



## Reports of Cases

JUDGMENT OF THE GENERAL COURT (Sixth Chamber)

28 June 2012\*

(Community trade mark — Invalidity proceedings — Community figurative mark B. Antonio Basile 1952 — Earlier national word mark BASILE — Relative ground for refusal — Limitation in consequence of acquiescence — Article 53(2) of Regulation (EC) No 40/94 (now Article 54(2) of Regulation (EC) No 207/2009) — Likelihood of confusion — Article 8(1) of Regulation No 40/94 (now Article 8(1) of Regulation No 207/2009))

In Case T-133/09,

**I Marchi Italiani Srl**, established in Naples (Italy),

**Antonio Basile**, residing in Giugliano in Campania (Italy),

represented by G. Militerni, L. Militerni and F. Gimmelli, lawyers,

applicants,

v

**Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)**, represented initially by A. Sempio, and subsequently by P. Bullock, acting as Agents,

defendant,

the other party to the proceedings before the Board of Appeal of OHIM, intervener before the General Court, being

**Osra SA**, established in Rovereta (San Marino), represented by A. Masetti Zannini de Concina, R. Cartella and G. Petrocchi, lawyers,

ACTION brought against the decision of the Second Board of Appeal of OHIM of 9 January 2009 (Case R 502/2008-2), concerning invalidity proceedings between Osra SA and I Marchi Italiani Srl,

THE GENERAL COURT (Sixth Chamber),

composed of H. Kanninen (President), N. Wahl and S. Soldevila Fragoso (Rapporteur), Judges,

Registrar: C. Heeren, Administrator,

having regard to the application lodged at the Registry of the General Court on 27 March 2009,

having regard to the response of OHIM lodged at the Court Registry on 8 September 2009,

\* Language of the case: Italian.

having regard to the intervener's pleading lodged at the Court Registry on 27 August 2009,  
having regard to the decision of 14 October 2009 refusing leave to lodge a reply,  
having regard to the change in the composition of the Chambers of the General Court,  
further to the hearing on 8 March 2012,  
gives the following

## Judgment

### Background to the dispute

1 On 14 January 2000, the second applicant, Antonio Basile, acting as a sole trader under the name B. Antonio Basile 1952, filed an application for registration of a Community trade mark at the Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM) under Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark (OJ 1994 L 11, p. 1), as amended (replaced by Council Regulation (EC) No 207/2009 of 26 February 2009 on the Community trade mark (OJ 2009 L 78, p. 1)).

2 The mark in respect of which registration was sought is the following figurative sign:



3 The goods in respect of which registration was sought are in Classes 14, 18 and 25 of the Nice Agreement of 15 June 1957 concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks, as revised and amended.

4 The Community trade mark B. Antonio Basile 1952 was registered on 27 April 2001 under the number 1 462 555.

5 On 21 April 2006, the intervener, Osra SA, filed an application for a declaration that the following trade marks were invalid, in respect of the goods in Class 25, pursuant to Article 52(1)(a) and Article 8(1) of Regulation No 40/94 (now Article 53(1)(a) and Article 8(1) of Regulation No 207/2009):

— Italian word mark BASILE registered on 7 March 1995 under the number 738 901 ('the earlier trade mark');

— International registration R413 396 B of word mark BASILE of 13 January 1995 ('the earlier international registration').

6 The goods in respect of which the earlier trade mark and the earlier international registration were registered are in Class 25 of the Nice Agreement and correspond to the following description: 'Outerwear for men made of fabric, leather, wool or other material, such as jackets, trousers, including jeans, shirts, short-sleeved shirts, t-shirts, vests, jumpers, jackets, overcoats, raincoats, coats, suits, swimming clothes, dressing gowns'.

- 7 The Community trade mark was assigned in part to the first applicant, I Marchi Italiani Srl. Following the partial assignment, the divisional registration No 5 274 121 ('the contested mark') was created for Marchi Italiani Srl for the following goods in Class 25: 'Shirts, knitwear, outerwear for men, women and children, except clothing of leather, neckties, underwear, shoes, hats, socks, scarves for men, women and children'.
- 8 On 2 November 2006, OHIM informed the intervener that its application for a declaration of invalidity had been extended to the divisional registration.
- 9 On 21 January 2008, the Cancellation Division upheld the application for a declaration of invalidity and on 18 March 2008, the first applicant filed a notice of appeal with OHIM against that decision.
- 10 By decision of 9 January 2009 ('the contested decision'), the Second Board of Appeal of OHIM dismissed the appeal, finding, first of all, that the limitation in consequence of acquiescence was not applicable as the limitation period of five years had not elapsed, second, that the coexistence of the marks at issue in Italy had not been established and, third, that there was a likelihood of confusion between the contested mark and the earlier trade mark because, on the one hand, the goods covered by those marks were identical or similar and, on the other, the marks at issue were visually, phonetically and conceptually similar.

### **Forms of order sought**

- 11 The applicants claim that the Court should:
- annul the contested decision;
  - declare the registration of the mark B. Antonio Basile 1952 to be valid and effective;
  - order OHIM to pay the costs.
- 12 OHIM and the intervener contend that the Court should:
- dismiss the action;
  - order the applicants to pay the costs.
- 13 At the hearing, the first applicant announced its withdrawal of its second head of claim, formal note of which was taken in the minutes of the hearing. Likewise, the second applicant, as he was not a party to the proceedings before the Board of Appeal, discontinued his action at the hearing of the action brought against the contested decision.

### **Law**

#### *Admissibility of arguments and documents adduced for the first time before the Court*

- 14 The first applicant claims, on the one hand, that the surname Basile has been the subject of numerous registrations in Italy and, on the other, that the contested mark is quite well-known and has a reputation and that to deny it would be 'contrary to the general principles of acquiescence and good faith which should govern any business relationship'.
- 15 OHIM submits that the arguments concerning registration of the surname Basile in Italy, the reputation of the contested mark and the infringement of the principle of good faith, as well as the documents in annexes 7, 13, 14 and 15 to the application, were adduced for the first time before the Court and are therefore inadmissible.

- 16 In accordance with Article 135(4) of the Rules of Procedure, the parties' pleadings may not change the subject-matter of the proceedings before the Board of Appeal. In the present case, it is for the Court to review the legality of the decision taken by the Board of Appeal. Therefore the Court's review cannot go beyond the factual and legal context of the dispute as it was brought before the Board of Appeal (Case T-66/03 *'Drie Mollen sinds 1818' v OHIM - Nabeiro Silveria (Galáxia)* [2004] ECR II-1765, paragraph 45). Likewise, the applicant does not have the power to alter before the Court the terms of the dispute as delimited in the respective claims and allegations submitted by itself and by the intervener (Case C-412/05 P *Alcon v OHIM* [2007] ECR I-3569, paragraph 43, and Case C-16/06 P *Les Éditions Albert René v OHIM* [2008] ECR I-10053, paragraph 122).
- 17 In the present case, it is apparent from the documents before the court that the arguments concerning the numerous registrations in Italy of the surname Basile as a trade mark, the reputation of the contested mark and the infringement of the principle of good faith were not raised before the Board of Appeal. Nevertheless, it is clear from the examination of the application that the argument that the surname Basile has been the subject of numerous registrations is linked to the argument that that surname is devoid of distinctive character. That argument seeks to dispute that there is a likelihood of confusion between the signs at issue and had been raised before the Board of Appeal. Consequently, that argument may be regarded as amplifying the plea raised before the Board of Appeal and must be held to be admissible (see, to that effect, *Alcon v OHIM*, cited above in paragraph 16, paragraph 40). On the other hand, the arguments relating to the reputation of the contested mark and to the infringement of the principle of good faith are unrelated to the terms of the dispute, as delimited in the respective claims and allegations submitted by the first applicant and by the intervener before the Board of Appeal. Those arguments must therefore be held to be inadmissible.
- 18 Moreover, even if the first applicant's argument relating to the reputation of the contested mark may be interpreted as being designed to prove its highly distinctive character in the context of assessing whether there is a likelihood of confusion, it must be borne in mind that, according to the case-law, the highly distinctive character of a sign is relevant only in respect of the earlier mark and not the later mark (see, by analogy, Case C-251/95 *SABEL* [1997] ECR I-6191, paragraph 24; Case C-39/97 *Canon* [1998] ECR I-5507, paragraph 18; and Case C-342/97 *Lloyd Schuhfabrik Meyer* [1999] ECR I-3819, paragraph 20). The reputation of the later mark is not therefore one of the points of law that must be examined for Regulation No 40/94 to apply in the light of the facts, evidence and arguments provided by the parties. As the question concerning the reputation of the contested mark is a matter of law which has not been raised previously before the bodies of OHIM and which it is not necessary to examine in order to ensure the correct application of Regulation No 40/94 in the light of the facts, evidence and arguments provided by the parties, it cannot affect the legality of the contested decision relating to the application of a relative ground for refusal, since it does not form part of the legal framework of the dispute as it was brought before the Board of Appeal. That argument must therefore be held to be inadmissible (see, to that effect, Case T-57/03 *SPAG v OHIM - Dann and Backer (HOOLIGAN)* [2005] ECR II-287, paragraph 22).
- 19 As for the annexes to the application produced for the first time before the Court, they cannot be taken into consideration. The purpose of actions before the Court is to review the legality of decisions of the Boards of Appeal of OHIM for the purposes of Article 63 of Regulation No 40/94 (now Article 65 of Regulation No 207/2009), so it is not the Court's function to review the facts in the light of documents produced for the first time before it. Accordingly, the abovementioned documents must be excluded, without it being necessary to assess their probative value (see, to that effect, Case T-346/04 *Sadas v OHIM - LTJ Diffusion (ARTHUR ET FELICIE)* [2005] ECR II-4891, paragraph 19 and the case-law cited).

*Application for the admission of witness evidence*

- 20 The first applicant requests the admission of witness evidence in order to establish inter alia that there is no likelihood of confusion between the marks at issue, which coexist peacefully in Italy, and that there is national and international awareness of the contested mark.

- 21 OHIM submits that that application is not justified because, on the one hand, the first applicant has not presented any arguments as regards the coexistence of those marks and the lack of any likelihood of confusion which may result therefrom and, on the other, the qualifications of those persons called to give oral testimony have not been specified.
- 22 In the present case, it must be held that the first applicant has not raised any arguments in its written pleadings against the Board of Appeal's conclusions, in paragraph 20 of the contested decision, with regard to the coexistence of the marks at issue on the Italian market, according to which it has not been established whether the intervener agrees that those marks coexist on the Italian market or, therefore, that there is no likelihood of confusion on the part of the relevant public, as a result of the fact that, over the years, they have learnt to perceive the marks as distinctive signs designating different companies. The first applicant merely asked, in the application, for the admission of witness evidence in order to establish that there is no likelihood of confusion between the marks at issue and that those marks coexist peacefully on the Italian market.
- 23 In that regard, on the one hand, it must be noted that, in so far as the first applicant has not raised any additional argument in the application challenging the Board of Appeal's findings on the coexistence of the marks at issue, the application for the admission of witness evidence in order to establish that coexistence is not justified. On the other hand, it must be borne in mind that the first applicant cannot seek, before the Court, to supplement the evidence presented during the administrative proceedings in order to prove that coexistence. As is clear from the case-law cited in paragraph 19 above, the purpose of actions before the Court is to review the legality of decisions of the Boards of Appeal of OHIM for the purposes of Article 63 of Regulation No 40/94, so it is not the Court's function to review the facts in the light of documents produced for the first time before it. The first applicant's application for the admission of witness evidence must therefore be rejected.
- 24 Moreover, the first applicant requests the admission of witness evidence in order to establish, first, the continuous and uninterrupted use of the contested mark at both national and international level, second, the activities carried out by the second applicant's company since 1970 under different trade marks, and, since 1998, under the contested mark in particular, and, third, recognition on the national and international markets of goods bearing the contested mark.
- 25 In essence, it would appear that the purpose of the application for the admission of witness evidence is to establish that the contested mark is well-known and has a reputation. Nevertheless, as is clear from paragraphs 17 and 18 above, that argument is inadmissible and the application for the admission of witness evidence must therefore be rejected.
- 26 Even if the first applicant intended, by its application for the admission of witness evidence, to establish that the proprietor of the earlier trade mark was aware of the use of the contested mark on the market and, therefore, to establish limitation in consequence of acquiescence, that application must be rejected. As is apparent from paragraph 32 below, relevant use of the contested mark is that which occurs after its registration. Given that less than five years have elapsed between the date of registration and the date when the application for a declaration of invalidity was submitted, the application for the admission of witness evidence in order to establish the use of the contested mark on the market is not relevant.

### *Substance*

- 27 The first applicant relies, essentially, on two pleas in law in support of its action: the first plea alleges breach of Article 53(2) of Regulation No 40/94 (now Article 54(2) of Regulation No 207/2009) and the second alleges breach of Article 52(1)(a) and Article 8(1) of that regulation.



The first plea in law, alleging breach of Article 53(2) of Regulation No 40/94

- 28 The first applicant claims that the application for a declaration of invalidity was submitted after the limitation period of five years had elapsed, as calculated from the date on which the application for registration of the contested mark was made.
- 29 According to Article 53(2) of Regulation No 40/94, where the proprietor of an earlier national mark has acquiesced, for a period of five successive years, in the use of a later Community mark in the Member State in which the earlier trade mark was registered while being aware of such use, he is no longer entitled to apply for a declaration that the later mark is invalid or to oppose the use of the later mark, unless registration of the later Community mark was applied for in bad faith.
- 30 In the present case, the contested mark was registered on 27 April 2001 and the intervener filed its application for a declaration of invalidity on 21 April 2006, that is to say less than five years after the date of registration. Nevertheless, the first applicant claims that the date from which the period of five years has to be calculated is that of the application for registration of the contested mark, that is to say 14 January 2000.
- 31 According to the case-law, four conditions must be satisfied before the period of limitation in consequence of acquiescence starts running if there is use of a later trade mark which is identical with the earlier trade mark or confusingly similar. First, the later trade mark must be registered. Second, the application for its registration must have been made by its proprietor in good faith. Third, the later trade mark must be used in the Member State where the earlier trade mark is protected. Fourth, the proprietor of the earlier trade mark must be aware of the use of that trade mark after its registration (see, by analogy, Case C-482/09 *Budějovický Budvar* [2011] ECR I-8701, paragraphs 54 and 56 to 58).
- 32 Contrary to what the first applicant claims, the period of limitation in consequence of acquiescence does not start running from the date on which the application for registration of the later Community trade mark is filed. Even if that date constitutes the relevant starting point for the application of other provisions of Regulation No 40/94, such as Article 51(1)(a) and Article 8(2) of that regulation (now Article 52(1)(a) and Article 8(2) of Regulation No 207/2009), which seek to establish a temporary priority between the marks at issue, it is not the date from which the period of limitation in consequence of acquiescence provided for in Article 53(2) of Regulation No 40/94 runs. The aim of Article 53(2) of Regulation No 40/94 is to penalise the proprietors of earlier trade marks who have acquiesced, for a period of five successive years, in the use of a later Community trade mark while being aware of such use, by excluding them from seeking a declaration of invalidity or from bringing opposition proceedings in respect of that trade mark, which will then therefore be able to coexist with the earlier trade mark. It is from the time when the proprietor of the earlier trade mark becomes aware of the use of the later Community trade mark that it has the option of not acquiescing in its use and, therefore, opposing it or seeking a declaration of invalidity of the later trade mark. It may not be held that the proprietor of the earlier trade mark acquiesced in the use of the later Community trade mark once it was aware of its use, if it was not in a position to oppose its use or to seek a declaration of invalidity thereof (see, by analogy, *Budějovický Budvar*, cited above in paragraph 31, paragraphs 44 to 50).
- 33 It follows from a teleological interpretation of Article 53(2) of Regulation No 40/94 that the relevant date from which the period of limitation in consequence of acquiescence starts running is when the proprietor becomes aware of the use of that mark. That date must necessarily be later than that of registration of the trade mark, that is to say when the rights in a Community trade mark are obtained (see recital 7 of Regulation No 40/94), and that mark will be used as a registered trade mark on the market with third parties therefore being aware of its use. Contrary to what the first applicant claims, therefore, it is from the time when the proprietor of the earlier trade mark is made aware of the use of the later Community trade mark, after its registration, and not the date on which the application for the Community trade mark is filed, that the period of limitation in consequence of acquiescence starts running.

34 In the present case, the first applicant has not adduced any evidence capable of establishing when the intervener became aware of the use of the contested trade mark after its registration. It merely stated that the contested trade mark had been used for more than five years in Italy and that the intervener must have been aware of that use. Nevertheless, as stated in paragraph 30 above, less than five years had elapsed between the date of registration of the contested trade mark and the date when the application for a declaration of invalidity was filed, as use of that mark prior to its registration is not relevant since it had not yet been registered.

35 In the light of the foregoing, the first plea in law must be rejected.

The second plea in law, alleging breach of Article 52(1)(a) and Article 8(1) of Regulation No 40/94

36 In essence, the first applicant challenges the contested decision so far as concerns, on the one hand, the visual, phonetic and conceptual similarity of the earlier trade mark and the contested mark and, on the other, the distinctive character of the surname Basile, which appears in both marks.

37 Under Article 8(1)(b) of Regulation No 40/94 (now Article 8(1)(b) of Regulation No 207/2009), upon opposition by the proprietor of an earlier trade mark, the trade mark applied for is not to be registered if, because of its identity with or similarity to the earlier trade mark and the identity or similarity of the goods or services covered by the trade marks, there exists a likelihood of confusion on the part of the public in the territory in which the earlier trade mark is protected. The likelihood of confusion includes the likelihood of association with the earlier trade mark.

38 According to settled case-law, the risk that the public might believe that the goods or services in question come from the same undertaking or from economically-linked undertakings constitutes a likelihood of confusion. According to that same line of case-law, the likelihood of confusion must be assessed globally, according to the relevant public's perception of the signs and goods or services concerned and taking into account all factors relevant to the circumstances of the case, in particular the interdependence between the similarity of the signs and that of the goods or services designated (see Case T-162/01 *Laboratorios RTB v OHIM - Giorgio Beverly Hills (GIORGIO BEVERLY HILLS)* [2003] ECR II-2821, paragraphs 30 to 33 and the case-law cited).

39 In the present case, the first applicant does not challenge the definition of relevant public or the identity and similarity of the goods covered by the marks at issue which should, moreover, be upheld.

40 The global assessment of the likelihood of confusion, in relation to the visual, phonetic or conceptual similarity of the signs at issue, must be based on the overall impression given by those signs, bearing in mind, inter alia, their distinctive and dominant elements. The perception of the marks by the average consumer of the goods or services in question plays a decisive role in the global assessment of that likelihood of confusion. In that regard, the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details (see Case C-334/05 P *OHIM v Shaker* [2007] ECR I-4529, paragraph 35 and the case-law cited).

41 It is established case-law that two marks are similar when, from the point of view of the relevant public, they are at least partially identical as regards one or more relevant aspects, namely the visual, phonetic and conceptual aspects (Case T-6/01 *Matratzen Concord v OHIM - Hukla Germany (MATRATZEN)* [2002] ECR II-4335, paragraph 30, and judgment of 10 December 2008 in Case T-325/06 *Boston Scientific v OHIM*, not published in the ECR, paragraph 89).

42 The assessment of the similarity between two marks means more than taking just one component of a composite trade mark and comparing it with another mark. On the contrary, the comparison must be made by examining each of the marks in question as a whole, which does not mean that the overall impression conveyed to the relevant public by a composite trade mark may not, in certain circumstances, be dominated by one or more of its components (see *OHIM v Shaker*, cited above in paragraph 40, paragraph 41 and the case-law cited). It is only if all the other components of the mark are negligible that the assessment of the similarity can be carried out solely on the basis of the

dominant element (*OHIM v Shaker*, cited above in paragraph 40, paragraph 42 and judgment of 20 September 2007 in Case C-193/06 P *Nestlé v OHIM*, not published in the ECR, paragraph 42). That may be the case, in particular, where that component is likely by itself to dominate the image which the relevant public retains of that mark, with the result that the other components of the mark are negligible in the overall impression created by the mark (*Nestlé v OHIM*, cited above, paragraph 43).

43 In the present case, in order to establish that there is a likelihood of confusion between the marks at issue, it is necessary to examine, first, the distinctive character of the surname Basile and, second, the similarity of the marks at issue.

– The distinctive character of the surname Basile

44 The Board of Appeal found, in paragraph 31 of the contested decision, that, at least in Italy, consumers generally attributed greater distinctiveness to the surname than to the forename contained in the marks and it concluded, in paragraph 32 of the contested decision, that the surname Basile is more distinctive than the forename Antonio.

45 According to the case-law, the Italian consumer will generally attribute greater distinctiveness to the surname than to the forename in the marks in question (Case T-185/03 *Fusco v OHIM - Fusco International (ENZO FUSCO)* [2005] ECR II-715, paragraph 54).

46 As is also clear from the case-law, that rule, drawn from experience, should not be applied automatically, without taking account of the specific features of each case (judgment of 12 July 2006 in Case T-97/05 *Rossi v OHIM - Marcorossi (MARCOROSS)*, not published in the ECR, paragraph 45). In that regard, the Court stated that account must be taken, in particular, of the fact that the surname concerned is unusual or, on the contrary, very common, which is likely to have an effect on that distinctive character. Account must also be taken of whether the person who requests that his forename and surname, taken together, be registered as a trade mark is well-known (Case C-51/09 P *Becker v Harman International Industries* [2010] ECR I-5805, paragraphs 36 and 37).

47 In the present case, first of all, the Board of Appeal stated, in paragraph 24 of the contested decision, on the one hand, that the fact that the surname Basile is very common in Italy has not been proven and, on the other, that that surname is not one of the most common in Italy. The first applicant contests those claims without, however, adducing any evidence to the contrary. In order to challenge the distinctive character of that surname, the applicant states, moreover, that it has been the subject of numerous registrations. However, there is no evidence in the file to prove this, as the evidence adduced for the first time before the Court to that effect was found to be inadmissible (see paragraph 19 above). In addition, the first applicant does not dispute the Board of Appeal's assessment, in paragraph 32 of the contested decision, that the forename Antonio in the contested mark is very common in Italy.

48 Second, in spite of its claims, the first applicant has not presented any evidence to establish that the forename Antonio and the surname Basile, taken together, identify a well-known person, at least in Italy, and that, taken as a whole, it will therefore be perceived by consumers as a mark which consists of both a forename and surname which identify that person and not as the surname Basile to which other elements have been added, including the forename Antonio.

49 The Board of Appeal was thus right to find, in paragraph 32 of the contested decision, that, in the contested mark, the surname Basile is more distinctive than the forename Antonio.

– Similarity of the marks at issue

50 The Board of Appeal found, in paragraph 30 of the contested decision, that the marks at issue, on the one hand, had a certain degree of visual and phonetic similarity and, on the other, were conceptually similar in the light of their common element 'basile'. In that regard, the Board of Appeal took account of the highly distinctive character of that element and the fact that, as a surname, it has an independent distinctive role in the contested mark (paragraphs 32 and 33 of the contested decision).



- 51 The first applicant claims that there is low degree of similarity between the marks at issue in so far as, on the one hand, the common element 'basile' lacks distinctive character and, on the other, the structure, the length and the graphic elements of those marks are different. It submits in that regard that, in the case of the contested trade mark, the surname Basile is preceded by the stylised capital letter 'B', which is highly distinctive, as well as by the forename Antonio and is followed by the element '1952' which refers to a date.
- 52 It must be held that the element 'basile' is included in both marks at issue, that it is the sole element of the earlier trade mark and, as is clear from paragraph 49 above, that it is more distinctive than the element 'antonio' which precedes it in the contested mark.
- 53 However, contrary to what the Board of Appeal found in paragraph 33 of the contested decision, the element 'basile' does not, as a surname, have an independent distinctive role in the contested trade mark. According to the case-law, a surname does not retain an independent distinctive role in every case solely because it will be perceived as a surname. The finding with respect to such a role may be based only on an examination of all the relevant factors of each case (*Becker v Harman International Industries*, cited above in paragraph 46, paragraph 38) which the Board of Appeal failed to do in the present case.
- 54 Nevertheless, that error of assessment by the Board of Appeal cannot render the contested decision unlawful.
- 55 It must thus be held that the marks at issue have a certain degree of visual and phonetic similarity as a result of the common element 'basile' which is, according to paragraph 30 of the contested decision, the most characteristic element of the contested mark. Contrary to what the first applicant claims, the differences in structure and length of the marks at issue as well as the inclusion of graphic elements in the contested mark are not sufficient to refute that finding.
- 56 Visually, the stylised capital letter 'B', followed by a full stop, which corresponds to the first letter of the surname Basile and is placed above the forename Antonio and the surname Basile, and the element '1952', placed below that name and written in smaller characters, are not sufficiently important elements to counteract the similarity between the marks at issue created by the fact that the most characteristic element of both the contested mark and the earlier trade mark is identical (see, to that effect, judgment of 16 May 2007 in Case T-137/05 *La Perla v OHIM — Worldgem Brands (NIMEI LA PERLA MODERN CLASSIC)*, not published in the ECR, paragraph 46). Even if the stylised capital letter 'B' is bigger than the other elements of the contested mark, it does not constitute a significant addition to the element 'basile' in so far as it corresponds to its first letter or to its monogram. Likewise, in the light of its position in the contested mark and its smaller size, the element '1952', which could be perceived as being a year, has a subsidiary position in the contested mark and does not attract the consumer's attention as much as the other elements of that mark, although that does not mean that it is insignificant.
- 57 The fact that the element 'basile' is preceded by the element 'antonio' does nothing to invalidate that conclusion. In that regard, it must be borne in mind that, according to the case-law, while it is true that consumers generally take more note of a mark's beginning than of its ending, that argument cannot apply in all cases (judgment of 16 May 2007 in Case T-158/05 *Trek Bicycle v OHIM — Audi (ALLTREK)*, not published in the ECR, paragraph 70). In the present case, as was stated in paragraph 47 above, Antonio is a forename which is very common in Italy and is therefore less distinctive than the surname Basile. Accordingly, in spite of its position at the beginning of the contested mark, the element 'antonio' cannot attract the consumer's attention more than the element 'basile'.
- 58 Phonetically, even if the contested mark, composed of six syllables 'an', 'to', 'nio', 'ba', 'si' and 'le', is longer than the earlier trade mark, composed of three syllables 'ba', 'si' and 'le', the majority of the syllables of the contested mark and all of the syllables of the earlier trade mark, that is to say those that correspond to the surname Basile, are identical. Contrary to what the first applicant claims, the differences between the marks at issue in respect of the addition, in the contested mark, of the capital

letter 'B' and the element '1952' to the forename Antonio and to the surname Basile do not call into question the fact that there is a degree of phonetic similarity in so far as, on the one hand, in principle, the capital letter 'B', on its own, will not be pronounced by consumers, who will perceive it to be the first letter or monogram of that surname, and, on the other, as was stated in paragraph 56 above, the element '1952', which could be perceived as being a year by the relevant public and which has a secondary position in the contested mark, is therefore, for that reason, unlikely to be pronounced by the relevant public after the phrase 'antonio basile'. Moreover, as was stated in the previous paragraph, given its low degree of distinctiveness, the fact that the element 'antonio' is placed before the element 'basile' is not sufficient to counteract the similarities between the two marks.

- 59 The Board of Appeal was therefore right to find, in paragraph 30 of the contested decision, that the marks at issue had a degree of visual and phonetic similarity.
- 60 Conceptually, the two marks are composed of the Italian surname Basile to designate the goods in question, and the addition of the forename Antonio in the contested mark does not alter that conclusion. In both cases, the commercial origin of the goods covered by the marks at issue will be perceived by relevant consumers as being associated with a person bearing that surname. The Board of Appeal was therefore right to find, in paragraph 30 of the contested decision, that the two marks were conceptually similar.
- 61 It follows from all of the foregoing that the marks at issue have a degree of visual and phonetic similarity and that they are conceptually similar. In the light of the case-law cited in paragraph 41 above, it must thus be held that the marks at issue are similar.

– Likelihood of confusion

- 62 A global assessment of the likelihood of confusion implies some interdependence between the factors taken into account and, in particular, between the similarity of the trade marks and that of the goods or services covered. Accordingly, a low degree of similarity between those goods or services may be offset by a high degree of similarity between the marks, and vice versa (*Canon*, cited above in paragraph 18, paragraph 17, and Joined Cases T-81/03, T-82/03 and T-103/03 *Mast-Jägermeister v OHIM - Licorera Zacapaneca (VENADO with frame and Others)* [2006] ECR II-5409, paragraph 74).
- 63 As was stated in paragraph 39 above, the identity and the similarity of the goods covered by the marks at issue are not called into question. Moreover, as is clear from paragraph 61 above, the marks at issue are similar.
- 64 The Board of Appeal was therefore right to find, in paragraph 37 of the contested decision, that there is a likelihood of confusion between the marks at issue.
- 65 Nevertheless, the first applicant submits that the Board of Appeal did not examine whether there is a likelihood of confusion between the marks at issue, by analysing, in particular, the distinctive character of the contested mark acquired through use. Likewise, the first applicant seems to suggest that the evidence of use of the earlier international registration was not assessed.
- 66 Those arguments cannot be upheld. First, it is clear from paragraphs 26 to 38 of the contested decision that the Board of Appeal carefully examined whether there is a likelihood of confusion between the marks at issue, and that enabled the first applicant to challenge that decision before the Court by putting forward the arguments examined above.
- 67 Second, so far as concerns the argument relating to the assessment of the acquisition by the contested mark of distinctive character through use, it must be borne in mind that, although it is relevant in the context of absolute grounds for refusal or an absolute ground for invalidity, it is not, however, relevant in the context of relative grounds for refusal or a relative ground for invalidity, as in the present case in

respect of whether there is a likelihood of confusion. Even if, by that argument, the first applicant sought to emphasise the reputation or acquired distinctive character of the contested mark for the purposes of assessing whether there is a likelihood of confusion, it must be borne in mind that, according to the case-law, the highly distinctive character of a sign is relevant only in respect of the earlier mark and not the later mark (see, by analogy, *SABEL*, cited above in paragraph 18, paragraph 24; *Canon*, cited above in paragraph 18, paragraph 18, and *Lloyd Schuhfabrik Meyer*, cited above in paragraph 18, paragraph 20).

- 68 Third, as regards the assessment of the evidence of use of the earlier international registration, in so far as the existence of a likelihood of confusion was examined in relation to the earlier trade mark, the assessment of the evidence of use of the earlier international registration as well as the examination of the likelihood of confusion in respect of the mark at issue are not relevant (see, to that effect, Case T-342/02 *Metro-Goldwyn-Mayer Lion v OHIM - Moser Grupo Media (Moser Grupo Media)* [2004] ECR II-3191, paragraph 48).
- 69 In the light of all of the foregoing, it must be held that the Board of Appeal was right to find that there is a likelihood of confusion between the marks at issue within the meaning of Article 8(1)(b) of Regulation No 40/94. The second plea in law must thus be rejected and, as a result, the action must be dismissed in its entirety.

### Costs

- 70 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 first applicant has been unsuccessful, it must be ordered to pay the costs in accordance with the forms of order sought by OHIM and the intervener.
- 71 Under the third subparagraph of Article 87(5) of the Rules of Procedure, if costs are not claimed, the parties are to bear their own costs. The second applicant must therefore be ordered to bear his own costs.

On those grounds,

THE GENERAL COURT (Sixth Chamber)

hereby:

- 1. Orders the name of the second applicant, Antonio Basile, to be removed from the list of applicants in Case T-133/09;**
- 2. Dismisses the action;**
- 3. Orders I Marchi Italiani Srl to pay the costs, with the exception of those relating to the discontinuance;**
- 4. Orders Antonio Basile to bear his own costs.**

Kanninen

Wahl

Soldevila Fragoso

Delivered in open court in Luxembourg on 28 June 2012.

[Signatures]