

JUDGMENT OF THE COURT OF FIRST INSTANCE (Sixth Chamber)

29 April 2009*

In Case T-23/07,

BORCO-Marken-Import Matthiesen GmbH & Co. KG, established in Hamburg (Germany), represented by M. Wolter, lawyer,

applicant,

v

Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM), represented by M. Kicia, acting as Agent,

defendant,

ACTION against the decision of the Fourth Board of Appeal of OHIM of 30 November 2006 (Case R 808/2006-4), concerning the registration as a Community trade mark of the figurative sign α,

* Language of the case: German.

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

composed of A.W.H. Meij, President, V. Vadapalas and L. Truchot (Rapporteur),
Judges,

Registrar: T. Weiler, Administrator,

having regard to the application lodged at the Registry of the Court of First Instance on
5 February 2007,

having regard to the response lodged at the Registry of the Court of First Instance on
26 April 2007,

having regard to the decision of 5 June 2007 not to allow the lodging of a reply,

having regard to the change in the composition of the Chambers of the Court of First
Instance,

having regard to the written questions put to the parties by the Court of First Instance,

further to the hearing on 19 November 2008, in the course of which documents were
submitted by the applicant,

gives the following

Judgment

Background to the dispute

- 1 On 14 September 2005, the applicant — BORCO-Marken-Import Matthiesen GmbH & Co. KG — filed an application for registration of a Community trade mark at the Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM), pursuant to Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark (OJ 1994 L 11, p. 1), as amended.

- 2 Registration as a figurative mark was sought for the sign ('the sign at issue'):

α

- 3 The goods in respect of which registration was sought are in Class 33 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 ('the Nice Agreement') and correspond to the following description: 'alcoholic beverages, (except beers), wines, sparkling wines and beverages containing wine'.

- 4 By decision of 31 May 2006, the OHIM examiner rejected the application for registration on the ground of lack of distinctive character, on the basis of Article 7(1)(b) of Regulation No 40/94. The examiner found that the sign at issue constituted a faithful reproduction of the Greek lower case letter 'α', without graphical modifications, and that Greek-speaking purchasers would not detect in that sign an indication of the commercial origin of the goods described in the trade mark application.
- 5 On 15 June 2006 the applicant lodged an appeal with OHIM against that decision.
- 6 That appeal was dismissed by decision of 30 November 2006 ('the contested decision') of the Fourth Board of Appeal of OHIM on the ground that the sign at issue was devoid of the distinctive character required under Article 7(1)(b) of Regulation No 40/94.

Forms of order sought

- 7 The applicant claims that the Court of First Instance should:

— annul the contested decision;

— declare that Article 7(1)(b) and (c) and (2) of Regulation No 40/94 does not preclude the publication of the sign at issue in respect of the goods in Class 33 described in the application for registration;

— order OHIM to pay the costs.

8 OHIM contends that the Court of First Instance should:

— reject the applicant's second head of claim as inadmissible;

— dismiss the application as unfounded as to the remainder;

— order the applicant to pay the costs.

Law

Admissibility of the evidence produced for the first time by the applicant at the hearing before the Court of First Instance

- 9 By the present action, a review is sought, in accordance with Article 63 of Regulation No 40/94, of the legality of decisions taken by the OHIM Boards of Appeal. Accordingly, the role of the Court is not to re-examine the factual circumstances in the light of evidence adduced for the first time before it. To admit such evidence would be contrary to Article 135(4) of the Rules of Procedure of the Court of First Instance, according to which the parties' pleadings may not change the subject-matter of the proceedings before the Board of Appeal. It follows that documents produced by the applicant for the first time in the course of the hearing are inadmissible (see, to that effect, Case T-128/01 *DaimlerChrysler v OHIM (Grille)* [2003] ECR II-701, paragraph 18).

Substance

Arguments of the parties

- 10 In support of its action, the applicant relies on three pleas in law, alleging infringement of Article 7(1)(b), Article 7(1)(c) and Article 12 of Regulation No 40/94 respectively.
- 11 In the context of its first plea, the applicant submits that the sign at issue has the distinctive character required under Article 7(1)(b) of Regulation No 40/94 in that it

makes it possible to identify the goods at issue in Class 33 as coming from the applicant undertaking and, consequently, to distinguish them from the goods of other undertakings.

12 Owing to the fact that, under Article 4 of Regulation No 40/94, marks may consist of letters, it cannot be assumed that, by definition, such marks lack distinctive character within the meaning of Article 7(1)(b), if Article 4 is not to be rendered meaningless.

13 The Board of Appeal's argument that letters must remain available is irrelevant. First, even a colour may have distinctive character and may therefore be registered. Secondly, the concern to avoid certain letters becoming subject to a monopoly is unrelated to the issue of whether or not they are distinctive. Moreover, the right to use a sign for exclusively descriptive purposes is expressly preserved under Article 12 of Regulation No 40/94.

14 The applicant submits that a minimum degree of distinctive character is sufficient to confer protection on trade marks, regardless of the category of sign to which they belong under Article 4 of Regulation No 40/94. In consequence, it cannot be assumed, without even undertaking an examination of the goods in question, that the letters are by definition devoid of distinctive character simply because they do not contain any addition which is original or which individualises them.

15 In order for figurative or word marks in the form of letters to be regarded as devoid of distinctive character on the basis of Article 7(1)(b) of Regulation No 40/94, it is necessary to determine, on the facts, that the relevant public would not perceive the letter in question as an indication of the origin of the goods covered. It is not apparent from the contested decision that the Board of Appeal verified that, on the facts, the sign at issue was devoid of distinctive character in so far as, for the relevant public, it was descriptive of the goods in question.

16 The contested decision does not show that the relevant Greek-speaking consumers use or understand the lower case letter ‘α’ as an indication of size or category, or as a generic name, in relation to alcoholic beverages.

17 OHIM contends that the second head of claim is inadmissible because it is not for the Court, but for OHIM alone, to determine the implications of any judgment annulling a measure pursuant to Article 63(6) of Regulation No 40/94.

18 As to the substance of the case, OHIM maintains, as regards the first plea, that the Board of Appeal did not disregard the fact that the criteria for assessing distinctive character are the same for all categories of mark or that it may prove more difficult to establish the distinctive character of some of those categories. Although conventional word, figurative or three-dimensional marks may be perceived directly as an indication of the commercial origin of the goods covered, that is not necessarily true of signs consisting of a single letter. Such signs may be regarded as indicating size, or a type of goods, or as a generic name, and they are also used for those purposes.

19 In stating that single letters will not be perceived as an indication of the commercial origin of the goods covered, the Board of Appeal does not mean that it is impossible to register a mark which consists of a single letter. The Board of Appeal clearly stated that, even though it is theoretically possible for a single letter to constitute a trade mark for the purposes of Article 4 of Regulation No 40/94, it is not possible to draw from that any conclusion as regards distinctive character in the individual case.

20 The Board of Appeal did not therefore totally rule out the possibility that a single letter may have the distinctive character required by Article 7(1)(b) of Regulation No 40/94, as is shown by the fact that it sought to determine whether the sign at issue actually has distinctive character.

- 21 According to the Board of Appeal, the review of whether a sign should remain available must be carried out solely in connection with the appraisal of its descriptiveness for the purposes of Article 7(1)(c) of Regulation No 40/94. However, as the Board of Appeal pointed out, reference must be made to the judgment in Case C-104/01 *Libertel* [2003] ECR I-3793, in which the Court of Justice ruled on the distinctive character of a sign. In that judgment, the Court held that the availability of colours should not be restricted unduly in view of their limited number. The same is true of single letters and thus the present case is altogether comparable.
- 22 In the present case, it is necessary to determine — by means of a *prima facie* examination, without reference to any actual use of the sign for the purposes of Article 7(3) of Regulation No 40/94 — whether that sign is incapable of distinguishing, in the eyes of the target public, the goods that it covers from those of a different origin, when that public is called upon to make its choice in a commercial context.
- 23 The sign at issue is composed of a letter reproduced in the form of a figurative sign, but altered so subtly that it is perceived simply as a letter. The question is thus whether the relevant public, confronted with that sign displayed in an ordinary font on the goods in question or on any part of their normal packaging, will assume that those goods come from a given undertaking, that is to say, that they all come from the same undertaking.
- 24 Contrary to the applicant's argument, various numbers, letters and similar combinations are used on the packaging of the relevant goods, in association with letters of the Greek alphabet, to describe the specific properties of those goods.
- 25 According to OHIM, the relevant public perceives the sign at issue as a mere letter which is distinguished from the other letters of the alphabet only by a secondary detail, that is to say, they perceive it as simply another letter of the alphabet. That sign does not therefore contain any element which is striking or which may be regarded as an indication of the commercial origin of the goods at issue by the average reasonably observant and well informed consumer of alcoholic beverages.

26 It is hardly conceivable that the relevant public would not regard the single letter ‘α’ as indicating a type or range of goods, especially when it is not affixed to the goods in such a way as to attract particular attention. More specifically, the first letter of the alphabet is often used, for promotional purposes, to suggest that certain goods are superior, especially in terms of quality. The letter at issue lends itself at the very least to such a use, since consumers are generally able to attribute that meaning to lower-case letters just as well as to upper-case letters.

27 Furthermore, the sign at issue is generally used by Greek-speaking consumers as an indication of quality, as is borne out by consultation of the English-Greek dictionary. There, the letter ‘α’ is reproduced as the symbol for the numbers one and 1 000. That understanding of the sign at issue makes it very unlikely that it will be perceived by the relevant public as an indication of the commercial origin of the goods it covers.

28 After noting that the letter ‘α’ is appropriate for indicating a general category or a type, or for acting as a code number or a reference to a particular size, the Board of Appeal found — correctly, according to OHIM — that the public will not perceive in that sign an indication of the commercial origin of the goods covered, but did not proceed on the assumption that the sign at issue lacked distinctive character by definition. The possibility that other factual assessments were not made cannot call in question the merits of the contested decision.

Findings of the Court

29 Article 4 of Regulation No 40/94, entitled ‘Signs of which a Community trade mark may consist’, provides:

‘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.’

30 That provision lists examples of signs, capable of being represented graphically, of which a trade mark may consist, provided that they are capable of distinguishing the goods or services of one undertaking from those of other undertakings, that is to say, capable of fulfilling the trade mark’s function of identifying the origin of those goods or services (see, with regard to Article 2 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), the legislative content of which is essentially identical to that of Article 4 of Regulation No 40/94, Case C-404/02 *Nichols* [2004] ECR I-8499, paragraph 22).

31 While Article 4 of Regulation No 40/94 expressly refers to letters, the fact that a category of signs is, in general, capable of constituting a trade mark for the purposes of that provision does not, however, mean that those signs necessarily have distinctive character for the purposes of Article 7(1)(b) in relation to a particular product or service (Case T-173/00 *KWS Saat v OHIM (Shade of orange)* [2002] ECR II-3843, paragraph 26).

32 In that regard, Article 7 of Regulation No 40/94, which sets out the absolute grounds for refusal of registration of signs as Community trade marks, states in paragraph 1:

‘The following shall not be registered:

...

(b) trade marks which are devoid of any distinctive character;

...’

33 Signs that are incapable of identifying specifically the origin of the goods covered and enabling the consumer who acquired 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 purchase must be regarded as devoid of any distinctive character (Case T-302/06 *Hartmann v OHIM (E)*, not published in the ECR, paragraph 31, *KWS Saat v OHIM (Shade of orange)*, paragraph 27).

34 Moreover, such greater difficulty as might be encountered in the assessment, on the facts, of the distinctive character of certain trade marks cannot justify the assumption that they are by definition devoid of any distinctive character or that they can acquire such character only through use, pursuant to Article 7(3) of Regulation No 40/94 (see, by analogy, *Nichols*, paragraph 29.)

- 35 According to settled case-law, the distinctive character of a trade mark, as required under Article 7(1)(b) of Regulation No 40/94, must be assessed by reference, first, to the goods or services in respect of which registration is sought and, secondly, to the perception of the relevant persons, namely the consumers of the goods or services (see, with regard to Article 3(1)(b) of Directive 89/104, the legislative content of which is essentially identical to that of Article 7(1)(b) of Regulation No 40/94, Case C-218/01 *Henkel* [2004] ECR I-1725, paragraph 50).
- 36 Furthermore, it is clear from Article 7(1)(b) of Regulation No 40/94, read in conjunction with Article 7(2) thereof, that a mark must be refused registration if it is devoid of any distinctive character in only part of the Community (Case C-25/05 P *Storck v OHIM* [2006] ECR I-5719, paragraph 81).
- 37 In the present case, the applicant sought to have registered as a Community trade mark a sign which was submitted as figurative but which — as was found by the Board of Appeal and not disputed by the parties — reproduces the letter alpha (‘α’) of the Greek alphabet in a manner approximating that in which the same letter appears when written using the standard Times New Roman character font, without graphical modifications or the addition of a graphical element.
- 38 Since the sign at issue relates — as the parties confirmed in the course of the proceedings — to alcoholic beverages other than beers, and to wines, sparkling wines and beverages containing wine, that is to say, to everyday consumer goods, and consists of the lower case Greek letter ‘α’, the assessment as to its distinctive character must be carried out in relation to the perception of the sign by average Greek-speaking consumers who are reasonably well informed and reasonably observant and circumspect.
- 39 In the present case, it was therefore the task of the Board of Appeal to determine, through an examination, on the facts, of the potential capacity of the sign at issue,

whether the sign was incapable of distinguishing, in the eyes of the average Greek-speaking consumer, the applicant's goods from those of a different origin (see to that effect, Case T-87/00 *Bank für Arbeit und Wirtschaft v OHIM (EASYBANK)* [2001] ECR II-1259, paragraph 40, and *E*, paragraph 35), since a minimum degree of distinctiveness is sufficient to prevent application of the absolute ground for refusal provided for in Article 7(1)(b) of Regulation No 40/94 (Case T-88/00 *Mag Instrument v OHIM (Torch shape)* [2002] ECR II-467, paragraph 34).

40 For the purposes of such an assessment, it is for OHIM, subject to review by the Court of First Instance, to have regard to all the relevant facts and circumstances.

41 First, the Board of Appeal found in paragraphs 17 and 20 of the contested decision that single letters — hence, the lower case letter 'α' at issue — have no distinctive character where no graphical elements creating an overall graphical effect have been added, a sign being 'something perceptible, which is capable of being remembered and recognised'.

42 By thus taking the sign's lack of graphical modifications or ornamentations to mean that, by definition, it lacks distinctive character, the Board of Appeal implicitly but necessarily took the view, in breach of Article 4 of Regulation No 40/94, that the letter at issue did not of itself have the minimum degree of distinctiveness required under Article 7(1)(b) for registration as a Community trade mark.

43 Not only is it clear from Article 4 of Regulation No 40/94 that Community trade marks may consist of letters, provided that such signs are capable of distinguishing the goods or services of one undertaking from those of other undertakings (*E*, paragraph 38; to that effect, see also Case T-441/05 *IVG Immobilien v OHIM (I)* [2007] ECR II-1937, paragraph 47), registration of a sign as a trade mark is not conditional upon a finding of a specific level of creativity or artistic imaginativeness on the part of the applicant for the trade mark (Case C-329/02 P *SAT.1 v OHIM* [2004] ECR I-8317, paragraph 41), but only upon the ability of the sign to distinguish the goods of the applicant from goods

offered by competitors (Case T-79/00 *Rewe-Zentral* v *OHIM (LITE)* [2002] ECR II-705, paragraph 30). As it is, however, the Board of Appeal did not carry out an examination, based on the facts, of the sign at issue in that regard.

44 Secondly, the Board of Appeal found, in paragraph 22 of the contested decision, that if Article 7(1)(b) were to be interpreted as meaning that a single letter has distinctive character the consequence would be that no sign consisting of letters could be found to lack distinctive character, which would render that provision redundant.

45 The refusal, as a matter of definition, to accept that single letters can have any distinctive character, stated without reservation and without undertaking the examination based on the facts, mentioned in paragraph 39 above, is contrary to the wording of Article 4 of Regulation No 40/94, which ranks letters as being among the signs, capable of being represented graphically, of which a mark may consist, provided that such signs are capable of distinguishing the goods and services of one undertaking from those of other undertakings.

46 Furthermore, it is apparent from the case-law that Article 7(1)(b) of Regulation No 40/94 draws no distinction between the different categories of trade mark and that the criteria for assessment of the distinctive character of trade marks which consist of a single letter are the same as those applicable to the other categories of trade mark (*E*, paragraph 34).

47 In order to have the minimum degree of distinctiveness required under that provision, the mark concerned must simply appear *prima facie* capable of enabling the relevant public to identify the origin of the goods or services covered by the Community trade mark application and to distinguish them, without any possibility of confusion, from those of a different origin (*I*, paragraph 55).

48 Thirdly, the Board of Appeal, referring to *Libertel*, found in paragraph 23 of the contested decision that — like colours and numbers presented singly — single letters, as fundamental elements, must remain available to all as a ‘general reserve’ for the purposes of identification, description or other uses.

49 As mentioned above, it is contrary to Article 4 of Regulation No 40/94 to rely on such a ground, which is based on the assumption — without any examination having been carried out as to whether, on the facts, the sign at issue is capable of distinguishing the goods at issue from those of different undertakings — that it is impossible to register a single letter as a trade mark.

50 Furthermore, as regards the judgment in *Libertel*, which was referred to in the contested decision and relied on by OHIM, it is true that the Court has held that it must be acknowledged that there is, in Community trade-mark law, a public interest in not unduly restricting the availability of colours for the other economic operators who offer for sale goods or services of the same type as those in respect of which registration is sought (*Libertel*, paragraph 60).

51 The Court has nevertheless held that a colour may be found to possess distinctive character provided that, as regards the perception of the relevant public, it is capable of identifying the goods or services covered by the trade mark application and of distinguishing them from those of other undertakings (*Libertel*, paragraph 69). The relevance of that dictum for the purposes of the present case is not called into question by the rule in the same judgment that distinctiveness without any prior use is inconceivable save in exceptional circumstances (*Libertel*, paragraph 66), since that reservation was made in light of the fact, previously pointed out by the Court, that the perception of the relevant public is not necessarily the same in the case of a sign consisting only of a colour as it is in the case of a word or figurative mark which, as in the present case, consists of a sign that bears no relation to the appearance of the goods covered (*Libertel*, paragraph 65).

- 52 The Board of Appeal was not therefore entitled to rely, as against the registration of the letter 'α', on the argument relating to the availability of signs, since that argument in no way precludes the need for an examination as to whether, on the facts, the sign at issue is capable of identifying the product or service in respect of which registration is sought as originating from a particular undertaking and of distinguishing that product or service from those of other undertakings.
- 53 Fourthly, the Board of Appeal found, in paragraph 25 of the contested decision, that the reference public 'might' view the letter 'α' as a reference to quality ('A' quality), an indication of size, or of a type or kind of alcoholic beverage, such as those covered by the application.
- 54 OHIM cannot claim that, in making such a finding, the Board of Appeal carried out an examination as to whether, on the facts, the sign at issue had distinctive character. As well as being of a doubtful nature which renders it valueless, that ground does not refer to any specific fact capable of substantiating the finding that the mark at issue would be perceived by the relevant public as a reference to quality, an indication of size, or of a type or kind, in respect of the goods covered by the application (see, to that effect, *E*, paragraph 44). It follows that the Board of Appeal failed to establish that the sign at issue lacked distinctive character.
- 55 Even if they were admissible, the new documents produced by OHIM in Annexes B1 and B2 to its response, with a view to proving that the relevant public will perceive the upper-case letter alpha 'A' as an indication of the quality of the wines, are of no evidential value in the present case since they consist of information which relates exclusively to wines and not to the alcoholic beverages at issue, as was conceded by OHIM at the hearing, and the letters on the reproductions of wine bottles attached as an annex are not the same as the letter 'α', since they are either presented together with another letter or constitute one of the components of the corporate name of a wine trader.

56 It follows from all of the foregoing that, by assuming from its lack of graphical modifications or ornamentations that, by definition, the sign at issue lacked distinctive character in relation to the Times New Roman character font, without carrying out an examination as to whether, on the facts, that sign is capable of distinguishing, in the mind of the reference public, the goods at issue from those of the applicant's competitors, the Board of Appeal misapplied Article 7(1)(b) of Regulation No 40/94.

57 In consequence, the first plea must be upheld and the contested decision must be annulled, without any need to consider the other two pleas put forward by the applicant.

58 Pursuant to Article 63(6) of Regulation No 40/94, it is for OHIM to re-examine the applicant's application for a Community trade mark in the light of the grounds of the present judgment.

59 There is no need, therefore, to adjudicate on the applicant's second head of claim nor, consequently, on the objection of inadmissibility raised by OHIM in that regard.

Costs

60 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.

61 Since OHIM has been unsuccessful, it must be ordered to bear its own costs and to pay those incurred by the applicant, in accordance with the form of order sought by the applicant.

On those grounds,

THE COURT OF FIRST INSTANCE (Sixth Chamber)

hereby:

- 1. Annuls the decision of the Fourth Board of Appeal of the Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) of 30 November 2006 (Case R 808/2006-4);**

- 2. Declares that there is no need to adjudicate on the second head of claim of BORCO-Marken-Import Matthiesen GmbH & Co. KG;**

3. Orders OHIM to pay the costs.

Meij

Vadapalas

Truchot

Delivered in open court in Luxembourg on 29 April 2009.

[Signatures]