

JUDGMENT OF THE COURT OF FIRST INSTANCE (Fourth Chamber)

5 October 2005 *

In Case T-423/04,

Bunker & BKR, SL, established in Almansa (Spain), represented by J. Astiz Suárez,
lawyer,

applicant,

v

Office for Harmonisation in the Internal Market (Trade Marks and Designs)
(OHIM), represented by J. García Murillo, acting as Agent,

defendant,

* Language of the case: Spanish.

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

Marine Stock Ltd, established in Tortola, British Virgin Islands (United Kingdom), represented by M. de Justo Bailey, lawyer,

ACTION brought against the decision of the Fourth Board of Appeal of OHIM of 30 June 2004 (Case R 0458/2002-4) concerning opposition proceedings between Bunker & BKR, SL and Marine Stock Ltd,

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

composed of H. Legal, President, P. Lindh and V. Vadapalas, Judges,

Registrar: J. Palacio González, Principal Administrator,

having regard to the application lodged at the Registry of the Court of First Instance on 8 October 2004,

having regard to the applicant's letter, lodged at the Registry of the Court of First Instance on 15 November 2004, in which it requests in particular that the defendant be ordered to pay the costs pursuant to Article 87(2) of the Rules of Procedure of the Court of First Instance,

having regard to the response lodged at the Registry of the Court of First Instance on 3 February 2005,

having regard to the response of the intervener lodged at the Registry of the Court of First Instance on 21 January 2005,

further to the hearing on 11 May 2005,

gives the following

Judgment

Background to the dispute

- ¹ On 16 October 1997, the applicant 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 trade mark in respect of which registration was sought is the figurative sign (hereinafter 'the sign') reproduced below:



- 3 The goods and services in respect of which registration was sought are in Classes 18, 25, and 39 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:

- Class 18: 'Leather and imitations of leather, and goods made of these materials and not included in other classes; animal skins, hides; trunks and travelling bags; umbrellas, parasols and walking sticks; whips, harness and saddlery';

- Class 25: 'Ready-made clothing for women, men and children; belts, footwear (except orthopaedic) and headgear';

— Class 39: ‘Transport; packaging and storage of ready-made clothing for women, men and children, belts, footwear (except orthopaedic), and headgear’.

- 4 The application was published in *Community Trade Marks Bulletin* No 66/98 of 31 August 1998.
- 5 On 30 November 1998, Jack Schwartz Shoes, Inc. (now Marine Stock Ltd, hereinafter ‘the intervener’) lodged an opposition against the registration of the sign as a trade mark.
- 6 The opposition was directed against the registration of the sign for all the goods and services covered by the application for registration and was based on earlier marks concerning some goods coming under Class 25, among them the Austrian word mark BK RODS.
- 7 In support of its opposition, the intervener relied on the relative grounds for refusal referred to in Article 8(1)(a) and (b) of Regulation No 40/94, as amended, and Article 8(4) and (5) of that regulation.
- 8 In its decision of 27 March 2002, the Opposition Division of OHIM allowed the opposition as regards the goods in Class 25, considering that there was a likelihood of confusion between the sign and the Austrian mark BK RODS, an overall comparison of the signs at issue indicating that they were similar at a visual and

aural level. It rejected the opposition as regards the goods and services in Classes 18 and 39.

- 9 On 24 May 2002, the applicant brought an appeal against that decision.
- 10 In its decision of 30 June 2004 (hereinafter ‘the contested decision’), the Board of Appeal dismissed the appeal and ordered the applicant to pay the costs. It considered that, having regard to the identical nature and similarity of the goods in Class 25 which were covered by the application for registration and by the intervener’s earlier mark and also to the existence of some degree of visual and aural similarity on the part of the signs at issue, there was a likelihood of confusion between the marks on the part of the Austrian public in terms of Article 8(1)(b) of Regulation No 40/94. As regards the applicant’s submission that the Opposition Division had compared the sign only with the Austrian mark, BK RODS, the Board of Appeal observed that, since there was a likelihood of confusion between those two marks, the Division was not required to examine the intervener’s other marks.

Forms of order sought by the parties

- 11 The applicant claims that the Court should:
- amend the contested decision with respect to the similarity of the signs and goods at issue, dismiss the opposition and grant the application for registration of the mark as regards all the goods for which registration is sought;

- alternatively, annul the contested decision so that the Opposition Division will carry out a proper comparison of the signs at issue taking into consideration the visual and aural differences between the verbal elements of the mark sought and the earlier mark as well as the unlikelihood of association on the part of consumers.

12 OHIM contends that the Court should:

- dismiss the application;
- order the applicant to pay the costs.

13 The intervener contends that the Court should:

- dismiss the application;
- uphold the contested decision and dismiss the application for registration of the applicant's mark in respect of the goods in Class 25;
- dismiss the application for registration of the applicant's mark in respect of the goods and services in Classes 18 and 39.

Law

On admissibility

Admissibility of the applicant's first head of claim in as far as it requests that its application for registration be granted

¹⁴ OHIM pleads the inadmissibility of the applicant's claim that the Court grant its application for registration.

¹⁵ In its first head of claim, the applicant requests that the Court, inter alia, order OHIM to grant its application for registration. However, under Article 63(6) of Regulation No 40/94, OHIM is required to take the measures necessary to comply with the judgment of the Community judicature. Accordingly, it is not for the Court of First Instance to issue directions to OHIM. It is for OHIM to draw the appropriate inferences from the operative part and the grounds of this judgment (Case T-163/98 *Procter & Gamble v OHIM (BABY-DRY)* [1999] ECR II-2383, paragraph 53; Case T-331/99 *Mitsubishi HiTec Paper Bielefeld v OHIM (Giroform)* [2001] ECR II-433, paragraph 33; Case T-34/00 *Eurocool Logistik v OHIM (EUROCOOL)* [2002] ECR II-683, paragraph 12; and Case T-388/00 *Institut für Lernsysteme v OHIM — Educational Services (ELS)* [2002] ECR II-4301, paragraph 19).

¹⁶ It follows that the applicant's first head of claim is inadmissible in as far as it seeks to require the Court of First Instance to direct OHIM to register the sign.

Admissibility of the intervener's third head of claim

- 17 In its submissions under Article 134(2) of the Rules of Procedure of the Court of First Instance, the intervener requests that the Court dismiss the applicant's application for registration of the goods and services in Classes 18 and 39. According to the intervener, there is, in essence, a likelihood of confusion between the conflicting signs as regards both the goods in Class 25 and the goods and services in Classes 18 and 39 in view of the close complementary connection between the goods in Class 25 and the services in Class 39 and the similarity of the goods in Classes 25 and 18.
- 18 At the hearing, the applicant and OHIM pleaded the inadmissibility of that head of claim on the ground that the issue of the correctness of the Opposition Division's assessment of the applicant's application for registration in respect of the goods and services in Classes 18 and 39 was not before the Board of Appeal.
- 19 Under Article 135(4) of the Rules of Procedure, pleadings lodged by parties at the Court of First Instance cannot alter the subject-matter of the proceedings before the Board of Appeal.
- 20 In the present case, the Opposition Division rejected the intervener's opposition regarding the goods and services in Classes 18 and 39 in its decision of 27 March 2002 and the intervener in no way disputed that assessment of the Opposition Division before the Board of Appeal.

- 21 Therefore, as the intervener is altering the subject-matter of the proceedings before the Board of Appeal with its third head of claim, it must be rejected as inadmissible (see, to that effect, Case T-24/00 *Sunrider v OHIM (VITALITE)* [2001] ECR II-449, paragraph 13).
- 22 It follows that the intervener's third head of claim must be rejected as inadmissible.

Substance

Arguments of the parties

- 23 In support of its application, the applicant is relying on a single plea in law, alleging infringement of Article 8(1)(b) of Regulation No 40/94.
- 24 The applicant refers to the principles identified by the Court of Justice and the Court of First Instance concerning the assessment of the likelihood of confusion (Case C-251/95 *SABEL* [1997] ECR I-6191, paragraph 22, and Case T-104/01 *Oberhauser v OHIM — Petit Liberto (Fifties)* [2002] ECR II-4359, paragraph 26).
- 25 As regards the average consumer, whose level of attention is likely to vary according to the category of goods or services in question (Case C-342/97 *Lloyd Schuhfabrik Meyer* [1999] ECR I-3819, paragraph 26), the applicant argues that, in the

circumstances of this case, as the earlier mark is Austrian, the relevant territory for the purposes of an analysis of the likelihood of confusion is Austria, whose citizens and, in particular, young people are familiar with English. Moreover, the young are very aware of signs identifying clothing or footwear.

²⁶ It points out that an overall assessment of the likelihood of confusion must, as regards the visual, aural or conceptual similarity of the marks at issue, be based on the overall impression created by them, bearing in mind, in particular, their distinctive and dominant elements (*SABEL*, paragraph 23, and *Lloyd Schuhfabrik Meyer*, paragraph 25). In the present case, the verbal component of the sign is not restricted to the element 'B.K.R.' as the terms 'boots & shoes' and 'made in Spain' appear clearly in the upper and lower parts of that sign. Moreover, all of those verbal elements are situated within a rhomboid which encompasses and individualises them. That rhomboid represents two interlinked lozenges with a black background which immediately attracts attention and makes the sign stand out visually.

²⁷ On the other hand, the intervener's mark offers two separate elements, namely the letters 'bk' and the term 'rods', the English meaning of which (namely 'stick' or 'bar') can be understood by Austrian consumers. Visually, the letters 'bk' form a unit specifying or supplementing the word 'rods', which is not present in the sign for which registration is sought.

²⁸ Therefore, the visual impression produced by the earlier word mark is totally different from that produced by the sign. Those differences are easily perceived by consumers and moreover the pronunciation of the two signs is different.

29 The applicant states that, in order to establish whether there is a likelihood of confusion or association between two marks, one must put oneself in the position in which consumers encounter them and analyse the information which they actually, immediately and subsequently perceive. The image retained by the memory is imperfect and it is possible that not all the constituent elements of a sign are memorised. In this case, the figurative aspect of the sign is most certainly prominent overall. Assuming that that mark were affixed to an article of clothing or a shoe, the consumer's attention would, first of all, be attracted to the lozenges and then to the letters inside them. On the other hand, as regards the earlier mark, the main verbal element is 'rods' which is more striking and original than two mere letters of the alphabet.

30 The presence of three letters common to the conflicting signs is not sufficient for the consumer to associate them. The term 'rods', associated with the letters 'b' and 'k', does not appear on the mark sought and the two signs at issue are not the same as far as their graphic representation is concerned. They are therefore visually different. The applicant adds that when distinctive character comes from the graphic representation of the mark, those which do not offer any additional elements are less distinctive and enjoy less protection. In such a situation, the differences between the signs constituting those marks acquire greater importance.

31 The applicant observes, concerning the conditions under which the goods at issue are marketed, that, as the visual perception of the conflicting signs usually occurs before the act of purchase, the visual aspect, in the present case, assumes more importance in the overall assessment of the likelihood of confusion. Consequently, as the signs at issue are visually and aurally distinct in the relevant territory, there is no likelihood of confusion between them, and that is so also in respect of goods in Class 25.

32 OHIM and the intervener note the principles identified by the Court of Justice and the Court of First Instance concerning the likelihood of confusion (*SABEL*, paragraphs 22 and 23; Case C-39/97 *Canon* [1998] ECR I-5507, paragraphs 16, 17 and 29; and *Lloyd Schuhfabrik Meyer*, paragraphs 17 to 19 and 25).

- 33 Firstly, as regards a comparison of the goods, OHIM and the intervener argue that the applicant does not dispute the assessment of the Opposition Division, which was restated by the Board of Appeal, that the goods covered by the earlier mark and those in Class 25 in respect of which it is applying for registration of its sign are identical in nature or very similar.
- 34 Secondly, as regards a comparison of the signs, OHIM observes that, for reasons of procedural economy, the Opposition Division and then the Board of Appeal compared the mark sought only to the earlier Austrian mark BK RODS and not to each of the national marks put forward by the intervener in its opposition. The relevant public is therefore the Austrian public buying clothing and footwear.
- 35 As regards the sign for which registration is sought, OHIM, supported by the intervener, maintains that visually the verbal element 'B.K.R.' is, by virtue of its size and position in the sign, the determining element which will hold the attention of the relevant public, the figurative element constituted by a geometrical figure often being used as a label in the sector at issue.
- 36 According to OHIM and the intervener, the combination of letters 'bkr' in the sign is also to be found at the beginning of the earlier mark in that the letter 'r' appears in third place as the first letter of the term 'rods'. Moreover, according to the intervener and OHIM, the letters 'bkr' are separated by full stops which causes the relevant public to think that it is an acronym abbreviating a longer sign.
- 37 According to OHIM and the intervener, the verbal elements 'boots & shoes' and 'made in Spain', by virtue of their size, play only a secondary role in the overall visual impression produced by the sign. Moreover, as those elements are descriptive and

cannot be registered separately, they are not perceived as the dominant elements of that sign. In that context, the intervener states that there are approximately 2 970 internet pages containing both those terms and that the applicant did not claim the exclusive possession of those terms in its application for registration.

38 As regards the rhomboid encompassing the dominant element of the mark sought, although it is an element to take into consideration in the overall visual impression of that mark, it does not have highly distinctive character because its shape is simple and frequently used.

39 Consequently, given the similarity between the dominant element of the sign and the earlier mark, OHIM and the intervener consider that there is a visual similarity between them.

40 Phonetically, according to OHIM and the intervener, the earlier mark is pronounced 'bay-ka-rods' and 'bay-ka-ayrods' in the relevant territory and the mark sought is pronounced 'bay-ka-air'. The other verbal elements of the mark sought are not, by virtue of their size and position, pronounced by the relevant public and in any event even if they were, they would not be relevant for the reasons stated in paragraph 38 above. The signs at issue thus have a trisyllabic structure, the first two syllables being common to both and the letter 'r' being determinative for the pronunciation of the last syllable. The intervener concludes from this that the conflicting signs are aurally very similar and OHIM considers that the Board of Appeal rightly held that the signs at issue were aurally similar.

41 Conceptually, according to OHIM, neither the earlier mark nor the dominant element in the mark sought has any meaning in the relevant territory. In contrast to

the applicant's allegation, the term 'rods' in the earlier mark is not part of the standard English vocabulary spontaneously recognised by Austrian consumers of the goods at issue. The verbal elements 'boots & shoes' and 'made in Spain' of the mark sought are, on the other hand, standard expressions in the sector concerned and are easily understood by Austrian consumers as describing the goods at issue and their geographic origin.

42 According to the intervener, the verbal element 'B.K.R.', which is common to the two conflicting signs, has no particular meaning for the average consumer and, therefore, the conceptual similarity of those signs must be considered to be very marked.

43 Thirdly, regarding assessment of the likelihood of confusion, OHIM again refers to the principles identified by the Community judicature (see paragraph 32 above) and in that respect notes that, since the consumer retains an imperfect image of the mark, its dominant element is of particular importance in the overall impression produced by the mark as against the other elements of which it is composed. In this respect, OHIM reiterates its arguments that the verbal element 'B.K.R.' is dominant within the sign for which registration is sought.

44 Moreover, for the purposes of an examination of the likelihood of confusion, it is necessary to bear in mind the consumer's level of attention, which varies according to the category of goods or services in question. In that regard, OHIM accepts, as regards the goods concerned, the dominating role played by the visual impression when the signs at issue are compared and stresses their visual similarity notwithstanding the presence of a figurative element in the sign sought.

- 45 OHIM also states that in the clothing sector the same mark may have different configurations depending on the type of goods to which it is affixed. It cannot therefore be excluded that the relevant public would, when it sees the verbal element 'B.K.R.', consider it to be the abbreviation of a longer sign like BK RODS and consider the sign for which registration is sought to be a sign applied to a special line of goods belonging to the proprietor of the earlier mark.
- 46 Moreover, although it may be accepted that the consumer pays more attention to the choice of mark when he buys a particularly expensive piece of clothing, it cannot be concluded from this that, as regards the sector concerned, the public displays particular attention in buying the goods concerned (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 43). Further, at the hearing OHIM argued that it could not be considered that the goods at issue were more specifically directed at a young public, as claimed by the applicant.
- 47 In the light of these factors and, having regard to the principle of interdependence, namely that a slight similarity between the signs may be offset by a high degree of identity or similarity between the goods, OHIM considers that the Board of Appeal committed no error which would warrant the annulment of the contested decision.
- 48 The intervener considers that the degree of similarity between the goods or services at issue is accompanied by a high degree of similarity between the signs at issue. When he visualises the goods or services designated by the conflicting signs, the average consumer's immediate understanding would be that they come from the same undertaking or from economically linked undertakings and he would assume that those undertakings initially decided to use the registered mark BK RODS and then its derivative 'B.K.R.'.

Findings of the Court

- 49 Under Article 8(1)(b) of Regulation No 40/94, upon opposition by the proprietor of an earlier trade mark, the trade mark applied for shall not be registered if because of its identity with or similarity to the earlier trade mark and the identity or similarity of the goods or services covered by the trade marks there exists a likelihood of confusion on the part of the public in the territory in which the earlier trade mark is protected. The likelihood of confusion includes the likelihood of association with the earlier trade mark.
- 50 Moreover, under Article 8(2)(a)(ii) of Regulation No 40/94, 'earlier trade marks' means trade marks registered in a Member State with a date of application for registration which is earlier than the date of application for registration of the Community trade mark.
- 51 According to settled case-law, the risk that the public might believe that the goods or services in question come from the same undertaking or, as the case may be, from economically linked undertakings, constitutes a likelihood of confusion.
- 52 As set out in the same case-law, the likelihood of confusion must be assessed globally, according to the perception that the relevant public has of the signs and the goods or services at issue, and taking into account all factors relevant to the circumstances of the case, in particular the interdependence of the similarity between the signs and the similarity between the goods or services covered (see Case T-162/01 *Laboratorios RTB v OHIM — Giorgio Beverly Hills (GIORGIO BEVERLY HILLS)* [2003] ECR II-2821, paragraphs 30 to 33, and the case-law cited, and Case T-112/03 *L'Oréal v OHIM — Revlon (FLEXI AIR)* [2005] ECR II-949, paragraph 57).

— The relevant public

53 It is common ground between the parties that the intervener's earlier word mark, BK RODS, which is the only one at issue in these proceedings, is registered in Austria, which therefore constitutes the relevant territory for the purpose of the application of Article 8(1)(b) of Regulation No 40/94.

54 The Court also finds, like the Board of Appeal, that as the goods in Class 25 are everyday consumer goods, the relevant public is the average consumer deemed to be reasonably well-informed and reasonably observant and circumspect (see, to that effect, *Fifties*, paragraph 29; Case T-292/01 *Phillips-Van Heusen v OHIM — Pash Textilvertrieb und Einzelhandel (BASS)* [2003] ECR II-4335, paragraph 43; and *NLSPORT, NLJEANS, NLACTIVE and NLCollection*, paragraph 25). In that regard, notwithstanding the applicant's claims, there is nothing to show that the goods at issue are specifically directed at a young public.

55 Accordingly, for the purpose of the overall assessment of the likelihood of confusion, it is necessary to take into account the view of the relevant public made up of average Austrian consumers.

— The similarity of the goods

56 As the parties have not disputed the Board of Appeal's finding that the goods designated by the conflicting marks are identical or very similar, it must be held that the goods at issue are identical or very similar.

— The similarity of the signs

- 57 According to settled case-law, the assessment of the likelihood of confusion, so far as concerns the visual, aural or conceptual similarity of the signs in question, must be based on the overall impression given by the marks, bearing in mind, inter alia, their distinctive and dominant components (*BASS*, paragraph 47, and the case-law cited, and Case T-33/03 *Osotspa v OHIM — Distribution & Marketing (Hai)* [2005] ECR II-763, paragraph 47). The consumer only rarely has the chance to make a direct comparison between the different marks but must trust the imperfect image of them that he has kept in his mind. In general it is the dominant and distinctive features of a sign which are most easily remembered. Therefore, the requirement for an assessment of the overall impression made by a mark does not exclude an examination of each of its components in order to determine its dominant elements (see Case T-185/03 *Fusco v OHIM — Fusco International (ENZO FUSCO)* [2005] ECR II-715, paragraph 46, and the case-law cited).
- 58 In the present case, at a visual level, the Board of Appeal, in the contested decision, considered that the dominant element of the sign was made up of the three letters 'bkr', the verbal elements 'boots', 'shoes' and 'made in Spain' being less important on account of their size. It was of the opinion that the dominant element of that sign took the first two letters of the earlier mark and added to them the letter 'r', the first letter of the word 'rods' in the earlier mark. Furthermore, the fact that the three letters of the sign are separated by full stops gives the impression that it is an abbreviation (paragraph 16 of the contested decision). From that, the Board of Appeal deduced that the conflicting signs were visually similar.
- 59 In that regard, OHIM rightly considered that, at a visual level, the dominant element of the mark sought was 'B.K.R.' by virtue of its size, its position in the sign and its being in bold. According to the case-law, whilst the average consumer normally perceives the mark as a whole and does not proceed to analyse its various details, it

is, in general, the dominant and distinctive features of a sign which are most easily remembered (see *NLSPORT*, *NLJEANS*, *NLACTIVE* and *NLCollection*, paragraph 39, and the case-law cited).

60 As regards the applicant's argument that the mark sought also contains the verbal elements 'boots', 'shoes' and 'made in Spain', it must be stated that those elements are, by virtue of their size and their position, visually less significant than the element 'B.K.R.'. Furthermore, as OHIM submits, those terms are descriptive of the goods at issue and their geographic origin. Those verbal elements thus occupy a subsidiary position in the sign and are, therefore, secondary in comparison with the dominant verbal element 'B.K.R.'.

61 As regards the figurative elements of the sign, namely two interlinked lozenges with a black background, it must be noted that the applicant did not dispute OHIM's assertion that that rhomboid shape is frequently used and is not therefore of an intrinsically distinctive nature. Those figurative elements are thus also secondary in comparison with the dominant element of the mark sought.

62 On the other hand, as regards a comparison of the dominant element of the sign, 'B. K.R.', and the earlier mark BK RODS, it must be held that the presence of three letters common to both of those signs is not such as to endow them with visual similarity.

- 63 First, whilst it is true that the letters 'b' and 'k' are common to both of the signs at issue and that their position at the beginning of the two signs affects the way they are perceived visually, the presence, in both signs, of the letter 'r' is not such as to make them similar. As admitted by OHIM at the hearing in answer to a question by the Court, it cannot be considered that the letter 'r' appearing in the verbal element 'rods' of the earlier mark is perceived by the relevant public as separate from the three other letters of that word ('ods'). The verbal element 'rods' must therefore be regarded as a whole and not as a word made up of different letters of which the letter 'r' is one. Therefore, OHIM incorrectly held that the two signs at issue had the letter combination 'bkr' in common at a visual level.
- 64 Furthermore, the verbal element 'rods' of the earlier mark will attract the consumer's attention more since, unlike the associated letters 'b' and 'k' which precede it, it forms a word.
- 65 Finally, while the dominant verbal element of the mark sought is a single entity, the earlier mark is made up of two elements, the verbal element 'rods' being longer than the element 'bk'. It cannot, in this respect, be denied that the different length of the signs at issue accentuates their dissimilarity.
- 66 Secondly, it cannot be considered, contrary to that which is alleged by OHIM, that the presence of a full stop after each of the letters making up the dominant element of the mark sought is a contributory factor rendering the two signs at issue similar at a visual level. Whilst it is true that the presence of those three full stops might induce the consumer of the goods at issue to regard the sign as an abbreviation, that sign could not be perceived as the abbreviation of BK RODS. In that situation, only the letter 'r' of the sign would be the first letter of the word 'rods' in the earlier mark, as the letters 'b' and 'k' of that sign cannot be the first letters of words making up the earlier mark.

67 Thirdly, in the visual assessment of the signs at issue as a whole, it must be pointed out that the mark sought is of a complex nature, being a composite sign, made up not only of dominant and secondary verbal elements (see paragraphs 59 and 60 above), but also of figurative elements (see paragraph 61 above). The presence of figurative elements in the mark sought, namely the framing in the shape of a lozenge and the special typography of the dominant verbal element 'B.K.R.', although secondary to the dominant element of that mark, tends to increase the dissimilarity between them when the conflicting signs are assessed visually as a whole. In that respect, given the presence of other elements in each of the conflicting signs, the fact that those two signs have the letters 'b' and 'k' in common has no decisive impact on a visual comparison.

68 It is apparent from the foregoing that, having regard to the incorrectness of the assessments in paragraph 16 of the contested decision, the Board of Appeal could not lawfully claim that the signs at issue, assessed overall, were visually similar.

69 At an aural level, the Board of Appeal considered that the earlier mark and the dominant element of the sign were similar, given the identical nature of the first three letters of those two signs (paragraph 17 of the contested decision). According to OHIM, the earlier mark is pronounced 'bay-ka-rods' in the relevant territory and according to the intervener, 'bay-ka-ayrods'. As for the sign for which registration is sought, the appropriate pronunciation is 'bay-ka-air' according to both parties.

70 In the present case, it is relevant to take into account the average Austrian consumer's pronunciation of the word 'rods', although this word is of English origin. It is difficult to establish with certainty how the average consumer will pronounce a word from a foreign language (Case T-57/03 *SPAG v OHIM — Dann and Backer*

(*HOOLIGAN*) [2005] ECR II-287, paragraph 58). Even if the word ‘rods’ were acknowledged to be foreign and its meaning were known to the average consumer, its pronunciation would not necessarily be that of the original language. Correct pronunciation in the original language not only presupposes a knowledge of that pronunciation but also an ability to pronounce the word at issue with the right accent. In this case, contrary to what is alleged by the applicant, the word ‘rods’, meaning ‘stick’ or ‘bar’, is technical in nature and this militates against the view that the average Austrian consumer necessarily knows its meaning.

71 The pronunciation of the earlier mark in the Austrian language, namely ‘bay-ka-rods’, must therefore be taken into account, ‘d’ being the letter stressed in the word ‘rods’.

72 In this respect, the claim by OHIM and the intervener that the two signs at issue are aurally similar, as their first three letters are the same, must be rejected. Only the letters ‘b’ and ‘k’, pronounced ‘bay’ and ‘ka’, are common to the two signs at issue. The letter ‘r’ in the mark sought, pronounced ‘air’, and the term ‘rods’, made up of two syllables and pronounced ‘rod-ds’, cannot be considered to be aurally similar. Therefore, OHIM is not justified in considering that the dominant element of the mark sought (‘B.K.R.’) is included, at an aural level, in the earlier mark.

73 It follows that, having regard to the incorrect nature of the assessment to be found in paragraph 17 of the contested decision, the Board of Appeal could not lawfully claim that there was an aural similarity between the two signs in conflict.

74 At a conceptual level, the Board of Appeal stated in paragraph 19 of the contested decision, and it has not been contested by the applicant, that there was no obvious conceptual similarity between the signs at issue.

75 Contrary to what is alleged by the intervener, as the dominant verbal element of the sign, namely 'B.K.R.', and BK RODS have no meaning for the relevant public in the clothing sector; a comparison of the conflicting signs at a conceptual level is irrelevant (see, to that effect, Case T-224/01 *Durferrit v OHIM — Kolene (NU-TRIDE)* [2003] ECR II-1589, paragraph 48, and Joined Cases T-183/02 and T-184/02 *El Corte Inglés v OHIM — González Cabello and Iberia Líneas Aéreas de España (MUNDICOR)* [2004] ECR II-965, paragraph 93).

— The likelihood of confusion

76 When making an overall assessment of the marks at issue, visual, aural and conceptual differences between the conflicting signs are sufficient, in spite of the identical nature of the goods designated, to preclude the resemblances between the conflicting signs from giving rise to a likelihood of confusion in the mind of the average consumer (Case T-35/03 *Aventis CropScience v OHIM — BASF (CARPO)*, not published in the ECR, paragraph 29).

77 In the present case, notwithstanding some resemblances between the signs at issue, all the factors noted in paragraphs 59 to 75 above must be taken into account when making an overall assessment of the likelihood of confusion. As the Board of Appeal incorrectly held that the signs at issue were visually and aurally similar, and as there

is no conceptual similarity between them, it cannot be held that there is an overall similarity between them. Accordingly, notwithstanding the identical nature of the goods at issue, there is no likelihood of confusion between the signs at issue.

78 The single plea in law, alleging infringement of Article 8(1)(b) of Regulation No 40/94 must therefore be upheld, it not being necessary also to examine the applicant's argument concerning the importance, when assessing the likelihood of confusion, of the visual similarity of the conflicting signs (see paragraph 30 above).

79 In its claims, the applicant primarily requests the amendment of the contested decision. Article 63(3) of Regulation No 40/94 does provide for the possibility of an amendment. However, that possibility is, in principle, restricted to situations in which the case has reached a stage permitting final judgment (Case T-334/01 *MFE Marienfelde v OHIM (HIPOVITON)* [2004] ECR II-2787, paragraph 63). That is not the case in this instance, since the Board of Appeal, in the course of its examination, took into account only one of the earlier marks relied on in support of the opposition and did not rule on all the provisions of Regulation No 40/94 which were relied on by the intervener.

80 Therefore the contested decision must be annulled.

Costs

- 81 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. Under the third subparagraph of Article 87(4) of the Rules of Procedure, the Court of First Instance may order an intervener to bear his own costs.
- 82 In the present case, OHIM and the intervener have been unsuccessful inasmuch as the contested decision must be annulled in accordance with the applicant's claim to that effect.
- 83 In its letter of 15 November 2004 to the Registry of the Court of First Instance, the applicant applied for an order that the defendant pay the costs.
- 84 As regards OHIM's plea of inadmissibility concerning that application, according to settled case-law, the fact that the successful party did not ask for costs until the hearing does not debar the Court from awarding them (Case 113/77 *NTN Toyo Bearing and Others v Council* [1979] ECR 1185, and the Opinion of Advocate General Warner delivered in that case, at 1212, especially at 1274; Case T-64/89 *Automec v Commission* [1990] ECR II-367, paragraph 79; and Case T-13/92 *Moat v Commission* [1993] ECR II-287, paragraph 50). The same is true a fortiori if the application for costs is made, as in the present case, in a letter sent in the course of the written procedure.

85 As OHIM has been unsuccessful in its claims, it must be ordered to pay the costs incurred by the applicant in addition to its own costs.

86 As the applicant did not apply for an order that the intervener pay the costs, it is to bear its own costs.

On those grounds,

THE COURT OF FIRST INSTANCE (Fourth Chamber)

hereby:

- 1. Annuls the decision of the Fourth Board of Appeal of the Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM) of 30 June 2004 (Case R 0458/2002-4);**
- 2. Orders OHIM to bear its own costs and to pay the costs incurred by the applicant;**

3. Orders the intervener to bear its own costs.

Legal

Lindh

Vadapalas

Delivered in open court in Luxembourg on 5 October 2005.

H. Jung

Registrar

H. Legal

President