



Reports of Cases

JUDGMENT OF THE COURT (Fourth Chamber)

18 July 2013*

(Appeal — Application for registration of the Community word mark FISHBONE — Opposition proceedings — Earlier national figurative mark FISHBONE BEACHWEAR — Genuine use of the earlier mark — Taking into account additional evidence not submitted within the time limit set — Regulation (EC) No 207/2009 — Articles 42(2) and (3) and Article 76(2) — Regulation (EC) No 2868/95 — Rule 22(2))

In Case C-621/11 P,

APPEAL under Article 56 of the Statute of the Court of Justice of the European Union, brought on 2 December 2011,

New Yorker SHK Jeans GmbH & Co. KG, formerly New Yorker SHK Jeans GmbH, established in Kiel (Germany), represented by V. Spitz, Rechtsanwalt,

appellant,

the other parties to the proceedings being:

Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM), represented by P. Geroulakos, acting as Agent,

defendant at first instance,

Vallis K.-Vallis A. & Co. OE, established in Athens (Greece),

intervener at first instance,

THE COURT (Fourth Chamber),

composed of L. Bay Larsen, President of the Chamber, J. Malenovský, U. Lõhmus, M. Safjan and A. Prechal (Rapporteur), Judges,

Advocate General: E. Sharpston,

Registrar: A. Calot Escobar,

having regard to the written procedure,

after hearing the Opinion of the Advocate General at the sitting on 16 May 2013

gives the following

* Language of the case: English.

Judgment

- 1 By its appeal, New Yorker SHK Jeans GmbH & Co. KG, formerly New Yorker SHK Jeans GmbH ('New Yorker Jeans'), seeks to have set aside the judgment of the General Court of the European Union of 29 September 2011 in Case T-415/09 *New Yorker SHK Jeans v OHIM – Vallis K.-Vallis A. (FISHBONE)* ('the judgment under appeal'), by which the Court dismissed its action for annulment of the decision of the First Board of Appeal of the Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM) of 30 July 2009 (Case R 1051/2008-1) ('the contested decision'), concerning opposition proceedings brought by Vallis K.-Vallis A. & Co. OE ('Vallis K.-Vallis A.') against the application of New Yorker Jeans for registration of the word mark FISHBONE.

Legal context

Regulation (EC) No 207/2009

- 2 Council Regulation (EC) No 207/2009 of 26 February 2009 on the Community trade mark (OJ 2009 L 78, p. 1), codified and repealed Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark (OJ 1994 L 11, p. 1).
- 3 Article 15 of Regulation No 207/2009 provides under the title 'Use of Community trade marks':

'1. If, within a period of five years following registration, the proprietor has not put the Community trade mark to genuine use in the Community in connection with the goods or services in respect of which it is registered, or if such use has been suspended during an uninterrupted period of five years, the Community trade mark shall be subject to the sanctions provided for in this Regulation, unless there are proper reasons for non-use.

...'
- 4 Article 42, which is set out in Section 4, entitled 'Observations by third parties and opposition', of Title IV, entitled 'Registration procedure', of Regulation No 207/2009, provides under the title 'Examination of opposition':

'1. In the examination of the opposition the Office shall invite the parties, as often as necessary, to file observations, within a period set them by the Office, on communications from the other parties or issued by itself.

2. If the applicant so requests, the proprietor of an earlier Community trade mark who has given notice of opposition shall furnish proof that, during the period of five years preceding the date of publication of the Community trade mark application, the earlier Community trade mark has been put to genuine use in the Community in connection with the goods or services in respect of which it is registered and which he cites as justification for his opposition, or that there are proper reasons for non-use, provided the earlier Community trade mark has at that date been registered for not less than five years. In the absence of proof to this effect, the opposition shall be rejected. If the earlier Community trade mark has been used in relation to part only of the goods or services for which it is registered it shall, for the purposes of the examination of the opposition, be deemed to be registered in respect only of that part of the goods or services.

3. Paragraph 2 shall apply to earlier national trade marks referred to in Article 8(2)(a), by substituting use in the Member State in which the earlier national trade mark is protected for use in the Community.

...'

- 5 Article 76, which is set out in Section 1, entitled 'General provisions' of Title IX, entitled 'Procedure', of Regulation No 207/2009, states under the title 'Examination of the facts by the Office of its own motion':

'1. In proceedings before it the Office shall examine the facts of its own motion; however, in proceedings relating to relative grounds for refusal of registration, the Office shall be restricted in this examination to the facts, evidence and arguments provided by the parties and the relief sought.

2. The Office may disregard facts or evidence which are not submitted in due time by the parties concerned.'

Regulation (EC) No 2868/95

- 6 Rule 22(2) of Commission Regulation (EC) No 2868/95 of 13 December 1995 implementing Regulation No 40/94 (OJ 1995 L 303, p. 1), as amended by Commission Regulation (EC) No 1041/2005 of 29 June 2005 (OJ 2005 L 172, p. 4; 'Regulation No 2868/95'), states:

'Where the opposing party has to furnish proof of use or show that there are proper reasons for non-use, the Office shall invite him to provide the proof required within such period as it shall specify. If the opposing party does not provide such proof before the time limit expires, the Office shall reject the opposition.'

Background to the dispute

- 7 The background to the dispute was set out by the General Court at paragraphs 1 to 12 of the judgment under appeal in the following terms:

'1 On 31 October 2003, [New Yorker Jeans] filed an application for registration of a Community trade mark with [OHIM] pursuant to ... Regulation (EC) No 40/94 ...

2 The mark for which registration was sought is the word sign FISHBONE.

3 The goods in respect of which registration was sought are in, inter alia, Classes 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 ...

...

5 On 28 January 2005 ... Vallis K.-Vallis A. ... filed, pursuant to Article 42 of Regulation No 40/94 (now Article 41 of Regulation No 207/2009), a notice of opposition to registration of the mark applied for with respect to the goods referred to in paragraph 3 above, based on:

— Greek figurative mark registration No 121579, filed on 24 January 1994 and registered on 17 May 1996 for the goods "T shirts, beachwear" in Class 25 ...

...

- 7 By letter of 5 April 2006, and further to [New Yorker Jeans'] request, OHIM invited [Vallis K.-Vallis A.] to provide proof, for the purposes of Article 43 of Regulation No 40/94 (now Article 42 of Regulation No 207/2009), of use of the earlier national figurative mark, on or before 6 June 2006. By letter of 6 June 2006, [Vallis K.-Vallis A.] produced evidence consisting of a sworn statement dated 1 June 2006, invoices and a number of photographs.
- 8 By letter of 25 September 2006, [New Yorker Jeans] claimed, in particular, that the evidence produced was insufficient to prove genuine use of the earlier right. By letter of 14 November 2006, OHIM requested [Vallis K.-Vallis A.] to submit its observations in response before 14 January 2007.
- 9 By letter filed at OHIM on 15 January 2007, [Vallis K.-Vallis A.] produced, inter alia, further evidence of use, consisting of catalogues dating from 2000, 2001 and 2003.
- 10 On 26 May 2008, on the basis of Article 8(1)(b) of Regulation No 207/2009, the Opposition Division upheld the opposition for a portion of the contested goods, namely "bags, rucksacks" in Class 18 and all of the goods in Class 25. In order to reach the conclusion that there was a likelihood of confusion between the marks at issue, it took account, in particular, of one of the abovementioned catalogues, dating from the summer of 2001.
- 11 On 16 July 2008, [New Yorker Jeans] filed an appeal at OHIM, pursuant to Articles 57 to 62 of Regulation No 40/94 (now Articles 58 to 64 of Regulation No 207/2009), against the decision of the Opposition Division.
- 12 By [the contested decision], the First Board of Appeal of OHIM allowed the appeal in part, rejecting the opposition for "bags, rucksacks" in Class 18, and upheld the decision of the Opposition Division concerning the goods in Class 25. It took the view, first, that the Opposition Division had been right to take account of the additional evidence submitted on 15 January 2007 and, second, that there was, in the case, sufficient proof of use of the earlier Greek trade mark. ...'

The judgment under appeal

- 8 By application lodged at the Registry of the General Court on 14 October 2009, New Yorker Jeans brought an action calling on the General Court to amend the contested decision by declaring that the appeal before the Board of Appeal was well founded and by rejecting the opposition for the goods in Class 25. Alternatively, New Yorker Jeans sought annulment of that decision in so far as it dismisses the appeal and confirms the rejection of the application for registration of those goods.
- 9 In support of its action, New Yorker Jeans relied on, inter alia, a plea in law alleging breach of Article 42(2) and (3) and Article 76(2) of Regulation No 207/2009 and of the second sentence of Rule 22(2) of Regulation No 2868/95. It claimed, in this respect, that the Board of Appeal had wrongly concluded that the Opposition Division was entitled to take into account the additional proof of use of the earlier mark which had been submitted after the expiry of the period set by OHIM under Rule 22(2).
- 10 Having noted, at paragraphs 23 and 24 of the judgment under appeal, referring to the judgment in Case C-29/05 P *OHIM v Kaul* [2007] ECR I-2213, paragraph 42, that, it can be inferred from the wording of Article 76(2) of Regulation No 207/2009 that, as a general rule and unless otherwise specified, the submission of facts and evidence by the parties remains possible after the expiry of the periods governing such submission provided for in Regulation No 207/2009 and that OHIM is in no

way prohibited from taking account of facts and evidence submitted late, the General Court rejected the plea thus put forward by New Yorker Jeans finding, in essence, as follows at paragraphs 25 to 34 of the judgment under appeal:

- ‘25 Rule 22(2) of Regulation No 2868/95 provides that, where, pursuant to Article 42(2) or (3) of Regulation No 207/2009, the opposing party is required to furnish proof of genuine use of the earlier mark, OHIM is to invite that party to provide the proof required within such period as it specifies. The second sentence of Rule 22(2) adds that, if the opposing party does not provide such proof before that period expires, OHIM is to reject the opposition.
- 26 It follows from that second sentence that submission of proof of use of the earlier mark after the period fixed for that purpose has expired means, in principle, that the opposition will be rejected, without OHIM having any discretion in that regard. ...
- ...
- 30 ... [T]he view must be taken that, by having filed within the time limit, namely on 6 June 2006, relevant evidence such as an affidavit, invoices and photographs, [Vallis K.-Vallis A.] must be regarded as having complied with the time limit provided for in the second sentence of Rule 22(2) of Regulation No 2868/95. Furthermore, it is not in dispute that, following the applicant’s observations that that evidence was insufficient, OHIM provided [Vallis K.-Vallis A.] with the opportunity to file its observations by 14 January 2007. In that context, the evidence filed with [Vallis K.-Vallis A.’s] observations in compliance with that time limit was capable of being taken into account by the Opposition Division.
- 31 Rule 22(2) of Regulation No 2868/95 must be understood as meaning that nothing precludes additional evidence, which merely adds to other evidence submitted within the time limit set, from being taken into account, since the initial evidence is not irrelevant, but was challenged by the other party as being insufficient. Such a consideration, which in no way renders the above rule superfluous, is all the more valid since [Vallis K.-Vallis A.] did not abuse the time limits set by knowingly employing delaying tactics or by demonstrating manifest negligence.
- ...
- 33 In the present case, since the evidence submitted by [Vallis K.-Vallis A.] outside the time limit set by the Opposition Division was not the initial and only proof of use, but rather evidence additional to relevant proof which was submitted within the time limit, the fact that the applicant disputed that evidence was sufficient to justify production by [Vallis K.-Vallis A.] of additional evidence when it filed its observations. The fact that that evidence was taken into consideration made it possible for the Opposition Division and then the Board of Appeal to decide on the genuine use of the earlier mark on the basis of all the relevant facts and evidence.
- 34 ... [T]he conclusion that the Opposition Division was entirely correct to take account of the catalogues, filed before it on 15 January 2007, also appears to comply with the more general objective underlying the opposition proceedings, in the context of which Article 76(2) of Regulation No 207/2009 has been interpreted as meaning that even evidence which had been submitted out of time must be taken into consideration provided that it appears to be relevant and that the stage of the proceedings at which it is filed and the surrounding circumstances do not preclude its submission.’
- 11 Having also rejected the other pleas in law relied on by New Yorker Jeans in support of its action, the General Court dismissed the action.

Forms of order sought by the parties before the Court of Justice

- 12 By its appeal, New Yorker Jeans asks the Court to set aside the judgment under appeal and to uphold its action at first instance or, alternatively, to refer the case back to the General Court, so that it can give final judgment in the action. It also asks the Court to order OHIM to pay all the costs.
- 13 OHIM contends that the Court should dismiss the appeal and order New Yorker Jeans to pay the costs.

The appeal

Arguments of the parties

- 14 In support of its appeal, New Yorker Jeans puts forward a single ground of appeal alleging breach of Article 42(2) and (3) and Article 76(2) of Regulation No 207/2009 and Rule 22(2) of Regulation No 2868/95.
- 15 It claims, primarily, that the General Court breached those provisions by finding that OHIM was correct to take into account the additional proof of use of the earlier mark submitted by Vallis K.-Vallis A. on 15 January 2007.
- 16 According to New Yorker Jeans, since the evidence produced within the period initially set by OHIM was not sufficient to establish genuine use of the earlier mark, OHIM was obliged to reject the opposition under the second sentence of Rule 22(2) of Regulation No 2868/95, since that provision introduces, in this respect, an exception to the rule set out in Article 76(2) of Regulation No 207/2009.
- 17 Such an interpretation would not unduly disadvantage the opposing party, since it knew, before filing its opposition, that, on demand, it might have to prove genuine use of its earlier mark, upon pain of having its opposition rejected, since it would be granted a sufficient time limit to do so and since it was in addition open to it to seek an extension of that period. In addition, that party maintains the right to subsequently seek annulment of the newly registered mark even where its opposition has been rejected.
- 18 In the alternative, New Yorker Jeans, referring to paragraph 44 of the judgment in *OHIM v Kaul*, claims that, even if it must be considered that filing of additional evidence is authorised, the General Court therefore misinterpreted the rule in Article 76(2) of Regulation No 207/2009 that OHIM must examine whether the evidence submitted out of time is relevant and whether the stage of the proceedings at which that late submission takes place does not preclude taking account of such matters. In this respect, OHIM abused its discretion and neglected its obligation to preserve the efficiency of the procedure, by failing to ascertain whether there existed any new evidence warranting that submission out of time, because the mere challenging, by the other party, of evidence produced by the opposing party does not constitute new evidence.
- 19 OHIM contends that the General Court, in the judgment under appeal, correctly interpreted Rule 22(2) of Regulation No 2868/95 in holding that, where relevant proof of use of the mark was, as in this case, submitted within the time limit set under that provision, that does not prevent subsequent production of additional evidence of that use.
- 20 Such an interpretation of Rule 22(2) is indeed consistent with the principles laid down by the Court in *OHIM v Kaul*, and the acceptance of such purely additional evidence fulfils, as a general rule, the various criteria laid down in that judgment.

Findings of the Court

- 21 As regards, in the first place, the principal part of the ground of appeal relied on by New Yorker Jeans, it should be noted, first, that Article 76(2) of Regulation No 207/2009 states that OHIM may disregard facts or evidence which are not submitted in due time by the parties concerned.
- 22 As the Court has found, it follows from the wording of that provision that, as a general rule and unless otherwise specified, the submission of facts and evidence by the parties remains possible after the passing of the time limits to which such submission is subject under the provisions of Regulation No 207/2009 and that OHIM is in no way prohibited from taking account of facts and evidence thus submitted or produced late (*OHIM v Kaul*, paragraph 42).
- 23 In stating that the latter ‘may’, in such a case, decide to disregard evidence, Article 76(2) grants OHIM broad discretion to decide, while giving reasons for its decision in that regard, whether or not to take such information into account (*OHIM v Kaul*, paragraph 43).
- 24 As regards, more specifically, the submission of proof of genuine use of the earlier mark in the context of opposition proceedings, it must be noted that, although Article 42(2) of Regulation No 207/2009 provides that, if the applicant for registration so requests, the proprietor of a mark who has given notice of opposition is to furnish proof of genuine use of the mark, in the absence of which the opposition is to be rejected, that regulation does not contain a provision specifying the time limit within which such proof must be adduced.
- 25 On the other hand, Rule 22(2) of Regulation No 2868/95 provides, in this regard, that, where such an application is made, OHIM is to invite the proprietor of the earlier mark to furnish proof of use of the mark or show that there are proper reasons for non-use within such period as it may specify.
- 26 In this case, OHIM’s Opposition Division applied that provision and set Vallis K.-Vallis A. a time limit for the purposes of furnishing such proof. It is moreover not disputed that Vallis K.-Vallis A. submitted various documents to prove use of the earlier mark within that time limit.
- 27 Next, it should be noted that the second sentence of Rule 22(2) also states that if proof of use of the mark is not provided within the time limit set by OHIM, the opposition will be rejected.
- 28 In this respect, although, admittedly, it is apparent from the wording of that provision that, when no proof of use of the mark concerned is submitted within the time limit set by OHIM, the opposition must automatically be rejected by OHIM, such a conclusion is not, on the other hand, inevitable when proof of use has indeed been submitted within that time limit.
- 29 In such a case, and unless it appears that that evidence is irrelevant for the purposes of establishing genuine use of the mark, the proceedings are to run their course. Accordingly, OHIM is, *inter alia*, called upon, as provided by Article 42(1) of Regulation No 207/2009, to invite the parties, as often as necessary, to file their observations on the notifications it has sent to them or on the communications from the other parties. In such a situation, if the opposition is subsequently rejected owing to lack of sufficient proof of genuine use of the earlier mark, that rejection does not result from application of Rule 22(2) of Regulation No 2868/95, a provision that is essentially procedural, but exclusively from the application of the substantive provision in Article 42(2) of Regulation No 207/2009.
- 30 It follows from the foregoing that, as the General Court correctly found in the judgment under appeal, where, as in this case, evidence considered relevant for the purposes of establishing use of the mark at issue was produced within the time limit set by OHIM under Rule 22(2) of Regulation No 2868/95, the submission of additional proof of such use remains possible after the expiry of that time limit. In such

a case, and as the General Court also correctly found, OHIM is in no way prohibited from taking account of evidence submitted out of time through use of the discretion conferred on it by Article 76(2) of Regulation No 207/2009, as was noted at paragraphs 22 and 23 of this judgment.

- 31 It follows that the principal part of the single ground of appeal must be rejected.
- 32 In the second place, New Yorker Jeans claims, by the subsidiary part of that ground of appeal, that the General Court was wrong in not declaring that, in the present case, OHIM had abused its discretion by failing to determine whether the evidence submitted out of time was relevant and whether the stage of the proceedings at which that late submission took place did not preclude such matters being taken into account.
- 33 As regards the exercise of that discretion by OHIM for the purposes of the possible taking into account of evidence submitted out of time, it should be noted that the Court has already held that where OHIM is called upon to give judgment in the context of opposition proceedings, taking such facts or evidence into account is particularly likely to be justified where OHIM considers, first, that the material produced late is, on the face of it, likely to be relevant to the outcome of the opposition brought before it and, second, that the stage of the proceedings at which that late submission takes place and the circumstances surrounding it do not preclude such matters being taken into account (*OHIM v Kaul*, paragraph 44).
- 34 It is apparent, in this respect, from the findings of fact made by the General Court at, inter alia, paragraphs 33 and 34 of the judgment under appeal, that the taking into account of the evidence submitted out of time by Vallis K.-Vallis A., in addition to the relevant proof initially submitted by it, made it possible for the Opposition Division and then the Board of Appeal to decide on the genuine use of the earlier mark on the basis of all the relevant facts and evidence, and that the stage of the proceedings at which the submission of that additional evidence took place and the circumstances surrounding it do not preclude such matters being taken into account.
- 35 Since it is thus not disputed that the taking into account of the additional evidence submitted out of time permitted OHIM to establish a genuine use of the earlier mark, the argument by which New Yorker Jeans alleges that OHIM did not determine whether that evidence was relevant can clearly not succeed.
- 36 In addition, it must be noted that, at paragraph 31 of the judgment under appeal, the General Court held that Vallis K.-Vallis A. had not abused the time limits set by knowingly employing delaying tactics or by demonstrating manifest negligence, but that that party had merely submitted additional documents after the relevant evidence which it had initially submitted had been challenged by New Yorker Jeans.
- 37 The various findings thus made by the General Court, which are included, as is apparent from paragraph 28 of the judgment under appeal, among the considerations which led that court to reject the arguments of New Yorker Jeans that the Board of Appeal was wrong to hold that the Opposition Division was entitled, in this case, to take account of the catalogues submitted out of time, do not disclose any error of law.
- 38 It follows from the foregoing considerations that the subsidiary part of the sole ground of appeal, by which the appellant complains that the General Court failed to declare an alleged abuse by OHIM of the discretion which it is granted by Article 76(2) of Regulation No 207/2009, cannot succeed.
- 39 Since, therefore, neither part of the sole ground of appeal is well founded, the appeal must be dismissed.

Costs

- 40 Under Article 184(2) of the Rules of Procedure of the Court of Justice, where the appeal is unfounded, the Court is to make a decision as to costs.
- 41 Under Article 138(1) of the Rules of Procedure, which applies to appeal proceedings pursuant to Article 184(1) thereof, 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 has applied for costs to be awarded against New Yorker Jeans, and since New Yorker Jeans has been unsuccessful, it must be ordered to pay the costs.

On those grounds, the Court (Fourth Chamber) hereby:

- 1. Dismisses the appeal;**
- 2. Orders New Yorker SHK Jeans GmbH & Co. KG to pay the costs.**

[Signatures]