22 Finally, it maintained its alternative claim that the Court should hold that the term TRUSTEDLINK is in conformity with Article 7 of Regulation No 40/94 in respect of some of the goods and services concerned, in the event those specified in its application of 29 March 1996 as coming under Classes 35, 38, 41 and 42.
- 23 The Office disputes the applicant's argument that Article 7(1)(b) of Regulation No 40/94 does not have an autonomous sphere of application.
- 24 A sign which is devoid of any distinctive character, within the meaning of Article 7 cited above, cannot act as a trade mark, because the public would not

perceive it as such (unless the distinctive character has been acquired through the use which has been made of the mark). Such a sign cannot constitute a symbol linking the product or service to the undertaking which is responsible for its manufacture or distribution.

25 According to the Office, a sign is devoid of any distinctive character if it conveys only information about the qualities or performance of the goods or service in question. To be distinctive, a sign must serve more to distinguish the undertaking from its competitors than to inform the public about goods or services.

26 The Office contends that, for the vast majority of consumers, the word 'link' refers to the Internet and its principal network, the World Wide Web, because the former is a vast body of interconnected computers and terminals and the latter is made up of a body of graphical and multimedia pages connected together by hypertext links. The word 'link' is the only term available to designate that basic technical feature of that communication technology.

27 Furthermore, the word 'trusted' merely indicates a desirable feature of any connection in the field of telecommunications in general and that of electronic commerce in particular. Its addition does not in any way change the fact that the word 'link' is devoid of any distinctive character. Accordingly, the joining of the words 'trusted' and 'link' does not enable the applicant's goods and services to be distinguished from those of other undertakings.

28 As regards the fact that the term TRUSTEDLINK has been registered as a trade mark in the United States, the Office contends that registrations obtained in

countries outside the Community, but applying similar standards on absolute grounds for refusal and having the same language as the trade mark applied for, may be taken into account as evidence that absolute grounds for refusal may not exist. However, such registrations do not bind the Office.

- 29 The Office contends, finally, that the arguments set out above are applicable to the applicant's alternative claim.

Findings of the Court

- 30 The applicant claims that the various absolute grounds for refusal provided for in Article 7(1)(b), (c) and (d) of Regulation No 40/94 must be interpreted in conjunction with each other, so that it is clear that a trade mark is distinctive if it is neither descriptive (subparagraph (c)) nor customary (subparagraph (d)).

- 31 That argument cannot be accepted. As the Office rightly pointed out, each of the absolute grounds for refusal connected with lack of distinctiveness, descriptiveness and customary usage has its own sphere of application and they are neither interdependent nor mutually exclusive. As is clear from Article 7(1) of Regulation No 40/94, for a sign to be ineligible for registration as a Community trade mark, it is sufficient that one of the absolute grounds for refusal applies (see Case T-163/98 *Procter & Gamble v OHIM* ('Baby-Dry') [1999] ECR II-2383, paragraph 29; and Case T-19/99 *DKV Deutsche Krankenversicherung v OHIM*

(‘*Companyline*’) [2000] ECR II-1, paragraph 30). Even if those grounds are applicable separately, they may also be applied cumulatively.

- 32 Accordingly, it is necessary to determine whether the sign TRUSTEDLINK is devoid of any distinctive character within the meaning of Article 7(1)(b) of Regulation No 40/94 in relation to the goods or services for which registration of the sign has been requested.
- 33 In this respect, it should be pointed out that, under Article 4 of Regulation No 40/94, the decisive factor if a sign capable of being represented graphically is to be eligible for registration as a Community trade mark is its capacity to distinguish the goods and services of one undertaking from those of another (see *Baby-Dry*, paragraph 20).
- 34 The sign in question is made up exclusively of the words ‘trusted’ and ‘link’, both of which are customary in English-speaking countries within and outside the Community.
- 35 The word ‘link’ means that which connects. It has a particular meaning in the field of information technology in that it refers, in particular, to the links connecting the various data servers on the Internet. Since the Internet, and more particularly the World Wide Web, are merely a vast network of electronic data transmission based on links connecting various servers or leading to another page within the same document, the word ‘link’ must be regarded as generic in this context. Indeed, ‘link’ is one of the only terms available to designate the essential technical feature of that communication technology. Furthermore, that specific

meaning is clear even for non-English-speaking persons as well, obviously, as for specialists in the field of information technology.

36 The sign TRUSTEDLINK has, therefore, the meaning of a reliable link or a link which can be relied on. The joining of 'trusted' and 'link', whether written separately or as one word, thus merely describes the desired quality of a link, in this case reliability. Consequently, the sign in question is made up of two words, one of which is generic and merely designates an essential technical feature of electronic commerce and the second of which indicates the desired quality thereof.

37 Coupling them together without any graphic or semantic modification does not imbue them with any additional characteristic such as to render the sign, taken as a whole, capable of distinguishing the applicant's goods and services from those of other undertakings. Moreover, the fact that the term TRUSTEDLINK as such does not appear in dictionaries — whether as one word or otherwise — does not in any way alter that finding (*Companyline*, paragraph 26).

38 Consequently, the sign TRUSTEDLINK is devoid of any distinctive character.

39 The Court finds that the applicant's alternative claim that the term TRUSTEDLINK should be held to be in conformity with Article 7 of Regulation No 40/94 in respect of the goods and services specified in the application for registration as coming under Classes 35, 38, 41 and 42 must be dismissed for the same reasons as those set out above. The assessment of the absolute ground for

refusal based on lack of distinctiveness must be identical since all the goods and services in respect of which registration is sought concern electronic commerce.

40 As regards the applicant's claim that the Office has registered as a Community trade mark signs including the word 'link', it is sufficient to observe that the applicant has not shown that any signs or situations comparable to those of the present case are concerned. Furthermore, the Office has contended that those were figurative signs. Accordingly, that argument by the applicant cannot be accepted either.

41 As regards the applicant's assertion that the registration of the term TRUST-EDLINK as a trade mark in the United States constitutes proof of its distinctiveness, the terms of the Court's judgment in Case T-122/99 *Procter & Gamble v OHIM* (soap bar shape) [2000] ECR II-265, paragraphs 60 to 63, should be recalled. The Court stated in that decision that, according to the first recital in the preamble to Regulation No 40/94, the purpose of the Community trade mark is to enable 'the products and services of undertakings to be distinguished by identical means throughout the entire Community, regardless of frontiers' and that '[r]egistrations already made in the Member States are therefore a factor which may only be taken into consideration, without being given decisive weight, for the purposes of registering a Community trade mark'. It is clear from that judgment that a national registration does not bind the Office and it must therefore be concluded that the Board of Appeal did not err in law in taking the view that it is not bound by the registration in the United States.

42 It follows that the Board of Appeal rightly confirmed that, under Article 7(1)(b) of Regulation No 40/94, the term TRUSTEDLINK is not capable of being registered as a Community trade mark.

43 Accordingly, the first plea must be rejected.

The plea alleging breach of the obligation to give a proper statement of reasons

Arguments of the parties

- 44 The applicant alleges that the Board of Appeal infringed the obligation to give a proper statement of reasons in that that board failed, first, to give reasons for its analysis with regard to each class of goods and services for which protection was requested and, second, to indicate the Member States in which the objection based on lack of distinctiveness applies.
- 45 The Office contends that the Board of Appeal assessed the distinctiveness of the sign TRUSTEDLINK by taking account of all the classes of goods and services specified in the application for a Community trade mark.
- 46 Furthermore, the Office points out that Article 7(2) of Regulation No 40/94 states that '[p]aragraph 1 [of that article] shall apply notwithstanding that the grounds of non-registrability obtain in only part of the Community'.

Findings of the Court

- 47 First, it is clear from the decision of the Board of Appeal that the facts and legal considerations relied on by the Board to justify the lack of distinctiveness of the sign TRUSTEDLINK apply to all the classes of goods and services in respect of which registration was requested.

- 48 Second, it must be recalled that, under Article 7(2) of Regulation No 40/94, if the grounds of non-registrability obtain in one part of the Community that is sufficient for paragraph 1 of that article to apply. In this case, the contested decision is based on the fact that the term TRUSTEDLINK cannot be protected in the English-speaking linguistic area.
- 49 Consequently, the plea alleging breach of the obligation to give a proper statement of reasons must also be rejected.
- 50 It follows that the application must be dismissed as unfounded.

Costs

- 51 Under Article 87(2) of the Rules of Procedure, the unsuccessful party is to be ordered to pay the costs if they have been applied for in the successful party's pleadings. Since the applicant has been unsuccessful, it must be ordered to pay the costs, as applied for by the defendant.

On those grounds,

THE COURT OF FIRST INSTANCE (Fourth Chamber)

hereby:

1. Dismisses the application;
2. Orders the applicant to pay the costs.

Tiili

Moura Ramos

Mengozzi

Delivered in open court in Luxembourg on 26 October 2000.

H. Jung

Registrar

P. Mengozzi

President