

# Joined Cases T-318/06 to T-321/06

**Alberto Jorge Moreira da Fonseca, L<sup>da</sup>**

**v**

## **Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)**

(Community trade mark — Invalidation proceedings — Multi-coloured Community figurative marks GENERAL OPTICA — Earlier business name Generalóptica — Relative ground for refusal — Local significance of the earlier sign — Articles 8(4) and 52(1)(c) of Regulation (EC) No 40/94)

Judgment of the Court of First Instance (Second Chamber), 24 March 2009 . . . II - 654

### Summary of the Judgment

- 1. Community trade mark — Surrender, revocation and invalidity — Relative grounds of invalidity — Registration contrary to Article 8(4) of Regulation No 40/94  
(Council Regulation No 40/94, Arts 8(4) and 52(1)(c))*
- 2. Community trade mark — Surrender, revocation and invalidity — Relative grounds of invalidity — Registration contrary to Article 8(4) of Regulation No 40/94  
(Council Regulation No 40/94, Arts 8(4) and 52(1)(c))*
- 3. Community trade mark — Surrender, revocation and invalidity — Relative grounds of invalidity — Registration contrary to Article 8(4) of Regulation No 40/94  
(Council Regulation No 40/94, Arts 8(4) and 52(1)(c))*

4. *Community trade mark — Surrender, revocation and invalidity — Relative grounds of invalidity — Registration contrary to Article 8(4) of Regulation No 40/94 (Council Regulation No 40/94, Arts 8(2)(a) and (4) and 52(1)(c))*

1. Under Article 52(1)(c) of Regulation No 40/94 on the Community trade mark in conjunction with Article 8(4) thereof, the existence of a sign other than a mark makes it possible to obtain a declaration that a Community trade mark is invalid if that sign satisfies all of four conditions: the sign must be used in the course of trade; it must be of more than mere local significance; the right to that sign must have been acquired in accordance with the law of the Member State in which the sign was used prior to the date of application for registration of the Community trade mark; and, lastly, the sign must confer on its proprietor the right to prohibit the use of a subsequent trade mark. Those four conditions limit the number of signs other than marks which may be relied on to dispute the validity of a Community trade mark throughout the Community under Article 1(2) of Regulation No 40/94.

By contrast, it is apparent from the phrase ‘where and to the extent that, pursuant to the law of the Member State governing that sign’, that the other two conditions, set out subsequently in Article 8(4)(a) and (b) of Regulation No 40/94, constitute conditions laid down by the regulation which, unlike the conditions above, must be assessed in the light of the criteria set by the law governing the sign relied on. That reference to the law governing the sign relied on is entirely justified, given that Regulation No 40/94 makes it possible for signs which fall outside the Community trade mark system to be relied on against a Community trade mark. Therefore, only the law which governs the sign relied on can determine whether that sign predates the Community trade mark and whether it can justify a prohibition of the use of a subsequent trade mark.

(see paras 32-34)

The first two conditions, relating to the use of the sign relied on and its significance, are apparent from the very wording of Article 8(4) of Regulation No 40/94 and must therefore be interpreted in the light of Community law. Regulation No 40/94 thus sets out uniform standards, relating to the use of signs and their significance, which are consistent with the principles underlying the system established by that regulation.

2. Articles 52(1)(c) and 8(4) of Regulation No 40/94 on the Community trade mark make it possible to obtain the cancellation of a Community trade mark on the basis of a non-registered trade mark or of another sign used in the course of trade of more than mere local significance.

As regards the interpretation of the condition relating to the significance of the sign, according to which that significance must be more than merely local, it must be pointed out first that the rationale of that provision is to restrict the number of conflicts between signs, by preventing an earlier sign, which is not sufficiently important or significant, from making it possible to challenge either the registration or the validity of a Community trade mark.

Furthermore, the significance of a sign used to identify specific business activities must be established in relation to the identifying function of that sign. That consideration means that account must be taken, first, of the geographical dimension of the sign's significance, that is to say of the territory in which it is used to identify its proprietor's economic activity, as is apparent from a textual interpretation of Article 8(4) of Regulation No 40/94. Account must be taken, secondly, of the economic dimension of the sign's significance, which is assessed in the light of the length of time for which it has fulfilled its function in the course of trade and the degree to which it has been used, of the group of addressees among which the sign in question has become known as a distinctive element, namely consumers, competitors or even suppliers, or even of the exposure given to the sign, for example, through advertising or on the Internet.

The relevance of an examination of the economic dimension may be understood through a teleological interpretation of the

condition relating to the significance of the sign relied on. Thus, the purpose of that condition is to restrict the possibilities of conflict to those which may exist with signs which are truly significant. In order to ascertain the actual significance of the sign relied on in the relevant territory, the Court must not therefore confine itself to a purely formal assessment, but must examine the impact of that sign in the territory in question after it has been used as a distinctive element.

Consequently, contrary to what the applicant submits, the fact that a sign confers on its proprietor an exclusive right throughout the national territory is in itself insufficient to prove that it is of more than mere local significance within the meaning of Article 8(4) of Regulation No 40/94.

As regards the relevant territory, in order to establish that the sign relied on is of more than mere local significance account must be taken of the fact that signs which are likely to come into conflict with a Community trade mark constitute exclusive rights which derive from legal rules applicable in different territories. It follows that the relevant territory in respect of an examination of the significance of those exclusive rights is that in which each of those legal rules applies. It is throughout that territory or in a part of it that a rule confers exclusive rights which may enter into conflict with a Community trade mark.

For the purposes of Community law, the sign in question is of more than mere local significance in the relevant territory where its impact is not confined to a small part of that territory, as is generally the case with a town or a province. However, it is not possible to establish a priori, in an abstract manner, which part of a territory must be used to prove that a sign is of more than mere local significance. Therefore, the assessment of the sign's significance must be made *in concreto*, according to the circumstances of each case.

Regulation No 40/94 leaves to the proprietor the choice of proof to establish that the sign on which it relies is of more than mere local significance. That may be established by the existence of a network of economically active branches throughout the relevant territory, but also more simply, for example, by producing invoices issued outside the region in which it has its principal place of business, press cuttings showing the degree of recognition on the part of the public of the sign relied on or by establishing that there are references to the business establishment in travel guides.

In short, in order to be able properly to oppose the registration of a Community trade mark or to obtain a declaration of invalidity, it is necessary to establish that, through use, the sign relied on has acquired a significance which is not restricted from the point of view of the third parties concerned to a small part of the relevant territory.

(see para. 43)

(see paras 36-42)

4. Articles 52(1)(c) and 8(4) of Regulation No 40/94 on the Community trade mark make it possible to obtain the cancellation of a Community trade mark on the basis of a non-registered trade mark or of another sign used in the course of trade of more than mere local significance.

3. Articles 52(1)(c) and 8(4) of Regulation No 40/94 on the Community trade mark make it possible to obtain the cancellation of a Community trade mark on the basis of a non-registered trade mark or of another sign used in the course of trade of more than mere local significance.

Proof of use of the sign relied on is one of the conditions for entitlement to the protection conferred under Article 8(4) of Regulation No 40/94 and thus only proprietors of signs used in the course of trade may claim such protection.

That constitutes a significant difference compared with the Community trade marks and national trade marks referred to in Article 8(2)(a) of Regulation No 40/94, which are relied on in opposition proceedings or invalidity proceedings. Under Article 43(2) and (3) of Regulation No 40/94 and Rules 22 and 40(6) of Regulation No 2868/95 implementing Regulation No 40/94, it is necessary to prove the use of those marks only where that is required by the applicant or by the

proprietor of the Community trade mark. In that case, the Office for Harmonization in the Internal Market (Trade Marks and Designs) is required to invite the opposing party or the applicant for a declaration of invalidity to furnish proof of use within a specific period.

(see para. 52)