

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

In Case T-130/01,

Sykes Enterprises, Incorp., established in Tampa, Florida (United States),
represented by E. Körner, lawyer,

applicant,

v

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

defendant,

* Language of the case: English.

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 7 March 2001 (Case R 504/2000-3), relating to registration of REAL PEOPLE, REAL SOLUTIONS,

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: D. Christensen, Administrator,

having regard to the application lodged at the Registry of the Court of First Instance on 11 June 2001,

having regard to the response lodged at the Registry of the Court of First Instance on 7 September 2001,

further to the hearing on 1 October 2002,

gives the following

Judgment

Background

- 1 On 11 January 1999, the applicant filed an application for a Community word 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 trade mark in respect of which registration is sought was the sign REAL PEOPLE, REAL SOLUTIONS.

- 3 The services in respect of which registration is sought are in Classes 35, 37 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 class, to the following descriptions:

‘Telemarketing’ within Class 35;

‘ Computer hardware maintenance’ within Class 37; and

‘Technical support services for the computer industry, namely technical support services to users of computer hardware and software; computer services, namely, computer programming, software design and development, software application development, data processing consulting, systems operation, and maintenance for others; computer functional testing consulting services for computer software producers and users; customer support services, namely, providing information regarding computers through a customer service telephone call center; database conversion services; custom writing and text editing and translating services for product information for others, namely, user and reference documentation, maintenance documentation, and development of product information to be published by means of a computer network; navigational services’ within Class 42.

- 4 By decision of 15 March 2000, the examiner refused the application under Article 38 of Regulation No 40/94, on the ground that the sign was not distinctive for the purposes of Article 7(1)(b) of that regulation.
- 5 On 12 May 2000, the applicant appealed to the Office under Article 59 of Regulation No 40/94 against the examiner’s decision.
- 6 By decision of 7 March 2001 (hereinafter ‘the contested decision’), the Third Board of Appeal dismissed the appeal.

- 7 The Board found in essence that the claimed sign could not fulfil the essential function of a trade mark because it was a slogan commonly used in the sector concerned and would be understood by the relevant public as a mere promotional slogan and not as an indication of the commercial origin of the services.

Forms of order sought

- 8 The applicant claims that the Court should:

— annul the contested decision;

— order the Office to publish the trade mark application;

— order the defendant to pay the costs.

- 9 The Office contends that the Court should:

— dismiss the appeal;

— order the applicant to pay the costs.

- 10 At the hearing, the applicant withdrew its request that the Court order the Office to publish the trade mark application.

Law

- 11 The applicant advances a single plea in law in support of its application, alleging infringement of Article 7(1)(b) of Regulation No 40/94.

Arguments of the parties

- 12 The applicant considers, first of all, that, contrary to the view taken by the Board of Appeal, whilst the trade mark is a slogan, it is not a statement of any message. Thus, the Board of Appeal takes between 12 and 19 words to explain the connotation of the slogan, which comprises four words, and this clearly shows how unique it is.
- 13 Secondly, the applicant argues that the two meanings of the slogan suggested by the Board of Appeal are not the only possible ones. Native English speakers read into the mark claimed meanings other than those conveyed to persons who merely understand English.
- 14 Thirdly, the applicant observes that a trade mark application analogous to that at issue in this case was published by the United Kingdom Patent Office, which did

not raise any objections, even though it has the same standards for deciding distinctiveness as the Office. In that connection the applicant observes that its mark was registered in the United States and Canada, and it produced the certificates of registration of the mark in those countries and in the United Kingdom at the hearing. The applicant also argued at the hearing that the Office has registered trade marks comparable to that for which it has applied, such as 'real people. real solutions. real estate' and 'People and Solutions'.

- 15 The Office acknowledges that slogans are signs that are capable of having the function of a trade mark. However, it argues that the slogan 'Real People, Real Solutions' is used by a number of companies in the applicant's field of activity, which suggests that the term is not understood as a trade mark denoting the commercial origin of the services concerned. In addition, the slogan indicates the nature of the solutions being offered and the persons by whom they are offered or to whom they are addressed.

- 16 As regards the trade marks applied for or registered by national offices, the Office argues that it is not bound by other registrations which may have been made according to different criteria than those used by it. In regard to its own decisions, the Office explained at the hearing that it cannot comment on or compare registrations that were based on the circumstances in each case.

Findings of the Court

- 17 Under Article 7(1)(b) of Regulation No 40/94 'trade marks which are devoid of any distinctive character' are not to be registered.

- 18 The signs devoid of any distinctive character referred to in Article 7(1)(b) of Regulation No 40/94 are incapable of performing the essential function of a trade mark, namely that of identifying the commercial origin of the goods or services, thus enabling the consumer who purchased 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.
- 19 Registration of a trade mark which consists of signs or indications that are also used as advertising slogans, indications of quality or incitements to purchase the goods or services covered by that mark is not excluded as such by virtue of such use (see, by way of analogy, the judgment in Case C-517/99 *Merz & Krell* [2001] ECR I-6959, paragraph 40).
- 20 However, a sign which fulfils functions other than that of a trade mark is only distinctive for the purposes of Article 7(1)(b) of Regulation No 40/94 if it may be perceived immediately as an indication of the commercial origin of the goods or services in question, so as to enable the relevant public to distinguish, without any possibility of confusion, the goods or services of the owner of the mark from those of a different commercial origin.
- 21 A sign's distinctiveness can only be assessed, firstly, by reference to the goods or services in respect of which registration is sought and, secondly, on the basis of the perception of that sign by the relevant public.
- 22 It must be observed at the outset in this case that the Board of Appeal found that the term REAL PEOPLE, REAL SOLUTIONS as such, or very similar variations thereof, is commonly used in the applicant's field of activity. In that regard it should be borne in mind that a sign that is commonly used will not enable

consumers immediately and with certainty to distinguish the goods or services of the owner of the mark to which that sign relates from those of other undertakings (see, to that effect, the judgment in Case T-79/00 *Rewe Zentral v OHIM (LITE)* [2002] ECR II-705, paragraphs 33 and 35).

- 23 However, that finding cannot be arrived at purely on the basis of the factors contained in the decision on this point. It is not possible to discern from the decision whether the examples of use of the sign produced by the Board relate, firstly, to use that occurred prior to or after the date of filing of the trade mark application, or, secondly, to possible use by third parties with the applicant's consent. Accordingly, the fact that the sign is commonly used in relation to the services claimed cannot in this case justify the finding that the sign in question lacks distinctiveness.
- 24 It must first of all be pointed out, with regard to the relevant public, that the services in question are aimed at a particular class of persons, namely users of goods and services connected with information technology. Those persons' awareness will thus be relatively high in relation to signs, and in particular marks, likely to indicate a commercial origin guaranteeing the compatibility of the goods or service purchased with their computing equipment (see, to that effect, the judgment in Case C-342/97 *Lloyd Schuhfabrik Meyer* [1999] ECR I-3819, paragraph 26). Their awareness is liable to be relatively low, on the other hand, when it comes to purely promotional indications, which well-informed consumers do not see as decisive.
- 25 As regards the perception of the sign REAL PEOPLE, REAL SOLUTIONS by the relevant public, it must be pointed out that the Board of Appeal found the slogan to be composed of commonplace words which are understood by that public as a simple laudatory formula and not as an indication of the commercial origin of the services in question.

- 26 In that connection the Court finds that, whilst the sign does not have a direct and exclusive descriptive connotation, it is none the less composed of a configuration of words which, taken as a whole, have an independent meaning. Thus, the sign is easily understood as signifying that the applicant's services consist in providing pragmatic solutions devised by and for real people.
- 27 With regard to the applicant's argument that it takes between 12 and 19 words to explain what the slogan means, it is sufficient, by way of rebuttal, to observe that those words simply describe the two concepts mentioned above, which they condense into one linguistically correct phrase. Similarly, the argument that the slogan does not constitute a complete statement must be dismissed, since it has been found above that the slogan conveys an immediately comprehensible meaning. As to the examples produced by the applicant at the hearing suggesting that the slogan has meanings other than those attributed to it by the Board, it must be observed that those meanings are in fact all similar, and that they do not depart from the common meaning of the words constituting the slogan. Nor has any meaning been put forward other than that mentioned above that might suggest itself to the relevant public, including native English speakers, or any indication been given as to whether that alternative meaning could have any application outside the promotional and advertising context.
- 28 Furthermore, there is nothing about the term REAL PEOPLE, REAL SOLUTIONS that might, beyond its obvious promotional meaning, enable the relevant public to memorise the sign easily and instantly as a distinctive trade mark for the services designated. Even if the sign were used alone, without any other sign or trade mark, the relevant public could not, in the absence of prior knowledge, perceive it other than in its promotional sense.
- 29 Since the relevant consumer is not very attentive if a sign does not immediately indicate to him the origin and/or intended use of the object of his intended purchase, but just gives him purely promotional, abstract information, he will not take the time either to enquire into the sign's various possible functions or mentally to register it as a trade mark.

30 The Court therefore concludes that the sign will be perceived by the relevant public primarily as a promotional slogan, based on its inherent meaning, rather than as a trade mark.

31 Finally, as to the applicant's arguments on national applications and earlier decisions of the Office, it must be borne in mind that it is settled case-law, first of all, that the Community trade mark system is autonomous and, secondly, that the legality of decisions of the Boards of Appeal is to be assessed purely by reference to Regulation No 40/94, and not the Office's practice in earlier decisions (see judgments in Cases T-122/99 *Procter & Gamble v OHIM (soap bar shape)* [2000] ECR II-265, paragraphs 60 and 61; T-32/00 *Messe München v OHIM (electronica)* [2000] ECR II-3829, paragraph 47; and T-106/00 *Streamserve v OHIM (STREAMSERVE)* [2002] ECR II-723, paragraph 66). Accordingly, the Office is bound neither by national registrations nor by its own previous decisions. Furthermore, as the Office rightly argued, neither the reference to a national registration that postdates the examiner's refusal of the application for registration, nor the reference to registrations by the Office that are open to subsequent challenge before the bodies responsible for reviewing their legality, may be accepted as relevant.

32 In the light of the foregoing considerations, the plea alleging infringement of Article 7(1)(b) of Regulation No 40/94 must be dismissed. Accordingly the application must be dismissed as unfounded.

Costs

33 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 incurred by the Office, since the latter has applied for costs.

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 December 2002.

H. Jung

Registrar

R.M. Moura Ramos

President