



## Reports of Cases

### Case C-65/12

**Leidseplein Beheer BV**

**and**

**Hendrikus de Vries**

**v**

**Red Bull GmbH**

**and**

**Red Bull Nederland BV**

(Request for a preliminary ruling from the Hoge Raad der Nederlanden)

(Reference for a preliminary ruling — Trade marks — Directive 89/104/EEC — Rights conferred by a trade mark — Trade mark with a reputation — Protection extended to non-similar goods or services — Use by a third party, without due cause, of a sign identical with or similar to the trade mark with a reputation — Definition of ‘due cause’)

Summary — Judgment of the Court (First Chamber), 6 February 2014

1. *Approximation of laws — Trade marks — Directive 89/104 — Trade mark with a reputation — Option to grant protection which is extended to non-similar goods or services (Article 5(2) of the directive) — Obligation of Member States awaiting themselves of that option to grant such protection also to a sign which is used for identical or similar goods or services*

*(Council Directive 89/104, Art. 5(2))*

2. *EU law — Interpretation — Methods — Literal, systematic and teleological interpretation*

3. *Approximation of laws — Trade marks — Directive 89/104 — Trade mark with a reputation — Protection extended to non-similar goods or services (Article 5(2) of the directive) — Conditions — Sign used for identical or similar goods or services without due cause which takes unfair advantage of, or is detrimental to, the distinctive character or the repute of the trade mark — Concept of due cause — Scope*

*(Council Directive 89/104, Art. 5(2))*

4. *Approximation of laws — Trade marks — Directive 89/104 — Trade mark with a reputation — Protection extended to non-similar goods or services (Article 5(2) of the directive) — Conditions — Sign used for identical or similar goods or services without due cause which takes unfair advantage of, or is detrimental to, the distinctive character or the repute of the trade mark — Concept of due cause — Use of the sign before the trade mark was filed*

*(Council Directive 89/104, Art. 5(2))*

1. See the text of the decision.

(see paras 21, 34)

2. See the text of the decision.

(see para. 28)

3. The purpose of First Directive 89/104 on trade marks is generally to strike a balance between the interest which the proprietor of a trade mark has in safeguarding its essential function, on the one hand, and the interests of other economic operators in having signs capable of denoting their products and services, on the other.

It follows that the protection of rights which the proprietor of a trade mark derives from that directive is not unconditional, since in order to maintain the balance between those interests that protection is limited, in particular, to those cases in which that proprietor shows himself to be sufficiently vigilant by opposing the use, by other operators, of signs likely to infringe his mark.

In a system for the protection of marks such as that adopted, on the basis of Directive 89/104, by the Benelux Convention on Intellectual Property (Trade Marks and Designs), however, the interests of a third party in using, in the course of trade, a sign similar to a mark with a reputation must be considered, in the context of Article 5(2) of that directive, in the light of the possibility for the user of that sign to claim 'due cause'.

Where the proprietor of the mark with a reputation has demonstrated the existence of one of the forms of injury referred to in Article 5(2) of Directive 89/104 and, in particular, has shown that unfair advantage has been taken of the distinctive character or the repute of that mark, the onus is on the third party using a sign similar to the mark with a reputation to establish that he has due cause for using such a sign.

It follows that the concept of 'due cause' may not only include objectively overriding reasons but may also relate to the subjective interests of a third party using a sign which is identical or similar to the mark with a reputation.

Thus, the concept of 'due cause' is intended, not to resolve a conflict between a mark with a reputation and a similar sign which was being used before that trade mark was filed or to restrict the rights which the proprietor of that mark is recognised as having, but to strike a balance between the interests in question by taking account, in the specific context of Article 5(2) of Directive 89/104 and in the light of the enhanced protection enjoyed by that mark, of the interests of the third party using that sign. In so doing, the claim by a third party that there is due cause for using a sign which is similar to a mark with a reputation cannot lead to the recognition, for the benefit of that third party, of the rights connected with a registered mark, but rather obliges the proprietor of the mark with a reputation to tolerate the use of the similar sign.

The Court thus held in paragraph 91 of the judgment in Case C-323/09 *Interflora and Interflora British Unit* (a case concerning the use of keywords for internet referencing) that where the advertisement displayed on the internet on the basis of a keyword corresponding to a trade mark with a reputation puts forward — without offering a mere imitation of the goods or services of the proprietor of that trade mark, without being detrimental to the repute or the distinctive character of that mark and without, moreover, adversely affecting the functions of the trade mark concerned — an alternative to the goods or services of the proprietor of the trade mark with a reputation, it must be concluded that such a use falls, as a rule, within the ambit of fair competition in the sector for the goods or services concerned and is thus not without 'due cause'.

Consequently, the concept of ‘due cause’ cannot be interpreted as being restricted to objectively overriding reasons.

(see paras 41-48)

4. Article 5(2) of First Directive 89/104 on trade marks must be interpreted as meaning that the proprietor of a trade mark with a reputation may be obliged, pursuant to the concept of ‘due cause’ within the meaning of that provision, to tolerate the use by a third party of a sign similar to that mark in relation to a product which is identical to that for which that mark was registered, if it is demonstrated that that sign was being used before that mark was filed and that the use of that sign in relation to the identical product is in good faith. In order to determine whether that is so, the national court must take account, in particular, of:

- how that sign has been accepted by, and what its reputation is with, the relevant public;
- the degree of proximity between the goods and services for which that sign was originally used and the product for which the mark with a reputation was registered; and
- the economic and commercial significance of the use for that product of the sign which is similar to that mark.

(see para. 60, operative part)