

ORDER OF THE COURT OF FIRST INSTANCE (Second Chamber)
9 February 2004 *

In Case T-120/03,

Synopharm GmbH & Co. KG, represented by G. Hodapp, lawyer,

applicant,

v

Office for Harmonisation in the Internal Market (Trade Marks and Designs)
(OHIM), represented by G. Schneider and U. Pfléggar, acting as Agents,

defendant,

the other party to the proceedings before the Board of Appeal of the Office for
Harmonisation in the Internal Market (Trade Marks and Designs) being

Pentafarma — Sociedade Técnico-Medicinal L^{da}, represented by J. Pereira da
Cruz, lawyer,

intervener,

* Language of the case: German.

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 15 January 2003 (Case R 44/2002-3) relating to the opposition proceedings between Synopharm GmbH & Co. KG and Pentafarma — Sociedade Técnico-Medicinal L^{da},

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

composed of: J. Pirrung, President, A.W.H. Meij and N.J. Forwood, Judges,
Registrar: H. Jung,

makes the following

Order

Background to the dispute

- 1 On 24 October 1997, the applicant filed with the Office for Harmonisation in the Internal Market (Trade Marks and Designs) ('the Office') an application for registration of a Community word mark 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 mark in respect of which registration was sought was the word mark DERMASYN.
- 3 The goods in respect of which registration was sought fall within Classes 1, 3 and 5 of the Nice Agreement concerning the International Classification of Goods and Services for the Purposes of the Registration of Trade Marks of 15 June 1957, as revised and amended, and are:
- ‘Chemicals used in industry, namely cosmetic and dermatological base recipes for cosmetic and dermatological applications’ in Class 1;
 - ‘Cosmetics, perfumery, essential oils, toilet soap, dentifrices’ in Class 3;
 - ‘Medicines, pharmaceutical and sanitary preparations, dietetic foodstuffs adapted for medical use, food supplements for medical purposes, plasters and materials for dressings, disinfectants for the human body; preparations for destroying vermin; fungicides, herbicides’ in Class 5.
- 4 The application for a Community trade mark was published in the *Community Trade Marks Bulletin* of 20 July 1998 (No 54/98, p. 557).

- 5 On 20 October 1998, Pentafarma — Sociedade Técnico-Medicinal L^{da} gave notice of opposition, under Article 42 and Article 8(1)(b) and (5) of Regulation No 40/94, to registration of the mark sought in respect of the goods in Classes 1, 3 and 5 listed in the trade mark application. The opposition was based on the existence of the word mark DERMAZIL, which is registered in Portugal for goods in Class 5, namely ‘pharmaceutical products and preparations, medicines for humans and animals, sanitary products and disinfectants’.
- 6 By decision of 11 October 2001, the Opposition Division of the Office allowed the opposition in part and refused the application for registration of a trade mark in respect of certain goods in Class 3 (‘cosmetics, toilet soap and dentifrices’) and Class 5 (‘medicines, pharmaceutical and sanitary preparations; dietetic foodstuffs adapted for medical use, food supplements for medical purposes; plasters, materials for dressings; disinfectants; preparations for destroying vermin; fungicides, herbicides’).
- 7 By decision of 15 January 2003 (‘the contested decision’), the Third Board of Appeal of the Office annulled the decision of the Opposition Division, in so far as it refused the application for registration of the word mark in question in respect of ‘preparations for destroying vermin; fungicides, herbicides’ in Class 5, and dismissed the remainder of the applicant’s appeal.

Procedure

- 8 By application lodged at the Registry of the Court of First Instance on 10 April 2003, the applicant brought the present action.

- 9 On 19 June 2003, German became the language of the case in accordance with Article 131(2) of the Rules of Procedure of the Court of First Instance.
- 10 By letter of 7 July 2003, the Office informed the Court that the intervener had, by letter of 8 May 2003, notified it of an agreement between the parties and, consequently, withdrawn its opposition. The Office therefore takes the view that, in accordance with Article 113 of the Rules of Procedure, there is no longer any need to adjudicate.
- 11 By letter of 10 September 2003, the applicant submitted its observations on the Office's letter.
- 12 By letter of 6 October 2003, the Office replied to the applicant's observations.

The need to adjudicate

Arguments of the parties

- 13 The Office points out that, since the opposition has been properly withdrawn, the action has become devoid of purpose and, in accordance with Article 113 of the Rules of Procedure, there is no longer any need to give a ruling in the present case (see, to that effect, order of the Court of 3 July 2003 in Case T-10/01 *Lichtwer Pharma v OHIM - Biofarma (Sedonium)* [2003] ECR II-2225).

- 14 The Office submits that, as long as the Court is seized of the action, it cannot proceed with the registration procedure. However, the Office states that it will take the measures necessary to comply with the order or judgment of the Court.
- 15 The applicant disagrees with the Office's reasoning that, since the opposition has been withdrawn, the present action has become devoid of purpose. The effect of withdrawal of the opposition is to remove the entire legal basis of the decision given by the Board of Appeal. Under Regulation No 40/94, the applicant for a trade mark has a right to registration where there are no absolute or relative grounds for refusal within the meaning of Articles 7 and 8 of that regulation. The right to registration is based on the fact that, by virtue of Article 24 of Regulation No 40/94, the application for registration of a Community trade mark is itself the undertaking's object of property. The failure to register the mark leads to the removal, without any legal basis, of an object of property that has already been acquired (namely the application for registration of a Community trade mark) and, consequently, constitutes an obstacle to the free movement of capital and goods, which encompasses the free movement of the rights in question.
- 16 In support of its arguments, the applicant submits that, under Article 45 of Regulation No 40/94 and Rule 23(2) of Commission Regulation (EC) No 2868/95 of 13 December 1995 implementing Council Regulation (EC) No 40/94 on the Community trade mark (OJ 1995 L 303, p. 1), where any opposition entered has been finally disposed of by withdrawal, the Office must then request the applicant to pay the registration fee within two months of receipt of the request and, accordingly, register the Community trade mark.
- 17 Finally, the applicant claims that the contested decision must be annulled and the Office requested to register the mark sought.

Findings of the Court

- 18 The Court finds that the present action has become devoid of purpose as a result of the withdrawal of the opposition (see the order in *Sedonium*, cited above, paragraph 14). The reasons given by the Court in paragraphs 15 to 18 of that order must be followed in the present case.
- 19 First, an opposition may, in principle be withdrawn at any time. It is true that, in the first sentence of Article 44(1) of Regulation No 40/94, the legislature has made express provision only for withdrawal of the trade mark application. However, given that the scheme of Regulation No 40/94 places the applicant for a Community trade mark and the opponent on an equal footing in opposition proceedings, that equality must extend to the possibility of withdrawing procedural documents.
- 20 Second, where the opposition is withdrawn in the course of proceedings before the Board of Appeal for a decision on the opposition or in the course of proceedings before the Community judicature for a ruling on an appeal to the Office against the decision on opposition, there is no longer any basis for the proceedings, with the result that they become devoid of purpose.
- 21 The Court finds that the decision of the Opposition Division has not taken effect. Under the second sentence of Article 57(1) of Regulation No 40/94, appeals brought before the Office have suspensive effect. Accordingly, a decision, such as that of the Opposition Division, against which such an appeal may be brought takes effect only where no appeal has been lodged at the Office within the period prescribed by the first sentence of Article 59 of Regulation No 40/94 or such an appeal has been definitively dismissed by the Board of Appeal. However, the present case does not concern either of those two situations, as the contested decision has not taken effect. It is clear from Article 62(3) of Regulation No 40/94

that the decisions of the Boards of Appeal take effect only after expiry of the period referred to in Article 63(5) of Regulation No 40/94 or, where an appeal has been brought before the Court of Justice within that period, upon the dismissal thereof. However, the present case is not concerned with either of those two situations (see, to that effect, the order in *Sedonium*, paragraphs 15 to 18).

- 22 Consequently, since the contested decision has not yet taken effect, there is no reason to annul it.
- 23 As regards the applicant's claim that the Court should ask the Office to register the mark sought, it should be noted that, where an action has been brought before the Community judicature against a decision of a Board of Appeal of the Office, the Office is required, under Article 63(6) of Regulation No 40/94, to take the measures necessary to comply with the order or judgment of the Court. Accordingly, the Court is not entitled to issue directions to the Office (see, *inter alia*, Case T-388/00 *Institut für Lernsysteme v OHIM — Educational Services (ELS)* [2002] ECR II-4301, paragraph 19).
- 24 It therefore suffices to hold, in accordance with Article 113 of the Rules of Procedure, that there is no longer any need to rule on the action.

Costs

- 25 Article 87(6) of the Rules of Procedure provides that, where a case does not proceed to judgment, the costs are in the discretion of the Court.

- 26 In the present case, the decision not to proceed to judgment is the result of an amicable settlement between the applicant and the intervener rather than of an agreement between the applicant and the defendant. Accordingly, the applicant and the intervener must be ordered to bear their own costs and to pay those incurred by the defendant (see the order in *Sedonium*, paragraph 20).

On those grounds,

THE COURT OF FIRST INSTANCE (Second Chamber),

hereby orders:

1. There is no need to rule on the action.
2. The applicant and the intervener shall bear their own costs and each pay half of those incurred by the defendant.

Luxembourg, 9 February 2004.

H. Jung

Registrar

J. Pirrung

President