



## Reports of Cases

JUDGMENT OF THE GENERAL COURT (Ninth Chamber)

12 November 2014\*

(Community trade mark — Opposition proceedings — Application for Community figurative mark  
LOVOL — Earlier Community word and figurative marks and earlier national figurative marks  
VOLVO — Relative ground for refusal — Unfair advantage taken of the distinctive character or the  
repute of the earlier trade mark — Article 8(5) of Regulation (EC) No 207/2009)

In Case T-524/11,

**Volvo Trademark Holding AB**, established in Gothenburg (Sweden), represented by M. Treis, lawyer,  
applicant,

v

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

defendant,

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

**Hebei Aulion Heavy Industries Co., Ltd.**, established in Zhangjiakou (China), represented by  
A. Alejos Cutuli, lawyer,

ACTION brought against the decision of the First Board of Appeal of OHIM of 19 July 2011 (Case R  
1870/2010-1), concerning opposition proceedings between Volvo Trademark Holding AB and Hebei  
Aulion Heavy Industries Co., Ltd.,

THE GENERAL COURT (Ninth Chamber),

composed of G. Berardis, President, O. Czúcz (Rapporteur) and A. Popescu, Judges,

Registrar: J. Weychert, Administrator,

having regard to the application lodged at the Court Registry on 30 September 2011,

having regard to the response of OHIM lodged at the Court Registry on 31 January 2012,

having regard to the response of the intervener lodged at the Court Registry on 20 January 2012,

having regard to the reply lodged at the Court Registry on 29 May 2012,

\* Language of the case: English.

having regard to the rejoinder of the intervener lodged at the Court Registry on 10 August 2012,

having regard to the order of 27 March 2014 joining Cases T-524/11 and T-525/11 for the purposes of the oral procedure,

further to the hearing on 2 April 2014,

gives the following

## Judgment

### Background to the dispute

- 1 On 20 April 2006, the intervener — Hebei Aulion Heavy Industries Co., Ltd. ('Hebei Aulion') — filed an application for registration of a Community trade mark at the Office for Harmonisation 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 (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:

**LOVOL**

- 3 The goods in respect of which registration was sought are in Classes 7 and 12 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, and correspond, for each of those classes, to the following description:
  - Class 7: 'Harvesters; agricultural machines, road rollers; excavators; loaders; bulldozers; concrete mixers; cranes; grain threshing machines; rice transplanters';
  - Class 12: 'Automobiles; vehicles for transport for agricultural use; motorcycles; derrick cars; cycle cars; bicycles; electric vehicles; engines for land vehicles; fork lift trucks; concrete mixing trucks; tractors'.
- 4 The Community trade mark application was published in *Community Trade Marks Bulletin* No 39/2006 of 25 September 2006.
- 5 On 21 December 2006, the applicant — Volvo Trademark Holding AB — filed a notice of opposition, pursuant to Article 42 of Regulation No 40/94 (now Article 41 of Regulation No 207/2009), to registration of the mark applied for, in respect of the goods referred to in paragraph 3 above.
- 6 The opposition was based, inter alia, on the following earlier trade marks:
  - the Community word mark VOLVO, registered on 20 June 2005 under No 2 361 087, covering goods and services in Classes 1 to 9, 11, 12, 14, 16 to 18, 20 to 22, 24 to 28 and 33 to 42;

- the Community trade mark application — filed on 30 August 2001 and covering goods and services in Classes 1 to 4, 6, 7, 9, 11, 12, 14, 16, 18, 25, 28, 35 to 39 and 41 — for the figurative mark reproduced below:



- the national figurative mark — registered in the United Kingdom under No 747 361 and covering goods in Class 12 — reproduced below:



- the national figurative mark — registered in the United Kingdom under No 1 408 143 and covering goods in Class 7 — reproduced below:



- 7 The grounds relied on in support of the opposition were those referred to in Article 8(1)(b) and Article 8(5) of Regulation No 40/94 (now Article 8(1)(b) and Article 8(5) of Regulation No 207/2009).

- 8 By decision of 3 September 2010, the Opposition Division rejected the opposition in its entirety, on the ground that the marks at issue were not sufficiently similar for the purposes of Article 8(1)(b) and Article 8(5) of Regulation No 207/2009.
- 9 On 27 September 2010, Volvo Trademark Holding filed a notice of appeal with OHIM, pursuant to Articles 58 to 64 of Regulation No 207/2009, against the Opposition Division's decision.
- 10 By decision of 19 July 2011 ('the contested decision'), the First Board of Appeal upheld the Opposition Division's decision and dismissed the appeal. It found that the relevant public's level of attention was particularly high, not least because of the price of the goods concerned and the highly technical nature of those goods. In addition, the Board found that the signs at issue were dissimilar. Accordingly, there could be no likelihood of confusion between the signs for the purposes of Article 8(1)(b) of Regulation No 207/2009. In addition, while acknowledging that it was possible that a lower degree of similarity might be permissible when applying Article 8(5) of that regulation, the Board found that, since the signs were dissimilar, the condition relating to similarity was not satisfied.

### **Forms of order sought**

- 11 In its application, Volvo Trademark Holding claims that the Court should:
- declare the action admissible;
  - annul the contested decision;
  - refuse the application for registration of the trade mark LOVOL;
  - order Hebei Aulion to pay the costs in the present proceedings and in the proceedings before OHIM.
- 12 At the hearing, Volvo Trademark Holding withdrew its third head of claim.
- 13 OHIM contends that the Court should:
- dismiss the action;
  - order Volvo Trademark Holding to pay the costs.
- 14 Hebei Aulion contends that the Court should:
- uphold the contested decision;
  - order Volvo Trademark Holding to pay the costs.

### **Law**

- 15 In support of its action, Volvo Trademark Holding raises a single plea in law, alleging infringement of Article 8(5) of Regulation No 207/2009.

16 Under Article 8(5) of Regulation No 207/2009:

‘... upon opposition by the proprietor of an earlier trade mark within the meaning of [Article 8(2)], the trade mark applied for shall not be registered where it is identical with, or similar to, the earlier trade mark and is to be registered for goods or services which are not similar to those for which the earlier trade mark is registered, where, in the case of an earlier Community trade mark, the trade mark has a reputation in the [European Union] and, in the case of an earlier national trade mark, the trade mark has a reputation in the Member State concerned and where the use without due cause of the trade mark applied for would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark.’

17 The types of injury referred to in Article 8(5) of Regulation No 207/2009, where they occur, are the consequence of a certain degree of similarity between the earlier and the later marks, by virtue of which the relevant public makes a connection between those two marks, that is to say, establishes a link between them even though it does not confuse them (*Antartica v OHIM*, C-320/07 P, EU:C:2009:146, paragraph 43; *Bimbo v OHIM — Grupo Bimbo (GRUPO BIMBO)*, T-357/11, EU:T:2012:696, paragraph 29; see also, by analogy, judgment in *Intel Corporation*, C-252/07, ECR, EU:C:2008:655, paragraph 30).

18 The application of Article 8(5) of Regulation No 207/2009 is subject to three conditions, namely, first, the identity of or similarity between the marks at issue; secondly, the existence of a reputation of the earlier trade mark relied on in support of the opposition; and, thirdly, the risk that use without due cause of the trade mark applied for would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark. Those conditions are cumulative and failure to satisfy one of them is sufficient to render the provision inapplicable (*El Jirari Bouzekri v OHIM — Nike International (NC NICKOL)*, T-207/09, EU:T:2011:537, paragraph 29; see also, to that effect, *Spa Monopole v OHIM — Spa-Finders Travel Arrangements (SPA-FINDERS)*, T-67/04, ECR, EU:T:2005:179, paragraph 30, and *Gateway v OHIM — Fujitsu Siemens Computers (ACTIVY Media Gateway)*, T-434/05, EU:T:2007:359, paragraph 57).

19 In the present case, the Board of Appeal found that the relevant territory was the whole of the European Union and that the relevant public consisted of both the general public and a specialised public interested in professional vehicles and machinery. In view of the nature and the cost of such goods, the Board concluded that the public’s level of attention when choosing them was high. Those findings are not disputed by Volvo Trademark Holding.

20 On the other hand, Volvo Trademark Holding does dispute the Board of Appeal’s finding that the trade mark LOVOL could not be refused registration on the basis of Article 8(5) of Regulation No 207/2009 because the signs at issue were dissimilar and thus one of the cumulative conditions for applying that provision was not satisfied.

#### Similarity of the signs

21 According to case-law, the criteria to be taken into consideration when assessing the similarity of marks are the same in the case of a refusal to register a mark applied for because of a likelihood of confusion, pursuant to Article 8(1)(b) of Regulation No 207/2009, and in the case of refusal to register that mark because of damage to the reputation of an earlier mark, pursuant to Article 8(5) of Regulation No 207/2009 (*NC NICKOL*, paragraph 18 above, EU:T:2011:537, paragraph 31). After all, in those two situations allowing registration of the mark applied for to be refused, the condition relating to similarity between the signs requires the existence, in particular, of elements of visual, aural or conceptual similarity, so that, from the point of view of the relevant public, the marks at issue are at least partially identical as regards one or more relevant aspects (see, to that effect,

*ACTIVY Media Gateway*, paragraph 18 above, EU:T:2007:359, paragraph 35, and *NC NICKOL*, paragraph 18 above, EU:T:2011:537, paragraph 31; see also, by analogy, judgment in *Adidas-Salomon and Adidas Benelux*, C-408/01, ECR, EU:C:2003:582, paragraphs 28 and 30 and the case-law cited).

- 22 The assessment of the visual, aural or conceptual similarity of the marks at issue must be based on the overall impression given by those marks, account being taken, in particular, of their distinctive and dominant components (judgment in *SABEL*, C-251/95, ECR, EU:C:1997:528, paragraph 23; *Laboratorios RTB v OHIM — Giorgio Beverly Hills (GIORGIO BEVERLY HILLS)*, T-162/01, ECR, EU:T:2003:199, paragraph 39; and *Simonds Farsons Cisk v OHIM — Spa Monopole (KINJI by SPA)*, T-3/04, ECR, EU:T:2005:418, paragraph 38).
- 23 Therefore, in accordance with the case-law cited in paragraph 17 above, it is necessary to determine whether the degree of similarity between the two marks at issue is sufficient to cause the relevant public to make a connection between them, that is to say, to establish a link between those marks even though it does not confuse them.

– The visual aspect of the comparison

- 24 In the contested decision, the Board of Appeal first of all compared the mark applied for with the word mark VOLVO and the word element of the earlier figurative marks. It found that the signs at issue shared four out of five letters, but that those letters did not appear in the same order. Moreover, the signs differed in their respective initial letters ('v' and 'l') and first syllable ('vol' and 'lo'). The Board also found it unlikely that the average consumer would divide the marks into their respective syllables so as to create an anagram and, on that basis, associate 'lovol' with 'volvo'. Next, the Board found that the graphical elements of the mark applied for were banal and did not constitute a distinguishing feature that would dominate or influence a consumer's visual perception of the signs. In addition, it pointed out that the word element of the earlier trade marks appears in white letters on a black background, whereas the mark applied for is reproduced in black letters. Accordingly, the Board concluded that the signs at issue were visually dissimilar.
- 25 Volvo Trademark Holding confines its arguments to a comparison of the word element of the trade mark LOVOL with the word mark VOLVO. It argues that each of those signs contains five letters and that both signs consist of similar combinations of the letters 'v', 'o' and 'l'. It also argues that, as the capital letters 'V' and 'L' are both angular characters, their geometric structure is similar. Volvo Trademark Holding also points out that the marks have the same vowel sequence ('o' followed by 'o') and a similar consonant sequence (one trade mark has the sequence 'v', 'l' and 'v' and the other has 'l', 'v' and 'l'). Lastly, Volvo Trademark Holding states that both marks are characterised by the syllables 'vol' and 'vo' 'and/or their inversion'.
- 26 First, it should be noted that the beginnings of the signs at issue are different: the mark applied for begins with an 'l', whereas the first letter of the trade mark VOLVO is a 'v'. According to case-law, consumers normally attach more importance to the beginnings of words (see, by analogy, *El Corte Inglés v OHIM — González Cabello (MUNDICOR)*, T-183/02 and T-184/02, ECR, EU:T:2004:79, paragraph 81).
- 27 Secondly, regarding Volvo Trademark Holding's argument that the first syllable of the trade mark LOVOL is a reversal of 'vol', it should be noted that Volvo Trademark Holding does not provide a specific example of any European Union language according to whose rules the trade mark LOVOL breaks down into the syllables 'lov' and 'ol'. On the contrary, according to the rules of English, German, French, Italian, Spanish, Polish, Dutch and Hungarian, the word 'lovol' breaks down into the syllables 'lo' and 'vol'. Even assuming that the first syllable of that trade mark would be 'lov' in one of

the languages of the European Union, Volvo Trademark Holding has not provided any evidence to substantiate its assertion that the average consumer would be inclined to divide a short meaningless word into syllables and then to read the first syllable backwards.

- 28 Moreover, Volvo Trademark Holding cannot, in that regard, validly rely on *Hedgelfund Intelligence v OHIM — Hedge Invest (InvestHedge)* (T-67/08, EU:T:2009:198) or *MIP Metro v OHIM — CBT Comunicación Multimedia (Metromeet)* (T-407/08, ECR, EU:T:2010:256).
- 29 In *InvestHedge*, the General Court assessed the similarity between the figurative marks InvestHedge and HEDGE INVEST, both of which contained the word elements ‘invest’ and ‘hedge’. It found that each of the signs in question was composed of two identical elements, which were clearly identifiable because, in the earlier mark, they were separated by a space and, in the mark applied for, they stood out because of the use of the upper case letters ‘I’ and ‘H’. That arrangement allowed the signs to be divided immediately into two distinctive parts, namely ‘invest’ and ‘hedge’, which were identical. It was in that context that the Court found that the mere inversion of the elements of a mark cannot allow the conclusion to be drawn that there is no visual similarity (*InvestHedge*, EU:T:2009:198, paragraph 35).
- 30 In the same vein, in *Metromeet* the General Court assessed the visual similarity between the trade marks meeting metro and Metromeet. It found that the mark applied for was made up of two elements, namely ‘metro’ and ‘meet’, which were to be found in reverse order in the earlier word mark, the word ‘meeting’ being easily perceivable by the relevant public as the gerund of the verb ‘meet’. The Court re-stated the fact that the mere inversion of the elements of a mark cannot allow the conclusion to be drawn that there is no visual similarity (*Metromeet*, EU:T:2010:256, paragraphs 37 and 38).
- 31 However, in the present case, in contrast with the cases giving rise to the judgments in *InvestHedge*, paragraph 28 above (EU:T:2009:198), and *Metromeet*, paragraph 28 above (EU:T:2010:256), the signs VOLVO and LOVOL are not composed of words which have a particular meaning and can be understood by the relevant public. Similarly, there is nothing in the way the letters are arranged in the mark applied for (LOVOL) to suggest that the average consumer would divide it into two syllables and look at each separately. Moreover, even if the average consumer were to do so, there is nothing to suggest that, contrary to the normal practice for reading Roman letters, he would then read the first three letters ‘l’, ‘o’, and ‘v’ in reverse order, as ‘vol’.
- 32 It follows that the arguments that Volvo Trademark Holding infers from *InvestHedge*, paragraph 28 above (EU:T:2009:198), and *Metromeet*, paragraph 28 above (EU:T:2010:256), must be rejected because, on the facts, the cases giving rise to those judgments differ markedly from the present case.
- 33 Thirdly, it must be pointed out that, even when reading quickly, the average consumer will not make any connection between the two signs at issue, given that both the first and the last letters of those signs are different and, what is more, the mark applied for contains two ‘l’s, whereas the trade mark VOLVO contains two ‘v’s.
- 34 Fourthly, it is true that the signs at issue both contain the letter combination ‘vol’. However, those three letters are located at the beginning of the earlier word mark, but at the end of the mark applied for.
- 35 Fifthly, Volvo Trademark Holding cannot validly base any argument on the supposed similarity between the capital letters ‘L’ and ‘V’. After all, the average consumer is deemed instinctively to distinguish between the letters of the Roman alphabet and, in the present case, will perceive the differences between those letters, especially as the signs at issue are relatively short.

36 Moreover, it should be noted that the figurative elements of the earlier figurative marks further distinguish those marks from the mark applied for and that, in any event, Volvo Trademark Holding does not put forward any arguments, in the context of the visual comparison, relating to those differences between the marks.

37 In the light of those considerations, the mere fact that the signs at issue contain the letters 'v', 'l', and 'o' and include the letter combination 'vol' is not enough to cause the relevant public to make a connection between those signs on the basis of its visual perception of them. Thus, there is no visual similarity which can be taken into account when applying Article 8(5) of Regulation No 207/2009.

38 Accordingly, the Board of Appeal's finding that the signs in question are visually dissimilar must be upheld.

– The aural aspect of the comparison

39 Regarding the aural comparison of the signs, the Board of Appeal found that the mere fact that the marks at issue had the same number of syllables was of no particular importance. On the other hand, given the difference between the 'vowel sounds' of both syllables of the marks at issue, those marks were aurally dissimilar.

40 Volvo Trademark Holding submits that the trade marks VOLVO and LOVOL are aurally similar. It argues that the pronunciation of the marks at issue is characterised by the syllables 'vol', 'vo' and 'lov', which have striking similarities. It also argues that both signs repeat the vowel 'o', which dominates the way each sign is pronounced, and contain the soft consonants 'l' and 'v', which, when pronounced, do not create any strong sounds.

41 It should be noted that Volvo Trademark Holding cannot validly argue that both marks are composed only of the syllables 'vol', 'vo' and 'lov', given that the mark applied for is not LOVVOL, but LOVOL. In addition, it should be borne in mind that Volvo Trademark Holding does not mention any European Union language in which the word LOVOL would break down into the syllables 'lov' and 'ol'. On the contrary, according to the grammatical rules of the languages mentioned in paragraph 27 above, the mark applied for breaks down into the syllables 'lo' and 'vol'.

42 Furthermore, it should again be stated that, according to the case-law cited in paragraph 26 above, consumers normally attach more importance to the beginnings of words. The first sounds of the signs at issue, however, are dissimilar.

43 It is true that the vowels contained in those signs are identical and that they are pronounced identically in many European Union languages. However, contrary to the assertions made by Volvo Trademark Holding, the letters 'l' and 'v' are pronounced quite differently: 'l' is an alveolar consonant, whereas 'v' is a labiodental consonant.

44 Moreover, in the word element 'volvo', the juxtaposition of the consonants 'l' and 'v' means that the space between those sounds is slightly compressed, whereas, in the word 'lovol', the vowels and consonants are alternated, with the result that the pronunciation of that word is more flowing. Consequently, the signs at issue have a different rhythm of pronunciation.

45 It must therefore be found that the mere fact that the signs at issue contain the letters 'v', 'l', and 'o' and include the letter combination 'vol' is not enough to cause the relevant public to make a connection between those signs on the basis of its aural perception of them. Thus, there is no aural similarity which can be taken into account when applying Article 8(5) of Regulation No 207/2009.



46 Accordingly, it is appropriate to uphold the Board of Appeal's conclusion that the signs at issue are aurally dissimilar for the purposes of applying Article 8(5) of Regulation No 207/2009.

– The conceptual aspect of the comparison

47 Volvo Trademark Holding shares the Board of Appeal's view that, as the signs in question have no meaning in any European Union language, it is impossible to compare them conceptually.

48 However, it submits that consumers who come across the 'invented trade mark' LOVOL will be intrigued by that new trade mark for cars, especially since the number of car manufacturers is relatively limited. Accordingly, those consumers will ask themselves whether that new trade mark for cars has any connection with a very old and highly reputed trade mark for cars and will then be led to associate it with the trade mark VOLVO.

49 In that regard, it should be noted that Volvo Trademark Holding's arguments are not based on any principle established by case-law.

50 Furthermore, Volvo Trademark Holding has not adduced any evidence to show that consumers who display a high degree of attention when purchasing the goods in question will instinctively associate a new trade mark with an existing trade mark when faced with an 'invented trade mark' which has no meaning whatsoever.

51 Volvo Trademark Holding argues, however, that a connection could be made between the signs LOVOL and VOLVO in the minds of consumers because there is a 'visual dictionary' in the human brain which people develop when learning to read. In that regard, Volvo Trademark Holding relies on a scientific article entitled 'Skilled Readers Rely on Their Brain's "Visual Dictionary" to Recognize Words', which was published on 14 November 2011.

52 OHIM contends that the scientific article in question, which is appended to the reply, cannot be taken into account by the Court as it was lodged out of time.

53 The Court finds that it is not appropriate to determine whether the evidence represented by the article in question is admissible, given that, in any event, it does not support Volvo Trademark Holding's argument: the authors of the article stress that, even where several letters in two words coincide, the differences between the remaining letters mean that reading those words activates different neurones in the human brain. For example, from the point of view of an experienced reader, the distance between the English words 'hair' and 'hare' is the same as between the words 'hair' and 'soup', despite the fact that 'hair' and 'hare' are pronounced identically.

54 Accordingly, it must be concluded that it is not possible to carry out a conceptual comparison in the present case. Similarly, Volvo Trademark Holding has not established that the conceptual perception of the signs could give rise to a connection between the signs within the meaning of the case-law cited in paragraph 17 above. Therefore, its arguments in that regard must be rejected.

55 On the basis of the foregoing, and particularly in the light of the findings set out in paragraphs 37 and 45 above, it must be observed that the mere fact that the signs at issue contain the letters 'v', 'l', and 'o' and include the letter combination 'vol' is not capable of creating a connection between those signs in the mind of the relevant public or of causing that public to establish a link between them. Accordingly, the fact that those letters coincide cannot be termed a similarity for the purposes of applying Article 8(5) of Regulation No 207/2009.

56 The contested decision must therefore be upheld in so far as the Board of Appeal concluded in that decision that, for the purposes of applying Article 8(5) of Regulation No 207/2009, the signs at issue were dissimilar.

Whether Article 8(5) of Regulation No 207/2009 is applicable

57 It should be borne in mind that, according to the case-law cited in paragraph 18 above, failure to satisfy one of the three cumulative conditions laid down in Article 8(5) of Regulation No 207/2009 is sufficient to render that provision inapplicable.

58 In the present case, the signs at issue are dissimilar. It follows that the Board of Appeal was entitled to conclude that the mark applied for could not be refused registration on the basis of Article 8(5) of Regulation No 207/2009.

59 In the light of the foregoing, Volvo Trademark Holding's single plea in law must be rejected and in consequence the action must be dismissed in its entirety.

### **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. Since Volvo Trademark Holding has been unsuccessful, it must be ordered to pay the costs, in accordance with the form of order sought by OHIM and Hebei Aulion.

On those grounds,

THE GENERAL COURT (Ninth Chamber)

hereby:

- 1. Dismisses the action.**
- 2. Orders Volvo Trademark Holding AB to pay the costs.**

Berardis

Czúcz

Popescu

Delivered in open court in Luxembourg on 12 November 2014.

[Signatures]