

JUDGMENT OF THE COURT OF FIRST INSTANCE (Second Chamber)
5 June 2002 *

In Case T-198/00,

Hershey Foods Corporation, established in Hershey, Pennsylvania (United States), represented by R. Wyand, lawyer, with an address for service in Luxembourg,

applicant,

v

Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM), represented by A. von Mühlendahl, J. Miranda de Sousa and A. Di Carlo, acting as Agents,

defendant,

ACTION brought against the decision of the Third Board of Appeal of the Office for Harmonisation in the Internal Market (Trade Marks and Designs) of 29 May 2000 (Case R 391/1999-3),

* Language of the case: English.

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

composed of: R.M. Moura Ramos, President, J. Pirrung and A.W.H. Meij,
Judges,

Registrar: J. Plingers, Administrator,

having regard to the application lodged at the Registry of the Court on 28 July
2000,

having regard to the response lodged at the Registry of the Court on
13 November 2000,

further to the hearing on 9 January 2002,

gives the following

Judgment

Background to the dispute

- ¹ On 24 December 1997, 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’) 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 figurative mark for which registration was sought is as follows:



3 The products in respect of which registration was sought come within Classes 5 and 30 of the Nice Agreement concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, as revised and amended.

4 By letter of 21 January 1999, the examiner informed the applicant that the trade mark did not appear to be eligible for registration because it was devoid of any distinctive character within the meaning of Article 7(1)(b) of Regulation No 40/94 in respect of the products in Class 30 of the Nice Agreement contemplated in the application for the mark.

- 5 By decision of 12 May 1999, the examiner refused the application in part, pursuant to Article 38 of Regulation No 40/94, in so far as it related to all the products in Class 30 of the Nice Agreement, on the grounds indicated in his letter of 21 January 1999.

- 6 On 12 July 1999, the applicant appealed to the Office under Article 59 of Regulation No 40/94 against the examiner's decision refusing in part the application for the mark in question.

- 7 By decision of 29 May 2000 (hereinafter 'the contested decision'), which was notified to the applicant on 31 May 2000, the Third Board of Appeal upheld in part the examiner's decision on the ground that the mark in question was devoid of distinctive character for the purposes of Article 7(1)(b) of Regulation No 40/94 for most of the products in Class 30 of the Nice Agreement in respect of which registration had been sought, and annulled the decision of the examiner in respect of certain other products in the same class.

- 8 In essence, the Board of Appeal found that the sign reproduced in the application represented the shape of a confectionery product wrapped in aluminium foil which the applicant described as a 'kiss device with plume'. The Board of Appeal concluded that such a sign would be perceived by consumers as common and usual for wrapping confectionery products of the kind in question in Class 30 (paragraph 19 of the contested decision). In addition, the application was remitted back to the examiner for further prosecution concerning evidence as to whether the trade mark had become distinctive under Article 7(3) of Regulation No 40/94 (paragraph 2 of the operative part of the contested decision).

Arguments of the parties

9 The applicant claims that the Court should:

- alter the decision of the Third Board of Appeal so as to annul the examiner's decision in refusing the claimed mark and direct that the claimed mark be registered for all the products applied for.

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 puts forward two pleas in law, the first alleging infringement of Article 73 of Regulation No 40/94 and the second infringement of Regulation No 40/94 for not giving sufficient weight to prior national registrations.

The plea alleging infringement of Article 73 of Regulation No 40/94

Arguments of the parties

- 12 The applicant submits that the contested decision infringes Article 73 of Regulation No 40/94 because it was based on reasons and evidence concerning the four following points, on which the applicant had no opportunity to present its comments.

- 13 First, the Third Board of Appeal considered important the words 'kiss device with plume', inserted in the space reserved for representation of a word mark in the application form for a Community trade mark, whereas the applicant had applied for the registration of a figurative mark. However, those words were inserted in the form by mistake and were not a description of the sign applied for. They should therefore be ignored. Had the matter been put to the applicant for its comments, this point would have been made clear.

- 14 The applicant submits, secondly, that it was given no opportunity to comment on the dictionary definitions of the word 'kiss' in *Webster's Ninth New Collegiate Dictionary* and *The New Shorter Oxford English Dictionary*, in particular as to the validity and relevance of those definitions to the present case.

- 15 Thirdly, the applicant considers that it was not given the opportunity to comment on the Board of Appeal's statement that the mark in question represented the form of a confectionery product commonly known as a 'kiss' (paragraph 13 of the contested decision). It submits that there is no confectionery product commonly known as such.

- 16 The applicant criticises, fourthly, the Board of Appeal's finding that the graphic mark would be perceived by the relevant public as a common and usual shape for confectionery wrapped in aluminium foil, as referred to in the Community trade mark application in question, under Class 30 of the Nice Agreement (paragraph 19 of the contested decision). In so far as that finding resulted from a misunderstanding of the dictionary definitions of the word 'kiss', the applicant had no opportunity to put forward its opinion. Finally, the applicant contends that it did not accept that the mark in question is in the shape of a 'kiss' wrapped in aluminium foil and that it was given no opportunity to comment on that matter, either.
- 17 The Office submits that the Third Board of Appeal did not infringe Article 73 of Regulation No 40/94, as it was under no obligation to give the applicant the opportunity to comment either on the relevance of the words 'kiss device with plume' or on the validity of the dictionary definitions for the word 'kiss'.
- 18 It contends that the sign in question is devoid of any distinctive character as it simply represents a drawing of a usual shape of confectionery wrapped in aluminium foil.

Findings of the Court

- 19 According to Article 73 of Regulation No 40/94, decisions of the Office are to be based only on reasons on which the parties concerned have had an opportunity to present their comments.

- 20 First, as regards the applicant's complaint that it did not have an opportunity to comment on the relevance of the words 'kiss device with plume', which it alleges it mistakenly inserted in the space reserved for representation of the word mark in the trade mark application form, the Court notes that the decision of the Board of Appeal is based on factors which were present in the trade mark application file and which were known to the applicant. When the file was examined, the Board of Appeal was entitled to use any of the items of information included in the application form, without first having to give the applicant the opportunity to comment on them. The Board of Appeal was under no obligation to invite the applicant to present its views on the words 'kiss device with plume' entered on the form by the applicant itself, since they did not appear to be an obvious error on the part of the trade mark applicant.
- 21 Accordingly, the Board of Appeal did not infringe Article 73 of Regulation No 40/94 when it took account of the words 'kiss device with plume' on the application form.
- 22 Secondly, the applicant submits that it should have been given the opportunity to comment on the definitions of the word 'kiss' in the dictionaries used by the Board of Appeal, in particular as to the validity and relevance of those definitions in the present case.
- 23 In that connection, the examiner, both in his letter of 21 January 1999 and the decision of 12 May 1999 refusing the application, considered that the mark was devoid of any distinctive character because it consisted of the ordinary representation of a 'kiss'. To ascertain whether that assessment was correct, the Board of Appeal had to examine the meaning of that word. Using the dictionaries, it found that it could mean the shape of certain products in respect of

which the trade mark was requested. This enabled it to confirm the assessment of the examiner, according to which the mark represented one of the usual shapes of such a product. In those circumstances, the reference to the dictionary definitions of the word 'kiss' forms a relevant part of the reasoning of the Board of Appeal.

24 In those circumstances, the use by the Board of Appeal of the dictionary definitions to shed light on the meaning of the term 'kiss' cannot be considered to be a reason, within the meaning of Article 73 of Regulation No 40/94, on which the applicant should have been given the opportunity to present its comments. Accordingly, the reference in the contested decision to the dictionary definitions of the term 'kiss' does not infringe that provision.

25 In any event, the Boards of Appeal must be able to base their decisions on arguments not presented before the examiner to the extent to which the party concerned has been able to comment on the matters affecting the application of the legal provision in question. As there is in principle a continuity of function between the examiner and the Boards of Appeal, the latter may re-examine the application without being limited by the examiner's reasoning (see, to this effect, Case T-122/99 *Procter & Gamble v OHIM* ('*Soap bar shape*') [2000] ECR II-265, paragraph 27).

26 Thirdly and lastly, the applicant argues that it did not have the opportunity to comment on the statements of the Board of Appeal to the effect that the mark in question represents the shape of confectionery commonly known as a 'kiss' and that that mark would be perceived by consumers as a common and usual shape for confectionery products wrapped in aluminium foil.

- 27 In that regard, it must be observed that the examiner's decision of 12 May 1999 had already affirmed that the mark simply consists of the ordinary representation of a kiss, and that 'it is commonplace that kisses are round-shaped and wrapped in paper or foil as represented in the above mark'. Thus, the reasoning of the examiner's decision enabled the applicant to take cognisance of why its application for a Community trade mark registration was refused and to challenge that decision effectively before the Board of Appeal (see Case T-135/99 *Taurus-Film v OHIM* ('Cine Action') [2001] ECR II-379, paragraph 35; and Case T-136/99 *Taurus-Film v OHIM* ('Cine Comedy') [2001] ECR II-397, paragraph 35), as is shown in the grounds of its appeal before the Third Board of Appeal. It follows that the applicant knew the substance of the reasons on which the Board of Appeal based its confirmation of the refusal of the application for a trade mark and thus had the opportunity to comment on them.
- 28 Accordingly, the Board of Appeal did not infringe Article 73 of Regulation No 40/94 by not inviting the applicant to comment on the questions set out above, since the Board of Appeal did not base its decisions on new reasons, which were not to be found in the examiner's decision and on which the applicant had not had the opportunity to present its comments. In the light of the foregoing, the first plea put forward by the applicant cannot be upheld.

On the second plea, alleging infringement of Regulation No 40/94, for failure to give sufficient weight to prior national registrations, and on the examination by the Court of its own motion of compliance with the obligation to give reasons on that point

Arguments of the parties

- 29 According to the applicant, the Board of Appeal, in paragraph 22 of the contested decision, infringed Regulation No 40/94 by not taking sufficient account of the

fact that marks identical to the sign which is the subject of the claim for a Community trade mark in question here had been registered in France, Ireland, Benelux, Spain and Greece.

30 The applicant points out that, by virtue of the 16th recital in the preamble to Regulation No 40/94, contradictory judgments should be avoided following actions involving the same acts and the same parties and which are brought on the basis of a Community trade mark and parallel national trade marks. The applicant further submits that it necessarily follows from that recital that the provisions of Regulation No 40/94 must be interpreted in same manner as those of First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks (OJ 1989 L 40, p. 1). The Office was, therefore, required to take into consideration the decisions of national trade mark offices of Member States on identical signs and depart from those decisions only if they were clearly wrong.

31 The Office contends that the plea put forward by the applicant is based on a misunderstanding, first, of the existing relationship between the Community trade mark system and Member States' national trade mark systems and, secondly, of the wording of the 16th recital in the preamble to Regulation No 40/94.

Findings of the Court

32 It must be borne in mind 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'. Registrations already effected in Member States, or even in non-Member States, are therefore a factor which is not decisive for the purposes of the examination of the absolute grounds for refusal set out in Article 7 of Regulation No 40/94 in the context of an

application for registration of a Community trade mark (see, to this effect, the *Soap bar shape* judgment, cited above, paragraphs 60 and 61). Because of the unitary character of the Community trade mark, the Community trade mark regime is an autonomous legal system with a set of objectives peculiar to itself; it applies independently of any national system (Case T-32/00 *Messe München v OHIM* ('*electronica*') [2000] ECR II-3829, paragraph 47). Consequently, the eligibility of a mark for registration as a Community trade mark must be assessed solely on the basis of the relevant Community legislation. It follows that national trade mark registrations are factors which are not binding on the Office. They may nevertheless be taken into consideration in the examination of the absolute grounds for refusal.

- 33 In that regard, the effect which national registrations may have on the assessment of the eligibility of a claimed mark for registration in the context of the grounds set out in Article 7 of Regulation No 40/94 depends on the specific circumstances in the case in point.
- 34 In the present case, the applicant drew the attention of the Board of Appeal in particular to the registration effected in Ireland, arguing that the criteria for registration of trade marks in that Member State were, prior to the transposition of Directive 89/104, more stringent than those applicable under Regulation No 40/94. However, the applicant did not support its assertions by giving particulars concerning the content of Irish law. Nor does the information it provided on the registration of the trade mark in Ireland make it possible to determine with certainty that the use of the sign was not taken into consideration when its distinctive character was examined by the national authorities. The information provided by the applicant on the other national registrations of the claimed Community mark is no more specific.

35 In those circumstances, the Board of Appeal cannot be criticised for having failed to appreciate correctly the weight to be accorded to the national registrations relied on by the applicant.

36 As regards, next, the question of the reasoning in the contested decision on this point, a question which was raised at the hearing and which the Court therefore must examine of its own motion, it must be observed that, in the contested decision, the Board of Appeal stated that it had taken account of the prior national registrations relied on by the applicant (paragraphs 21 and 22 of the contested decision). The Board of Appeal cannot be criticised for having expressed its reasons on this point succinctly in the contested decision, since the applicant did not give any specific information on the national registrations which would have called for a detailed examination by the Board of Appeal before it could be discounted. It follows that the Office did not infringe the obligation to state reasons laid down in Article 73 of Regulation No 40/94.

37 The applicant's argument concerning the failure by the Office to comply with the obligation to avoid contradictory judgments, as expressed in the 16th recital in the preamble to Regulation No 40/94, cannot be accepted. As pointed out by the Office, the 16th recital in the preamble to Regulation No 40/94 is essentially aimed at avoiding contradictory judgments between national courts, arising either from national procedural rules or from provisions inspired by the rules on *lis pendens* and related actions of the 1968 Brussels Convention on jurisdiction and the enforcement of judgments in civil and commercial matters (consolidated version) (OJ 1998 C 27, p. 1). That recital does not, however, refer to

administrative decisions taken by the Office and by national offices in the Member States.

38 Finally, the fact that, in principle, the parallel provisions of Directive 89/104 and Regulation No 40/94 must be interpreted in the same manner does not alter the above findings in any way.

39 It follows that the plea now under consideration cannot be upheld.

40 The application must therefore be dismissed.

Costs

41 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 Office's costs, as applied for by that party.

On those grounds,

THE COURT OF FIRST INSTANCE (Second Chamber)

hereby:

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

Moura Ramos

Pirrung

Meij

Delivered in open court in Luxembourg on 5 June 2002.

H. Jung

R.M. Moura Ramos

Registrar

President