

JUDGMENT OF THE COURT OF FIRST INSTANCE (Fourth Chamber)

14 June 2001 *

In Joined Cases T-357/99 and T-358/99,

Telefon & Buch VerlagsgmbH, established in Salzburg (Austria), represented by H.G. Zeiner and B. Heaman-Dunn, lawyers, with an address for service in Luxembourg,

applicant,

v

Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM), represented by S. Bonne, A. von Mühlendahl and E. Joly, acting as Agents, with an address for service in Luxembourg,

defendant,

APPLICATION for annulment of two decisions of the Third Board of Appeal of the Office for Harmonisation in the Internal Market (Trade Marks and Designs)

* Language of the case: German.

of 21 November 1999 in Cases R 351/1999-3 and R 352/1999-3 refusing registration of the words UNIVERSALTELEFONBUCH and UNIVERSAL-KOMMUNIKATIONSVERZEICHNIS as Community trade marks,

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

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

Registrar: J. Palacio González, Administrator,

having regard to the applications lodged at the Court Registry on 22 December 1999,

having regard to the responses lodged at the Court Registry on 24 March 2000,

having regard to the joinder of the present cases for the purposes of the oral procedure and of the judgment, in accordance with Article 50 of the Rules of Procedure of the Court of First Instance

and further to the hearing on 8 March 2001,

gives the following

Judgment

- 1 By letter of 28 January 1997, the applicant filed two applications for a Community trade mark at the Office for Harmonisation in the Internal Market (Trade Marks and Designs) (hereinafter 'the Office') under 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 words in respect of which trade mark registration was sought are UNIVERSALTELEFONBUCH and UNIVERSALKOMMUNIKATIONSVERZEICHNIS.

- 3 The goods and services covered by the two applications for registration referred to above fall within classes 9, 16, 41 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:

'Class 9: Scientific, nautical, surveying, electric, photographic, cinematographic, optical, weighing, measuring, signalling, checking (supervision), life-saving and teaching apparatus and instruments; apparatus for recording, transmission or reproduction of sound or images; magnetic data carriers and recorded memory media for data

processing installations and apparatus, in particular tapes, discs, CD-ROMs; sound recording discs; automatic vending machines and mechanisms for coin-operated apparatus; cash registers, calculating machines, data processing equipment and computers; fire-extinguishing apparatus.

Class 16: Paper, cardboard and goods made from these materials, not included in other classes; printed matter, reference works, classified directories; bookbinding material; photographs; stationery; adhesives for stationery or household purposes; artists' materials; paint brushes; typewriters and office requisites (except furniture); instructional and teaching material (except apparatus); plastic materials for packaging (not included in other classes); playing cards; printers' type; printing blocks.

Class 41: Publishing services, in particular the publication of texts, books, magazines, newspapers.

Class 42: Editing of written texts.'

⁴ By communications of 2 March 1998, the Office examiner informed the applicant that the words concerned appeared to him not to be registrable because they were merely descriptive, within the meaning of Article 7(1)(c) of Regulation No 40/94, and devoid of distinctive character within the meaning of Article 7(1)(b) of the same regulation, in respect of the following goods and services: 'recorded memory media for data processing installations and apparatus, in particular tapes, discs, CD-ROMs (class 9); printed matter, reference works (class 16); publishing services, in particular the publication of texts, books, magazines, newspapers (class 41); editing of written texts (class 42)'.

- 5 By decisions of 23 April 1999, the examiner refused the applications with regard to the goods and services mentioned in the preceding paragraph, under Article 38 of Council Regulation No 40/94, on the grounds indicated in his communications of 2 March 1998.
- 6 On 23 June 1999, the applicant filed an appeal at the Office under Article 59 of Regulation No 40/94 against each of the examiner's two decisions refusing its applications in part.
- 7 The appeals were dismissed by two decisions of the Third Board of Appeal of 21 October 1999 ('the contested decisions'), notified to the applicant on 26 October 1999.
- 8 Essentially, the Board of Appeal held that the words in issue were, as regards the goods and services concerned, descriptive in the German-speaking areas of the Community and devoid of distinctive character.

Forms of order sought by the parties

- 9 The applicant claims that the Court should:
 - amend the contested decisions to the effect that no ground of refusal under Article 7(1)(b) and (c) of Regulation No 40/94 precludes registration as Community trade marks of the words UNIVERSALTELEFONBUCH and UNIVERSALKOMMUNIKATIONSVERZEICHNIS;

— alternatively, annul the contested decisions;

— 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.

Law

11 In support of its action the applicant pleads infringement of Article 7(1)(b) and (c) of Regulation No 40/94. It is appropriate in this instance to consider first the alleged infringement of Article 7(1)(c) of that regulation.

Arguments of the parties

12 The applicant points to the wording of Article 7(1)(c) of Regulation No 40/94 and submits that the words in issue are registrable because they are not exclusively descriptive within the meaning of the article in question.

- 13 The applicant claims that the consumer must force himself to make a certain intellectual effort in order to transform the message contained in the disputed words into a rational indication, in view, in particular, of their length.

- 14 The applicant maintains that each of the two words in question are composed of a combination of words which constitute a new word, devoid of any obvious meaning. It maintains that, in view of the many possible interpretations of each of those words, their constitutive elements cannot confer on them an exclusively descriptive character.

- 15 Moreover, there is no requirement of availability in the present case, since no competitor has to use the word combinations UNIVERSALTELEFONBUCH and UNIVERSALKOMMUNIKATIONSVERZEICHNIS. Potential competitors will not be deprived of the right to use similar descriptive terms referring to the category or properties of their products and services in an original form, without having any need to use the words in issue in view of their length and their somewhat harsh sound.

- 16 The applicant also points out that the Office acknowledges that those words are neologisms. They cannot therefore be considered to be generic signs since, as neologisms, they are unknown to the consumer. Furthermore, according to the applicant, there is nothing to indicate that, in the future, the signs in issue will be used as descriptive indications.

- 17 The applicant concludes that the contested decisions are unfounded in law and that they are not in accordance with the Office's practice in its decisions.

- 18 The Office submits that the *ratio legis* of the ground of refusal under Article 7(1)(c) of Regulation No 40/94 is not the need to reserve certain terms for free competition. It contends that, through that provision, the legislature refused registration for signs which are exclusively descriptive because its intention was that such signs should, by their very nature, be regarded as incapable of distinguishing the goods of one undertaking from those of another.
- 19 The Office contends that the construction placed on Article 7(1)(c) of Regulation No 40/94 by the Board of Appeal is in accordance with both the spirit and the letter of that provision and that the principles governing the examination of the descriptive character of the words in issue were correctly applied.
- 20 The Office states that the term 'UNIVERSAL' means universal, vast and voluminous and that, in relation to the goods and services concerned, it defines and reinforces the words 'TELEFONBUCH' (telephone directory) and 'KOMMUNIKATIONSVERZEICHNIS' (communications directory), contained in each of the words in issue respectively. Moreover, the applicant does not, according to the Office, substantiate its argument that those words are open to various interpretations since it does not give any examples of possible meanings of those words other than those indicated by the Office.
- 21 The Office submits that the combinations of terms effected are not unusual or contrary to the rules of German grammar. Moreover, the alleged length and difficulties of pronunciation of the words in issue, invoked by the applicant, do not constitute a bar to understanding their sense immediately, since German-speaking consumers are used to words as long as those. The Office concludes that the words in issue were correctly analysed as being exclusively descriptive. Further, the Office disputes the claim made by the applicant that the contested decisions are not in accordance with its practice in its decisions.

Findings of the Court

- 22 Under Article 7(1)(c) of Regulation No 40/94, ‘trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin or the time of production of the goods or of rendering of the service, or other characteristics of the goods or service’ are not to be registered.
- 23 The signs mentioned in Article 7(1)(c) of Regulation No 40/94 are signs which exclusively define or indicate the goods or services in issue by reference to their nature, properties, qualities or their intended use and which are regarded as incapable of performing the essential function of a mark, namely that of identifying the origin of the goods or services, thus enabling the consumer who acquired them to repeat the experience, if it proves to be positive, or to avoid it, if it proves to be negative, on the occasion of a subsequent acquisition.
- 24 The absolute ground of refusal laid down in Article 7(1)(c) of Regulation No 40/94 must be assessed in relation to the goods or services in respect of which registration of the sign is applied for (see T-163/98 *Procter & Gamble v OHIM*, *BABY-DRY* [1999] ECR II-2383, paragraphs 20 and 21).
- 25 In the present case, it is necessary to examine the possibly descriptive character of the words UNIVERSALTELEFONBUCH and UNIVERSALKOMMUNIKATIONSVERZEICHNIS by reference to ‘recorded memory media for data processing installations and apparatus, in particular tapes, discs, CD-ROMs (class 9)’, to ‘printed matter, reference works (class 16)’, to ‘publishing services, in

particular the publication of texts, books, magazines, newspapers (class 41)', and to 'editing of written texts (class 42)'.

- 26 'Recorded memory media for data processing installations and apparatus, in particular tapes, discs, CD-ROMs' and 'printed matter, reference works' cover various types of goods suitable for containing, either on electronic media or on paper, telephone or communications directories. 'Publishing services, in particular the publication of texts, books, magazines, newspapers', and 'editing of written texts' concern the creation and drawing-up of the aforementioned goods and, in particular, of those goods on paper which fall within class 16 within the meaning of the Nice Agreement.
- 27 The words UNIVERSALTELEFONBUCH and UNIVERSALKOMMUNIKATIONSVERZEICHNIS mean, in German, universal telephone directory and universal communications directory, respectively. Those two words are constructed correctly, according to the rules of grammar of the German language, and made up of common German terms.
- 28 The combination of the words 'telefonbuch' and 'kommunikationsverzeichnis' may be regarded as descriptive of the goods and services in issue, since they describe the category of those goods and the intended use of those services. It must next be determined whether, by adding the adjective 'universal', the words in issue must be regarded as exclusively descriptive of telephone or communications directories intended for universal use or whether, in contrast, that adjective provides an additional element which renders inapplicable the ground of refusal laid down in Article 7(1)(c) of Regulation No 40/94.
- 29 As the Court of Justice held with regard to indications capable of designating the geographical origin of goods in its judgment in Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee* [1999] ECR I-2779, paragraphs 30 and 31, it

must be determined whether a descriptive sign is currently associated in the mind of the relevant class of persons with the category of goods concerned, or whether it is reasonable to assume that such an association may be established in the future.

- 30 Even if universal telephone or communications directories, containing worldwide data, are not currently available on the market, it is very likely that they will exist in the near future, either on paper or on electronic media. In any event, the words 'UNIVERSALTELEFONBUCH' and 'UNIVERSALKOMMUNIKATIONSVERZEICHNIS' may, even now, designate directories which cover or which claim to cover universally, that is to say exhaustively, either the whole of a territory (regional, national or supranational) or a whole sector (professional or social).
- 31 Thus, it follows from the foregoing that the words UNIVERSALTELEFONBUCH and UNIVERSALKOMMUNIKATIONSVERZEICHNIS enable members of the public concerned, in the present case the average German-speaking consumer who is reasonably well informed and reasonably observant and circumspect, to establish immediately and without further reflection a concrete and direct association with the goods and services covered by the applications for registration of the disputed trade marks. Furthermore, the fact that those words are neologisms in no way affects that assessment.
- 32 As for the applicant's claim that the contested decisions are not in accordance with the Office's practice in its decisions, it is sufficient to observe that the applicant has not demonstrated that the practice to which it refers concerned signs or situations comparable to those of the present case.
- 33 It follows from all the foregoing that the Board of Appeal rightly found that the words UNIVERSALTELEFONBUCH and UNIVERSALKOMMUNIKATIONSVERZEICHNIS, in the German-speaking areas of the Community, were purely

descriptive in nature with regard to the goods and services in respect of which the registration was refused under Article 7(1)(c) and (2) of Regulation No 40/94.

34 Accordingly, the applications seeking the amendment or, in the alternative, the annulment of the contested decisions must be dismissed pursuant to Article 7(1)(c) of Regulation No 40/94.

35 It must be borne in mind that it is clear from Article 7(1) of Regulation No 40/94, that it is sufficient for one of the absolute grounds for refusal to apply for the sign to be ineligible for registration as a Community trade mark (*BABY-DRY*, cited above, paragraph 29). Since the Court has held above that the ground for refusal laid down in Article 7(1)(c) of Regulation No 40/94 was to be applied in the present case, there is no need to rule on the plea in law alleging infringement of Article 7(1)(b) of the same regulation.

36 It must be concluded, in the light of all the foregoing considerations, that the two applications must be dismissed.

Costs

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

On those grounds,

THE COURT OF FIRST INSTANCE (Fourth Chamber),

hereby:

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

Mengozzi

Tiili

Moura Ramos

Delivered in open court in Luxembourg on 14 June 2001.

H. Jung

Registrar

P. Mengozzi

President