

Case T-203/02

The Sunrider Corp.

v

Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)

(Community trade mark — Opposition proceedings — Earlier word mark VITAFRUT — Application for Community word mark VITAFRUIT — Genuine use of the earlier trade mark — Similarity of products — Article 8(1)(b), Article 15 and Article 43(2) and (3) of Regulation (EC) No 40/94)

Judgment of the Court of First Instance (Second Chamber), 8 July 2004 . . . II - 2815

Summary of the Judgment

1. *Community trade mark — Appeals procedure — Examination of the appeal by the Board of Appeal — Scope — Opposition proceedings*
(Council Regulation No 40/94, Arts 15(3), 43(2) and (3), 61(1), and 62(1))

2. *Community trade mark — Observations of third parties and opposition — Examination of the opposition — Proof of use of the earlier mark — Genuine use — Definition — Interpretation having regard to the rationale of Article 43(2) and (3) of Regulation No 40/94*
(Council Regulation No 40/94, Art. 43(2) and (3))
3. *Community trade mark — Observations of third parties and opposition — Examination of the opposition — Proof of use of the earlier mark — Genuine use — Definition — Criteria for assessment*
(Council Regulation No 40/94, Art. 43(2) and (3))
4. *Community trade mark — Observations of third parties and opposition — Examination of the opposition — Proof of use of the earlier mark — Genuine use — Application of the criteria to the case in question*
(Council Regulation No 40/94, Art. 43(2) and (3))
5. *Community trade mark — Definition and acquisition of the Community trade mark — Relative grounds for refusal — Opposition by the proprietor of an earlier identical or similar mark registered for identical or similar goods or services — Likelihood of confusion with the earlier mark — Similarity of the goods or services — Concentrated fruit juices and herbal and vitamin beverages*
(Council Regulation No 40/94, Art. 8(1)(b))

1. In appeals brought before a Board of Appeal of the Office for Harmonisation in the Internal Market (Trade Marks and Designs), the extent of the examination which the Board of Appeal is required to conduct with regard to the decision under appeal does not depend upon whether or not the party bringing the appeal has raised a specific ground of appeal with regard to that decision, criticising the interpretation or application of a provision by the department at the Office which heard the application at first instance, or upon that department's assessment of a piece of evidence. Therefore, even if the party bringing the appeal before the Board of Appeal has not raised a specific plea, the Board of Appeal is none the less bound to examine whether or not, in the light of

all the relevant matters of fact and of law, a new decision with the same operative part as the decision under appeal may be lawfully adopted at the time of the appeal ruling.

As regards opposition proceedings brought by the proprietor of an earlier mark, that examination must include consideration of whether, in the light of the facts and evidence put forward by the other party to the proceedings before the Board of Appeal, that party has furnished proof of genuine use, either by the proprietor of the earlier mark or by an authorised third party for the pur-

poses of Article 43(2) and (3) and Article 15(3) of Regulation No 40/94. However, the relevance of the Office's contention that the party applying for registration of the mark did not dispute, before either the Opposition Division or the Board of Appeal, that consent had been granted by the proprietor of the earlier mark pertains to the examination of the merits.

(see paras 21, 22)

2. In interpreting the notion of 'genuine use' of a Community trade mark for the purposes of Article 43(2) and (3) of Regulation No 40/94, account must be taken of the fact that the *ratio legis* of the provision requiring that the earlier mark must have been put to genuine use if it is to be capable of being used in opposition to a trade-mark application is to restrict the number of conflicts between two marks, where there is no good commercial justification deriving from active functioning of the mark on the market. However, the purpose of the provision is not to assess commercial success or to review the economic strategy of an undertaking, nor is it intended to restrict trade-mark protection to the case where large-scale commercial use has been made of the marks.

(see para. 38)

3. There is genuine use of a Community trade mark for the purposes of Article 43(2) and (3) of Regulation No 40/94 where the mark is used in accordance with its essential function, which is to guarantee the identity of the origin of the goods or services for which it is registered, in order to create or preserve an outlet for those goods or services; genuine use does not include token use for the sole purpose of preserving the rights conferred by the mark. In that regard, the condition relating to genuine use of the trade mark requires that the mark, as protected on the relevant territory, be used publicly and outwardly.

When assessing whether use of the trade mark is genuine, regard must be had to all the facts and circumstances relevant to establishing whether the commercial exploitation of the mark is real, particularly whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the products or services protected by the mark, the nature of those products or services, the characteristics of the market and the scale and frequency of use of the mark.

As to the extent of the use to which the earlier trade mark has been put, account must be taken, in particular, of the commercial volume of the overall use,

as well as of the length of the period during which the mark was used and the frequency of use.

(see paras 39-41)

4. To examine, in a particular case, whether an earlier trade mark has been put to genuine use, an overall assessment must be carried out, which takes into account all the relevant factors of the particular case. That assessment entails a degree of interdependence between the factors taken into account. Thus, the fact that commercial volume achieved under the mark was not high may be offset by the fact that use of the mark was extensive or very regular, and vice versa. In addition, the turnover and the volume of sales of the product under the earlier trade mark cannot be assessed in absolute terms but must be looked at in relation to other relevant factors, such as the volume of business, production or marketing capacity or the degree of diversification of the undertaking using the trade mark and the characteristics of the products or services on the relevant market. As a result, use of the earlier mark need not always be quantitatively significant in order to be deemed genuine.

(see para. 42)

5. In order to assess the similarity of the products or services concerned, for the purposes of Article 8(1)(b) of Regulation No 40/94 on the Community trade mark, all the relevant features of the relationship between those products or services should be taken into account, including their nature, their end users, their method of use and whether they are in competition with each other or are complementary.

In that regard, concentrated fruit juices which are protected by an earlier mark and herbal and vitamin beverages which are the subject-matter of an application for registration of a mark are similar. The products share the same purpose, that of quenching thirst, and to a large extent they are in competition. As to their nature and use, in both cases the products concerned are non-alcoholic beverages normally drunk cold, the ingredients being admittedly different in most cases. The fact that their ingredients differ does not, however, affect the finding that they are interchangeable because they are intended to meet an identical need.

(see paras 65, 67)