

ORDER OF THE COURT (Sixth Chamber)

5 October 2004*

In Case C-192/03 P,

APPEAL under Article 56 of the Statute of the Court of Justice brought on 2 May 2003,

Alcon Inc., formerly Alcon Universal Ltd, established in Hünenberg (Switzerland), represented by C. Morcom QC and S. Clark, solicitor; with an address for service in Luxembourg,

appellant,

the other parties to the proceedings being:

Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM), represented by S. Laitinen and A. Sesma Merino, acting as Agents,

defendant at first instance,

* Language of the case: English.

Dr Robert Winzer Pharma GmbH, established in Olching (Germany), represented by S. Schneller, Rechtsanwalt,

intervener at first instance,

THE COURT (Sixth Chamber),

composed of: J.-P. Puissechet (Rapporteur), President of the Chamber, F. Macken and U. Löhmus, Judges,

Advocate General: M. Poiares Maduro,

Registrar: R. Grass,

makes the following

Order

- 1 By its appeal Alcon Inc. ('the appellant') requests the Court to set aside the judgment of the Court of First Instance of the European Communities (Second Chamber) of 5 March 2003 in Case T-237/01 *Alcon v OHIM — Dr Robert Winzer Pharma (BSS)* [2003] ECR II-411 ('the judgment under appeal') dismissing its action against the decision of the First Board of Appeal of the Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM) of 13 July 2001 declaring the Community trade mark BSS invalid (Case R 273/2000-1) ('the contested decision').

Legal background

2 Under Article 4 of Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark (OJ 1994 L 11, p. 1):

'A Community trade mark may consist of any signs capable of being represented graphically, particularly words, including personal names, designs, letters, numerals, the shape of goods or of their packaging, provided that such signs are capable of distinguishing the goods or services of one undertaking from those of other undertakings.'

3 Article 7 of that regulation states:

'1. The following shall not be registered:

...

(d) trade marks which consist exclusively of signs or indications which have become customary in the current language or in the bona fide and established practices of the trade;

...

2. Paragraph 1 shall apply notwithstanding that the grounds of non-registrability obtain in only part of the Community.

3. Paragraph 1(b), (c) and (d) shall not apply if the trade mark has become distinctive in relation to the goods or services for which registration is requested in consequence of the use which has been made of it.'

4 Under Article 51 of that regulation:

'1. A Community trade mark shall be declared invalid on application to the Office or on the basis of a counterclaim in infringement proceedings,

(a) where the Community trade mark has been registered in breach of the provisions of Article 5 or of Article 7;

...

2. Where the Community trade mark has been registered in breach of the provisions of Article 7(1)(b), (c) or (d), it may nevertheless not be declared invalid if, in consequence of the use which has been made of it, it has after registration acquired a distinctive character in relation to the goods or services for which it is registered.

...'

5 Article 63 of the regulation states, in paragraphs 1, 2 and 3:

'1. Actions may be brought before the Court of Justice against decisions of the Boards of Appeal on appeals.

2. The action may be brought on grounds of lack of competence, infringement of an essential procedural requirement, infringement of the Treaty, of this Regulation or of any rule of law relating to their application or misuse of power.

3. The Court of Justice has jurisdiction to annul or to alter the contested decision.'

Facts of the dispute

6 On 1 April 1996 Alcon Pharmaceuticals Ltd applied to OHIM for registration of the term BSS as a Community trade mark in respect of 'ophthalmic pharmaceutical preparations; sterile solutions for ophthalmic surgery', those being goods in Class 5 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.

7 The mark was registered on 7 August 1998 and published on 19 October 1998. On 29 November 1999 the mark was transferred into the appellant's name, at its request.

- 8 On 7 December 1998 Dr Robert Winzer Pharma GmbH ('the intervener') filed an application with OHIM for a declaration that the mark was invalid, under Article 51(1) of Regulation No 40/94. It submitted that BSS was an abbreviation for 'balanced salt solution' or 'buffered saline solution', that the mark was therefore descriptive of the goods concerned and that it had been registered in breach of Article 7 of Regulation No 40/94.
- 9 By decision of 15 December 1999, the Cancellation Division granted that application, on the grounds that, first, the mark consisted of a sign which had become customary in the current language within the meaning of Article 7(1)(d) of Regulation No 40/94 and, second, the appellant had not shown that the sign had acquired distinctive character as a result of use for the purposes of Articles 7(3) and 51(2) of Regulation No 40/94. On 15 February 2000 the appellant appealed against that decision.
- 10 By the contested decision, the First Board of Appeal of OHIM dismissed that appeal, finding that the letters BSS were used in both German and English to designate in the current language an ophthalmic pharmaceutical preparation, and that the appellant had not shown that those letters had acquired distinctive character through use.

The judgment under appeal

- 11 By application lodged at the Registry of the Court of First Instance on 18 September 2001, the appellant brought an action for annulment of the contested decision. OHIM and the intervener contended that the application should be dismissed.

- 12 The Court of First Instance held, first, in paragraphs 35 to 48 of the judgment under appeal, that the Board of Appeal had rightly considered that the evidence produced by the intervener was sufficient to demonstrate that the term BSS had become customary within the meaning of Article 7(1)(d) of Regulation No 40/94.
- 13 Referring to Case C-517/99 *Merz & Krell* [2001] ECR I-6959, the Court of First Instance considered that the term BSS had, by the date of filing of the appellant's application for registration of the mark BSS, become a current generic term among the public targeted by the goods concerned, namely ophthalmologists and ophthalmic surgeons, for a balanced salt solution. That was apparent from a number of scientific dictionaries and articles, and from the fact that various companies marketed ophthalmic products under designations containing the term BSS.
- 14 The Court of First Instance held, second, in paragraphs 49 to 60 of the judgment under appeal, that the Board of Appeal had also been right in considering that the appellant had failed to show that the BSS mark had acquired distinctive character through use for the purposes of Articles 7(3) and 51(2) of Regulation No 40/94.
- 15 It considered that the documents produced by the appellant before the Cancellation Division of OHIM and then before the Board of Appeal did not allow the conclusion that the target public perceived BSS not as the generic name for the product in question but as the distinctive sign of a particular undertaking. It observed in particular that the 'Policing BSS' schedule and the agreements entered into by the appellant with third parties, produced by the appellant to show that there was a programme for monitoring the use of the BSS mark by third parties, had no known effects or results in terms of raising awareness among the target public.
- 16 The Court of First Instance therefore dismissed the application.

The appeal

- 17 The appellant claims that the Court should set aside the judgment under appeal, annul the contested decision and make an order as to costs.
- 18 OHIM and the intervener contend that the Court should dismiss the appeal and order the appellant to pay the costs.
- 19 Under Article 119 of the Rules of Procedure, where the appeal is clearly unfounded, the Court may at any time, acting on a report from the Judge-Rapporteur and after hearing the Advocate General, dismiss the appeal by reasoned order.

Arguments of the parties

- 20 First, the appellant submits that the Court of First Instance applied Article 7(1)(d) of Regulation No 40/94 incorrectly by considering that the term BSS had become customary.
- 21 It submits that the Court of First Instance wrongly took into consideration documents produced as evidence by the intervener which were either dated after the date of filing the application for registration of the BSS mark, in this case 1 April 1996, the only relevant date for assessing the ground of invalidity in question, or published outside the European Union. The intervener produced no evidence from any person trading in the goods in question to show that the term BSS was customary. The mere mention of a sign as the name or description of a product in a

dictionary or other publication is not sufficient to show that that sign has become customary in the current language of the target public.

22 The appellant submits, moreover, that the Court of First Instance should have taken account of its arguments concerning the active steps it had taken to monitor references by other parties to BSS and prevent misuse of its mark by third parties.

23 Second, the appellant submits that the Court of First Instance wrongly disregarded the evidence it had produced to show that the BSS mark had acquired distinctive character through use, on the basis of Article 7(3) and 51(2) of Regulation No 40/94. The Court of First Instance relied, in paragraph 56 of the judgment under appeal, on a particular point, the absence of evidence as to the effects of the mark monitoring programme on the target public, while it did not make the same demands as regards the evidence put forward by the intervener. It thus did not treat the evidence of the two parties to the dispute in the same way.

24 OHIM observes that the appeal concerns the first case brought before the Court of First Instance and the Court of Justice relating to an application for invalidity of a Community trade mark.

25 Relying on Case C-104/00 P *DKV v OHIM* [2002] ECR I-7561, OHIM submits that most if not all the pleas put forward by the appellant in the appeal relate only to questions of pure fact, in particular the examination of the evidence by the Court of First Instance, the appraisal of which is not within the jurisdiction of the Court when hearing an appeal.

- 26 In the alternative, as regards the interpretation both of Article 7(1)(d) and of Articles 7(3) and 51(2) of Regulation No 40/94, OHIM considers that the Court of First Instance did not err in law. As regards the evidence produced by the intervener, even supposing that the Court may consider its effect, OHIM submits that the Court of First Instance was entitled to consider that that evidence established that the term BSS had already become customary at the date of filing the application for registration and that the mark had thereby lost its distinctive character.
- 27 The intervener submits that the evidence it produced to the Cancellation Division of OHIM, the Board of Appeal and the Court of First Instance clearly shows the generic nature, in the bona fide and established practices of the trade, of the BSS mark in respect of the goods concerned, and that that evidence was taken into account correctly by OHIM and the Court of First Instance.

Findings of the Court

- 28 In considering that the BSS mark consisted exclusively of signs or indications which had become customary in the current language of the target public to designate the goods for which that mark had been registered, and that it had been lawfully declared invalid on that ground by the contested decision, the Court of First Instance correctly pointed out, in paragraph 39 of the judgment under appeal, that it was not the descriptive nature of the mark that was decisive but current usage in the sectors covering trade in those goods (see, with respect to the essentially identical provisions of Article 3(1)(d) 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), *Merz & Krell*, paragraph 35).
- 29 The Court of First Instance also applied Article 7(1)(d) of Regulation No 40/94 correctly when it noted, in paragraph 40 of the judgment under appeal, that signs or indications constituting a trade mark which have become customary in the current language or in the bona fide and established practices of the trade to designate the

goods or services covered by that mark are not capable of distinguishing the goods or services of one undertaking from those of other undertakings and do not therefore fulfil the essential function of a trade mark — unless the use which has been made of those signs or indications has enabled them to acquire a distinctive character (see, by analogy, *Merz & Krell*, paragraph 37).

30 Nor did the Court of First Instance err in law by considering, in paragraph 42 of the judgment under appeal, that, for the purposes of assessing whether the mark at issue was customary, the relevant point of view was that of the specialist medical public, namely ophthalmologists and ophthalmic surgeons practising in the European Union.

31 The legal context of the dispute having thus been correctly determined, the Court of First Instance, analysing the evidence produced by the appellant and the intervener respectively, considered that all that evidence showed that the BSS mark had become customary for the target public concerned and that the use made of the mark had not been able to confer distinctive character on it.

32 In support of its claim to have the judgment under appeal set aside, the appellant submits, first, that the Court of First Instance did not take sufficient account of the evidence it had produced before the Cancellation Division and the Board of Appeal of OHIM, and that it attached too much weight, on the other hand, to the evidence produced by the intervener before those bodies.

33 However, findings of the Court of First Instance that the applicant has not produced the necessary evidence to support its allegations or that it has not shown that the evidence is correct are findings of fact which are within the sole jurisdiction of that Court and may not be challenged on appeal (see, to that effect, Case C-283/90 P *Vidrányi v Commission* [1991] ECR I-4339, paragraphs 16 and 17, and Case C-191/98 P *Tzoanos v Commission* [1999] ECR I-8223, paragraph 23), unless the Court of First Instance has distorted the clear sense of the evidence put before it

(see, to that effect, Case C-237/98 P *Dorsch Consult v Council and Commission* [2000] ECR I-4549, paragraphs 35 and 36).

- 34 By its arguments, as OHIM rightly observes, the appellant in fact confines itself to challenging the assessment of the facts made by the Court of First Instance without alleging any distortion of the evidence in the case-file put before that Court. That assessment is not a point of law which is subject, as such, to review by the Court of Justice on appeal (*DKV v OHIM*, paragraph 22, and the order in Case C-326/01 P *Telefon & Buch v OHIM* [2004] ECR I-1371, paragraph 35). Nor does the appellant allege that the judgment under appeal is vitiated by an error of law in the application of the rules on the burden of proof (see, to that effect, Case C-199/92 P *Hüls v Commission* [1999] ECR I-4287, paragraphs 64 and 65).
- 35 Second, the appellant submits that the Court of First Instance erred in law by not taking as the relevant date the date of filing of the application for registration of the BSS mark, in this case 1 April 1996. Only that date is material for assessing whether a Community mark has become customary so that it must be declared invalid pursuant to Article 51(1) of Regulation No 40/94. It submits that that error is disclosed by the fact that the Court of First Instance mentioned, in particular in paragraph 45 of the judgment under appeal, documents dated after 1 April 1996. That Court also wrongly took into account, in paragraph 44 of the judgment under appeal, documents published outside the European Union, which could not reflect the perception of the target public mentioned above.
- 36 The two parts of this second plea should be distinguished.
- 37 The first part relates to the taking into consideration by the Court of First Instance of documents dated later than the application for registration in order to assess whether a mark has become customary. If by this part of the plea the appellant's intention is to challenge that Court's assessment, on the basis of those documents, of whether the mark was customary at the date of the application for registration, it must be noted that that assessment of the evidence does not constitute a point of law which it is for this Court to examine. If, on the other hand, the appellant wishes

to show that by taking those documents into consideration the Court of First Instance implicitly took a date subsequent to the application for registration as the material date for analysing whether the term BSS was customary, such a criticism raises a point of law which the Court must consider.

38 In the present case, however, this first part of the plea is unfounded.

39 The Court of First Instance expressly stated, in paragraph 46 of the judgment under appeal, that the Board of Appeal had been right to consider, in paragraph 19 of the contested decision, that the evidence provided by the intervener showed that the term BSS had become customary 'at the time of the [appellant's] application'. In its analysis, it did not therefore take a date other than that put forward by the appellant for examining the alleged ground of invalidity.

40 OHIM rightly stated in this respect that the date of filing the application for registration of the Community trade mark is the material date for that examination.

41 Moreover, the Court of First Instance could without inconsistency in its reasoning or error of law take account of material which, although subsequent to the date of filing the application, enabled the drawing of conclusions on the situation as it was on that date (see, by analogy, the order in Case C-259/02 *La Mer Technology* [2004] ECR I-1159, paragraph 31).

42 In the second part of this plea, the appellant submits that the Court of First Instance took into consideration, in paragraph 44 of the judgment under appeal, certain documents published in the United States. However, that circumstance does not establish that the Court of First Instance based its analysis on evidence that did not affect the target public. By stating in paragraph 42 of the judgment under appeal that English was the technical language of specialists in the relevant field, and by referring in paragraph 43 of the judgment under appeal to the perception of the

term BSS as a generic term by the 'scientific community', the Court of First Instance necessarily considered that those documents, although published outside the European Union, supported the conclusion that the target public regarded that term as having become customary. In so doing it made an assessment of pure fact, which the appellant cannot challenge on appeal.

- 43 The second plea in law must therefore be rejected.
- 44 In the light of all the foregoing, the appellant's appeal is clearly unfounded and must therefore be dismissed.

Costs

- 45 Under the second paragraph of Article 69 of the Rules of Procedure, which apply to the procedure on appeal by virtue of Article 118 of those Rules, the unsuccessful party is to be ordered to pay the costs if they have been applied for in the successful party's pleadings. Since OHIM and the intervener have applied for costs and the appellant has been unsuccessful, it must be ordered to pay the costs.

On those grounds, the Court (Sixth Chamber) hereby orders:

- 1. The appeal is dismissed.**
- 2. Alcon Inc. shall pay the costs.**

Signatures.