



Reports of Cases

JUDGMENT OF THE COURT (Grand Chamber)

8 November 2016*

(Appeal — EU trade mark — Application for registration of a figurative mark including the word elements ‘compressor technology’ — Opposition of the proprietor of the word marks KOMPRESSOR PLUS and KOMPRESSOR — Partial refusal of registration — Regulation (EC) No 207/2009 — Article 60 — Regulation (EC) No 216/96 — Article 8(3) — ‘Ancillary’ appeal — Regulation (EC) No 40/94 — Article 8(1)(b) — Weak distinctive character of the earlier national marks — Likelihood of confusion)

In Case C-43/15 P,

APPEAL under Article 56 of the Statute of the Court of Justice of the European Union, brought on 3 February 2015,

BSH Bosch und Siemens Hausgeräte GmbH, established in Munich (Germany), represented by S. Biagosch and R. Kunz-Hallstein, Rechtsanwälte,

appellant,

the other parties to the proceedings being:

European Union Intellectual Property Office (EUIPO), represented by M. Fischer, acting as Agent,

defendant at first instance,

LG Electronics Inc., established in Seoul (South Korea),

party to the proceedings before the Board of Appeal of EUIPO,

THE COURT (Grand Chamber),

composed of K. Lenaerts, President, A. Tizzano, Vice-President, M. Ilešič (Rapporteur), L. Bay Larsen, T. von Danwitz, E. Juhász, M. Berger, A. Prechal and M. Vilaras, Presidents of Chambers, A. Rosas, A. Borg Barthet, K. Jürimäe and C. Lycourgos, Judges,

Advocate General: Y. Bot,

Registrar: M. Aleksejev, Administrator,

having regard to the written procedure and further to the hearing on 14 December 2015,

after hearing the Opinion of the Advocate General at the sitting on 1 March 2016,

* Language of the case: German.

gives the following

Judgment

- 1 By its appeal, BSH Bosch und Siemens Hausgeräte GmbH ('BSH') asks the Court to set aside the judgment of the General Court of the European Union of 4 December 2014, *BSH v OHIM — LG Electronics (compressor technology)* (T-595/13, not published, 'the judgment under appeal', EU:T:2014:1023), by which the General Court dismissed its action for annulment of the decision of the First Board of Appeal of the European Union Intellectual Property Office (EUIPO) of 5 September 2013 (Case R 1176/2012-1), as amended by the decision — corrigendum of 3 December 2013 ('the decision at issue'), relating to opposition proceedings between LG Electronics Inc. ('LG') and BSH.

Legal context

Legislation relating to the EU trade mark

- 2 Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark (OJ 1994 L 11, p. 1), as amended by Council Regulation (EC) No 422/2004 of 19 February 2004 (OJ 2004 L 70, p. 1) ('Regulation No 40/94'), was repealed and replaced by Council Regulation (EC) No 207/2009 of 26 February 2009 on the European Union trade mark (OJ 2009 L 78, p. 1), which entered into force on 13 April 2009. The present dispute is therefore governed by the procedural provisions of the latter regulation. On the other hand, given the date on which the application for registration at issue in the present case was filed, namely 24 November 2008, which is decisive for the purpose of identifying the applicable substantive law, the present dispute is governed by the substantive provisions of Regulation No 40/94.
- 3 Article 7 of Regulation No 40/94, entitled 'Absolute grounds for refusal', the wording of which was reproduced without amendment in Article 7 of Regulation No 207/2009, provided in paragraph 1:

'The following shall not be registered:

...

- (b) trade marks which are devoid of any distinctive character;
- (c) trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin or the time of production of the goods or of rendering of the service, or other characteristics of the goods or service;

...'

- 4 Article 8 of Regulation No 40/94, entitled 'Relative grounds for refusal', the wording of which was reproduced without amendment in Article 8 of Regulation No 207/2009, provided in paragraph 1:

'Upon opposition by the proprietor of an earlier trade mark, the trade mark applied for shall not be registered:

...

(b) 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.’

5 Article 51 of Regulation No 40/94, entitled ‘Absolute grounds for invalidity’, which corresponds to Article 52 of Regulation No 207/2009, provided in paragraphs 1 and 2:

‘1. A Community trade mark shall be declared invalid on application to the Office or on the basis of a counterclaim in infringement proceedings:

(a) where the Community trade mark has been registered contrary to the provisions of Article 7;

(b) where the applicant was acting in bad faith when he filed the application for the trade mark.

2. Where the Community trade mark has been registered in breach of the provisions of Article 7(1)(b), (c) or (d), it may nevertheless not be declared invalid if, in consequence of the use which has been made of it, it has after registration acquired a distinctive character in relation to the goods or services for which it is registered.’

6 Article 59 of Regulation No 207/2009, entitled ‘Persons entitled to appeal and to be parties to appeal proceedings’, forms part of Title VII of the regulation, entitled ‘Appeals’. As stated in that article:

‘Any party to proceedings adversely affected by a decision may appeal. ...’

7 Article 60 of Regulation No 207/2009, entitled ‘Time limit and form of appeal’, which also forms part of Title VII, provides:

‘Notice of appeal must be filed in writing at the Office within two months after the date of notification of the decision appealed from. The notice shall be deemed to have been filed only when the fee for appeal has been paid. ...’

8 Article 63 of Regulation No 207/2009, entitled ‘Examination of appeals’, states in paragraph 2:

‘In the examination of the appeal, the Board of Appeal shall invite the parties, as often as necessary, to file observations, within a period to be fixed by the Board of Appeal, on communications from the other parties or issued by itself.’

9 Article 65 of Regulation No 207/2009, entitled ‘Actions before the Court of Justice’, provides in paragraphs 1 and 2:

‘1. Actions may be brought before the Court of Justice against decisions of the Boards of Appeal on appeals.

2. The action may be brought on grounds of lack of competence, infringement of an essential procedural requirement, infringement of the Treaty, of this Regulation or of any rule of law relating to their application or misuse of power.’

10 Article 75 of Regulation No 207/2009, entitled ‘Statement of reasons on which decisions are based’, forms part of Title IX of the regulation, entitled ‘Procedure’. That article provides:

‘Decisions of the Office shall state the reasons on which they are based. They shall be based only on reasons or evidence on which the parties concerned have had on opportunity to present their comments.’

- 11 Commission Regulation (EC) No 216/96 of 5 February 1996 laying down the rules of procedure of the Boards of Appeal of the Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OJ 1996 L 28, p. 11), as amended by Commission Regulation (EC) No 2082/2004 of 6 December 2004 (JO 2004 L 360, p. 8) ('Regulation No 216/96'), provides in Article 8, entitled 'Procedure':

'...

2. In *inter partes* proceedings, and without prejudice to Article 61(2) of the Regulation, the statement setting out the grounds of appeal and the response to it may be supplemented by a reply from the appellant, lodged within two months of the notification of the response, and a rejoinder by the defendant, lodged within two months of notification of the reply.

3. In *inter partes* proceedings, the defendant may, in his or her response, seek a decision annulling or altering the contested decision on a point not raised in the appeal. Such submissions shall cease to have effect should the appellant discontinue the proceedings.'

- 12 After the present appeal was brought, Regulation No 207/2009 was amended by Regulation (EU) 2015/2424 of the European Parliament and of the Council of 16 December 2015 (OJ 2015 L 341, p. 21), which entered into force on 23 March 2016.

- 13 By virtue of Regulation 2015/2424, Article 60 of Regulation No 207/2009, entitled 'Time limit and form of appeal', is replaced by the following text:

'1. Notice of appeal shall be filed in writing at the Office within two months of the date of notification of the decision. The notice shall be deemed to have been filed only when the fee for appeal has been paid. It shall be filed in the language of the proceedings in which the decision subject to appeal was taken. Within four months of the date of notification of the decision, a written statement setting out the grounds of appeal shall be filed.

2. In *inter partes* proceedings, the defendant may, in his response, seek a decision annulling or altering the contested decision on a point not raised in the appeal. Such submissions shall cease to have effect should the appellant discontinue the proceedings.'

EU legislation relating to national trade marks

- 14 Article 3 of Directive 2008/95/EC of the European Parliament and of the Council of 22 October 2008 to approximate the laws of the Member States relating to trade marks (OJ 2008 L 299, p. 25), entitled 'Grounds for refusal or invalidity', provides in paragraph 1(b) and (c):

'The following shall not be registered or, if registered, shall be liable to be declared invalid:

...

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

(c) trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin, or the time of production of the goods or of rendering of the service, or other characteristics of the goods or services;

...'

Background to the dispute

- 15 On 24 November 2008, BSH filed with EUIPO an application for registration of the following figurative sign as an EU trade mark:



- 16 The goods in respect of which registration was applied for are in Classes 7, 9 and 11 of the Nice Agreement concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, as revised and amended ('the Nice Agreement'). The application was published in *European Union Trade Marks Bulletin* No 4/2009 of 2 February 2009.
- 17 On 30 April 2009, LG filed a notice of opposition to registration of the trade mark at issue in respect of all the goods covered by the application, relying upon Article 8(1)(b) of Regulation No 207/2009. The opposition was based on the following earlier marks:
- the French word mark KOMPRESSOR, registered on 6 July 2007 under No 73477434, covering 'washing machine[s], vacuum cleaners, dishwasher[s], electric mixers, power generators', in Class 7 of the Nice Agreement, and 'gas ranges, kitchen ovens; air conditioning apparatus, refrigerators, microwave ovens, ventilation apparatus, air purification apparatus, electric toasters, humidifiers, flashlights torches for lighting, laundry dryer[s]', in Class 11 of the Nice Agreement;
 - the Spanish word mark KOMPRESSOR, registered on 25 September 2007 under No 2753286, covering 'electrical washing machines, electric vacuum cleaners, automatic dishwashers, electrical mixers, power generators', in Class 7 of the Nice Agreement, and 'gas cookers, ovens, conditioned air, electrical refrigerators (freezer compartments), microwaves, electric fans, apparatus and machines for the purification of the air, electrical toasters, ventilators, electric lantern, and dryers', in Class 11 of the Nice Agreement;
 - the United Kingdom word mark KOMPRESSOR, registered on 7 December 2007 under No 2444787, covering 'electric washing machines; electric vacuum cleaners; automatic dishwashers; electrical mixers; DC generators; all being for household purposes', in Class 7 of the Nice Agreement, and 'gas ranges; kitchen ranges (ovens); microwave oven ranges; electric fans; electric toasters; torches for lighting; electric laundry dryers; all being for household purposes', in Class 11 of the Nice Agreement; and
 - the EU word mark KOMPRESSOR PLUS, registered on 23 August 2012 under No 7282924, covering 'electric washing machines; automatic dishwashers for household purposes', in Class 7 of the Nice Agreement.

- 18 By decision of 3 May 2012, the Opposition Division of EUIPO partially upheld the opposition and consequently rejected the application for registration of the EU trade mark at issue in respect of the following goods:
- Class 7 of the Nice Agreement: ‘Electrical household and kitchen machines and apparatus (included in Class 7), namely, electrical kitchen machines and apparatus including grinders/crushers, mixing and kneading devices, fruit pressing machines, de-juicers, juice centrifuges, grinding machines, cutting devices, electrically powered tools, tin openers, knife sharpening devices and appliances and devices for making beverages and/or food, pumps for dispensing chilled beverages for use in combination with devices for chilling beverages; dishwashers; electric machines and devices for cleaning laundry and clothing (included in Class 7), including washing machines, spin dryers; ironing presses, ironing machines, included in Class 7; electric household cleaning equipment, including electric window cleaning equipment, electric shoe polishers and vacuum cleaners, wet and dry vacuuming apparatus; parts for all the aforesaid goods included in Class 7, in particular flexible tubes, pipes, dust filters, dust filter bags, all for vacuum cleaners’;
 - Class 9 of the Nice Agreement: ‘Electric apparatus and instruments, included in Class 9, namely electric irons; kitchen scales’; and
 - Class 11 of the Nice Agreement: ‘Apparatus for heating, steam generating and cooking, namely, stoves, baking, roasting, grilling, toasting, defrosting and heating devices, water heaters, immersion heaters, slow-cookers, microwave ovens, waffle irons (electric), egg-boilers, deep-fat fryers (electric); electrical tea and coffee makers, espresso coffee machines, automatic coffee machines (included in Class 11); refrigerating apparatus, namely, refrigerators, chest freezers, refrigerated cabinets, beverage-cooling apparatus, fridge-freezers, freezers, ice machines and apparatus; drying apparatus, namely, tumble dryers, laundry drying machines, hand dryers, hair dryers; ventilating apparatus, namely, fans, extractor hood filters, extractor hood equipment and covers for extractor hoods, air-conditioning apparatus and devices for improving air quality, air humidifiers, air deodorisers, fragrance dispensing apparatus (not for personal use); air purifying apparatus; heat pumps; parts for all the aforesaid goods, included in Class 11’.
- 19 The Opposition Division of EUIPO found that the other goods applied for and the goods covered by the earlier marks were dissimilar. Therefore, it rejected LG’s opposition on the ground that there was no likelihood of confusion in respect of the following goods:
- Class 7 of the Nice Agreement: ‘Electrical waste disposers, namely waste grinders and waste compacting machines’;
 - Class 9 of the Nice Agreement: ‘Bathroom scales; electrical foil sealing devices; remote operating, signalling and control apparatus (electric/electronic) for household or kitchen machines and utensils; recorded and unrecorded machine-readable data carriers for household equipment; electric vending machines for beverages or foods, automatic vending machines; data processing equipment and data processing programs for the control and operation of household equipment; parts included in Class 9 for all the aforesaid goods; parts included in Class 9 for Electric apparatus and instruments, included in Class 9, namely electric irons; kitchen scales’; and
 - Class 11 of the Nice Agreement: ‘Infrared lamps (other than for medical use); heating pads (not for medical purposes), electric blankets (not for medical purposes); apparatus for water supply and sanitary purposes, namely, fittings for steam, air and water supply installations; water heaters, storage water heaters and instantaneous water heaters; kitchen sinks; heat pumps; parts for all the aforesaid goods, included in Class 11; mechanical taps (dispensers) for dispensing chilled beverages for use in combination with apparatus for chilling beverages’.

- 20 On 26 June 2012, BSH filed a notice of appeal with EUIPO, seeking annulment of the decision of its Opposition Division. At this time BSH also restricted the list of goods in Class 7 of the Nice Agreement in respect of which it was seeking registration of the trade mark.
- 21 In its response dated 31 October 2012 to the written statement setting out the grounds of appeal, LG submitted that some of the goods to be compared that had been considered dissimilar by the Opposition Division of EUIPO were in fact similar and that, consequently, the application for registration at issue should also have been rejected in respect of those goods. It was also indicated in the response that it sought the alteration of the decision of the Opposition Division of EUIPO so that the application for registration would for the most part be rejected.
- 22 A copy of that response was sent to BSH by a fax dated 8 November 2012 from the Registry of EUIPO informing it, upon instructions from the First Board of Appeal of EUIPO, that the written proceedings had been closed and that the response was sent for information purposes only.
- 23 By the decision at issue, the First Board of Appeal of EUIPO dismissed BSH's appeal.
- 24 By that decision, the First Board of Appeal of EUIPO partially upheld LG's claim, which it classified as an 'ancillary' appeal under Article 8(3) of Regulation No 216/96.
- 25 As a preliminary point, the First Board of Appeal of EUIPO observed that, since LG did not challenge the rejection of the opposition relating to certain goods, the decision of the Opposition Division of EUIPO had become final in so far as registration of the EU trade mark at issue was authorised for them.
- 26 As regards the relevant public, the First Board of Appeal of EUIPO, after noting that the territory concerned is Spain, France and the United Kingdom, found that the relevant public is, first, the business user so far as concerns 'electric vending machines for beverages or foods, automatic vending machines' and, secondly, the average consumer, who is reasonably well informed and reasonably observant and circumspect, for the other goods.
- 27 As regards the comparison of the opposing signs, the First Board of Appeal of EUIPO held that there is visual, phonetic and conceptual similarity and that overall they are therefore similar.
- 28 As regards the comparison of the goods, the First Board of Appeal of EUIPO confirmed the assessment of the Opposition Division of EUIPO concerning the goods covered by the opposing marks that the latter had regarded as identical or similar and therefore confirmed that there is a likelihood of confusion in respect of those goods.
- 29 In addition, the First Board of Appeal of EUIPO, unlike the Opposition Division, held that 'mechanical taps (dispensers) for dispensing chilled beverages for use in combination with apparatus for chilling beverages', in Class 11 of the Nice Agreement, and 'parts included in Class 9 for electric apparatus and instruments, namely electric irons; kitchen scales', in Class 9 of the Nice Agreement, which are covered by the trade mark for which registration is sought, are similar to goods covered by the earlier marks. It considered that there is also a likelihood of confusion in respect of those goods and accordingly annulled the decision of the Opposition Division in so far it had rejected the opposition in their regard.

The proceedings before the General Court and the judgment under appeal

- 30 By application lodged at the Registry of the General Court on 13 November 2013, BSH brought an action for annulment of the decision at issue. In support of its action, BSH put forward a single plea in law, alleging infringement of Article 8(1)(b) of Regulation No 40/94.

- 31 While not disputing the conclusions of the First Board of Appeal of EUIPO that the goods at issue, including those which the Opposition Division of EUIPO found dissimilar, are identical or similar and that the opposing marks are similar overall, BSH submitted in this single plea that the sign KOMPRESSOR is descriptive in respect of goods containing or liable to contain a compressor, such as vacuum cleaners, air conditioners and refrigerators, and that, accordingly, the earlier national marks have ‘minimal’ distinctive character. BSH contended that in the assessment of the likelihood of confusion the First Board of Appeal of EUIPO did not take sufficient account of the weak distinctive character of the earlier national marks as regards those goods. In the light of their weak distinctive character, even slight differences between the opposing marks are sufficient to preclude any likelihood of confusion.
- 32 By the judgment under appeal, the General Court dismissed that single plea and, therefore, the action in its entirety.

Forms of order sought by the parties to the appeal

- 33 BSH claims that the Court should:
- set aside the judgment under appeal;
 - annul the decision at issue;
 - in the alternative, refer the case back to the General Court;
 - order EUIPO to pay the costs of both sets of proceedings.
- 34 EUIPO contends that the Court should:
- dismiss the appeal;
 - order BSH to pay the costs.
- 35 By a request dated 29 October 2015, the Court called on the European Commission, pursuant to the second paragraph of Article 24 of the Statute of the Court of Justice of the European Union, to take part in the hearing in order to answer the written questions that it asked.

The appeal

- 36 In support of its appeal, BSH relies on two pleas in law, the first alleging infringement of Article 60 of Regulation No 207/2009 and the second alleging infringement of Article 8(1)(b) of Regulation No 40/94.

The first plea

- 37 By its first plea, BSH complains that the General Court gave its approval, without the slightest examination, to the fact that in the decision at issue the First Board of Appeal of EUIPO, relying upon Article 8(3) of Regulation No 216/96, classified LG’s response of 31 October 2012 as an ‘ancillary’ appeal and refused registration of the trade mark at issue to a greater extent than the Opposition Division of EUIPO. LG did not bring an appeal complying with the conditions laid down in Article 60 of Regulation No 207/2009, which alone could have justified extending the rejection of the application for registration of the trade mark at issue beyond the rejection in the decision of the Opposition Division. Indeed, in BSH’s submission, contrary to the interpretation adopted by the First Board of

Appeal of EUIPO, Article 8(3) of Regulation No 216/96 cannot, in the absence of an appropriate legal basis in Regulation No 207/2009, permit a part of the decision of the Opposition Division of EUIPO to be called into question which has not been challenged by the main appeal and which has therefore become final.

- 38 EUIPO submits that this plea is inadmissible since it has been raised for the first time on appeal and, in the alternative, that it is in any event unfounded as Article 8(3) of Regulation No 216/96 permits the defendant, in his response, to seek a decision annulling or altering the contested decision on a point not raised in the appeal.
- 39 It is not in dispute that, by the decision at issue, the First Board of Appeal of EUIPO, whilst dismissing BSH's appeal seeking annulment of the decision of the Opposition Division of EUIPO in so far as the Opposition Division rejected its application for registration of a trade mark as regards some of the goods applied for, partially upheld LG's claim — which it classified as an 'ancillary' appeal pursuant to Article 8(3) of Regulation No 216/96 — by which LG, in its response, had sought the alteration of that decision so that the application for registration would also be rejected in respect of some of the goods for which the Opposition Division had authorised registration of the trade mark at issue. The First Board of Appeal of EUIPO thus altered that decision to BSH's detriment, by refusing registration of that mark in respect of further goods.
- 40 It follows that the First Board of Appeal of EUIPO held, by implication, that Article 8(3) of Regulation No 216/96 introduced a second means of appeal, which is additional to that established in Article 60 of Regulation No 207/2009, in the version prior to Regulation 2015/2424, and which, without being subject to the conditions laid down in Article 60, enables the defendant to challenge the decision that is the subject matter of the main appeal in respect of a part thereof to which that appeal does not relate and thereby to extend the scope of the dispute as defined by the appellant.
- 41 By its first plea, BSH criticises the General Court for not having examined in the judgment under appeal whether that interpretation is compatible with Article 60 of Regulation No 207/2009.
- 42 However, it is not in dispute that BSH did not claim at any stage of the proceedings before the General Court that that interpretation was incompatible with Article 60 of Regulation No 207/2009 or any other provision of EU law. Its action before the General Court was founded on a single plea, alleging infringement of Article 8(1)(b) of Regulation No 40/94.
- 43 In accordance with settled case-law, to allow a party to put forward for the first time before the Court of Justice a plea and arguments which it did not raise before the General Court would be to authorise it to bring before the Court of Justice, whose jurisdiction in appeals is limited, a case of wider ambit than that which came before the General Court. In an appeal, the jurisdiction of the Court of Justice is thus confined to review of the findings of law on the pleas and arguments debated before the General Court (see, in particular, judgment of 21 September 2010, *Sweden and Others v API and Commission*, C-514/07 P, C-528/07 P and C-532/07 P, EU:C:2010:541, paragraph 126 and the case-law cited).
- 44 As to the argument, put forward in this connection by BSH at the hearing before the Court of Justice, that assessment of EU law is reserved for the Court of Justice and that for this reason it was logical to raise only before it the question as to whether the interpretation of Article 8(3) of Regulation No 216/96 adopted by the First Board of Appeal of EUIPO is consistent with Article 60 of Regulation No 207/2009, it is clear that that argument is wrong in law. As is apparent from Article 256(1) TFEU and Article 65(1) and (2) of Regulation No 207/2009, the General Court has full jurisdiction, in actions brought against decisions of the Boards of Appeal of EUIPO, to hold unlawful, inter alia, any infringement of that regulation, including an infringement of Article 60 thereof.

- 45 Finally, whilst EUIPO acknowledged at the hearing before the Court of Justice that, by the decision at issue, the First Board of Appeal of EUIPO partially upheld LG's 'ancillary' appeal without having first placed BSH in a position to put forward any observations on that appeal, thereby infringing the adversarial principle as given formal expression in Article 63(2) and the second sentence of Article 75 of Regulation No 207/2009, the fact remains that, in the absence of any challenge by BSH relating to that matter in the proceedings before the General Court and in the absence of the slightest criticism on its part of the analysis which led the First Board of Appeal to uphold the 'ancillary' appeal, the General Court cannot be criticised for having failed to raise that infringement of its own motion.
- 46 Accordingly, the first plea must be dismissed as inadmissible.

The second plea

- 47 By its second plea, BSH pleads an infringement of Article 8(1)(b) of Regulation No 40/94, criticising the General Court for having relied, in particular in paragraph 31 of the judgment under appeal, on an erroneous understanding of the concept of likelihood of confusion, the effect of which is that, if two trade marks coincide as regards a purely descriptive element, that is sufficient to give rise to such a likelihood, thereby leading to the monopolisation of a purely descriptive indication, a situation which Article 7(1)(b) and (c) of that regulation is, however, intended to prevent.
- 48 In BSH's submission, where the earlier mark is a readily recognisable variant of a descriptive indication and the later mark contains the descriptive indication itself, even the existence of major similarities between the signs and identity of the goods which the opposing marks cover are not capable of permitting the conclusion that there is a likelihood of confusion if the similarities of the signs are limited to the descriptive indications and concern only goods which are described by the indication. The public does not perceive any indication of origin in a descriptive indication, but is guided by the other elements of the mark. Furthermore, according to this argument, the extent of the protection of the earlier mark is not limited generally, but only as regards the descriptive indication itself, so that it remains intact in relation to other goods or other similar signs.
- 49 The Council's primary submission is that the second plea is inadmissible. First, it is not clear from the appeal which specific findings of the General Court are supposed to be contested. Secondly, BSH's contention that the General Court incorrectly assessed the significance of the distinctive character of the earlier national marks is designed to obtain a fresh assessment of the facts. In the alternative, EUIPO contends that this plea is unfounded.

Admissibility

- 50 It is settled case-law that, under Article 256 TFEU and the first paragraph of Article 58 of the Statute of the Court of Justice of the European Union, an appeal lies on points of law only. The General Court thus has exclusive jurisdiction to find and appraise the relevant facts. The appraisal of those facts thus does not, save where they are distorted, constitute a point of law which is subject, as such, to review by the Court of Justice on appeal (see, inter alia, judgment of 17 March 2016, *Naazneen Investments v OHIM*, C-252/15 P, not published, EU:C:2016:178, paragraph 59 and the case-law cited).
- 51 In addition, by virtue of those provisions and Article 168(1)(d) of the Rules of Procedure of the Court of Justice, an appeal must indicate precisely the contested elements of the judgment which the appellant seeks to have set aside and also the legal arguments specifically advanced in support of the appeal (see, inter alia, judgments of 4 September 2014, *Spain v Commission*, C-197/13 P, EU:C:2014:2157, paragraph 43, and of 5 March 2015, *Ezz and Others v Council*, C-220/14 P, EU:C:2015:147, paragraph 111). In this regard, Article 169(2) of the Rules of Procedure specifies that the pleas in law and legal arguments relied on must identify precisely those points in the grounds of the decision of the General Court which are contested (judgments of 28 July 2016, *Tomana and*

Others v Council and Commission, C-330/15 P, not published, EU:C:2016:601, paragraph 34, and of 20 September 2016, *Mallis and Others v Commission and ECB*, C-105/15 P to C-109/15 P, EU:C:2016:702, paragraph 34).

- 52 By its second plea, BSH does not in any way merely request a fresh appraisal of the facts, but complains that the General Court failed to take account of the legal principles applicable to assessment of the likelihood of confusion between opposing marks, a matter which constitutes a point of law that may be placed before the Court of Justice on appeal (see, inter alia, order of 7 May 2015, *Adler Modemärkte v OHIM*, C-343/14 P, not published, EU:C:2015:310, paragraph 32 and the case-law cited).
- 53 Furthermore, it is clear from BSH's pleadings that this plea is directed in particular against paragraph 31 of the judgment under appeal, which, it argues, shows the General Court's failure to have regard to the very essence of the likelihood of confusion, for the assessment of which the distinctive character of each of the opposing marks must necessarily constitute the most important criterion.
- 54 Consequently, the second plea must be considered admissible.

Substance

- 55 The line of argument relating to the likelihood of confusion advanced by BSH in the single plea in its action before the General Court, which corresponds to the line of argument put forward in the second plea of its appeal, was examined in particular in paragraphs 26 to 32 of the judgment under appeal.
- 56 After recalling the relevant case-law in paragraphs 26 and 27 of the judgment under appeal, the General Court stated in paragraph 28 that, as regards the goods in respect of which the First Board of Appeal of EUIPO upheld the opposition, the latter found, without this being contested by BSH, first, that the goods at issue are in part identical and in part similar and, secondly, that the opposing signs are similar. The General Court observed that the cumulative effect of those findings is sufficient, in any event, to be able to conclude that there is a likelihood of confusion, even if the earlier national marks were to be regarded as having a weak distinctive character.
- 57 The General Court added, in paragraph 29 of the judgment under appeal, that, when assessing the likelihood of confusion, the First Board of Appeal of EUIPO did take account of the fact that, as regards the goods at issue, neither the earlier national marks nor the mark applied for are particularly distinctive. However, the Board of Appeal recalled that, according to the case-law, even for marks with a weak distinctive character, there can be a likelihood of confusion, particularly in view of the similarity of the signs and of the goods or services covered, and stated that that is true where, as in the present case, the goods are identical and the opposing marks are highly similar.
- 58 In paragraph 31 of the judgment under appeal, the General Court observed that to accept BSH's argument would have the effect of disregarding the similarity of the marks as a factor in favour of the factor constituted by the distinctive character of the earlier mark, which would thus be given undue importance. The result would be that, where the earlier mark is only of weak distinctive character, a likelihood of confusion would exist only where that mark was reproduced in its entirety by the mark applied for, depriving the degree of similarity between the signs in question of any significance. Such a result would not be consistent with the very nature of the global assessment which the competent authorities are required to undertake by virtue of Article 8(1)(b) of Regulation No 40/94.
- 59 Therefore, the General Court held, in paragraph 32 of the judgment under appeal, that BSH's arguments relating to the weak distinctive character of the earlier national marks could not affect the conclusion of the First Board of Appeal of EUIPO as to the existence of a likelihood of confusion.

- 60 That assessment by the General Court of the likelihood of confusion is not vitiated by any error of law.
- 61 Indeed, the Court of Justice, rejecting a line of argument similar to that advanced by BSH in the second plea, has already held on a number of occasions that, although the distinctive character of an earlier mark must be taken into account when assessing the likelihood of confusion globally, it is, however, only one factor among others involved in that assessment (see, in particular, orders of 29 November 2012, *Hrbek v OHIM*, C-42/12 P, not published, EU:C:2012:765, paragraph 61, and of 2 October 2014, *Przedsiębiorstwo Handlowe Medox Lepiarz v OHIM*, C-91/14 P, not published, EU:C:2014:2261, paragraph 22).
- 62 Furthermore, although it is true that the more distinctive the earlier mark the greater the likelihood of confusion will be, such a likelihood of confusion cannot, however, be precluded where the distinctive character of the earlier mark is weak (see, in particular, order of 19 November 2015, *Fetim v OHIM*, C-190/15 P, not published, EU:C:2015:778, paragraph 40 and the case-law cited).
- 63 Consequently, even in a case involving an earlier mark of weak distinctive character, the General Court may hold that there is a likelihood of confusion on account, in particular, of a similarity between the signs and between the goods or services covered (see, in particular, orders of 2 October 2014, *Przedsiębiorstwo Handlowe Medox Lepiarz v OHIM*, C-91/14 P, not published, EU:C:2014:2261, paragraph 24 and the case-law cited, and of 7 May 2015, *Adler Modemärkte v OHIM*, C-343/14 P, not published, EU:C:2015:310, paragraph 59).
- 64 Thus, the findings made by the General Court in paragraph 31 of the judgment under appeal, which reject the proposition put forward by BSH and against which the second plea is directed, in fact do no more than recall the Court of Justice's settled case-law according to which that proposition is not consistent with the very nature of the global assessment which the competent authorities are required to undertake by virtue of Article 8(1)(b) of Regulation No 40/94 since, contrary to the appellant's contentions, it would have the effect of disregarding the similarity of the marks as a factor in favour of the factor constituted by the distinctive character of the earlier mark (see, in this regard, judgment of 15 March 2007, *T.I.M.E. ART v OHIM*, C-171/06 P, not published, EU:C:2007:171, paragraph 41, and order of 19 November 2015, *Fetim v OHIM*, C-190/15 P, not published, EU:C:2015:778, paragraph 46 and the case-law cited).
- 65 As regards the argument advanced in this regard by BSH that that case-law is wrong given that it leads to the monopolisation of a purely descriptive indication, it must be stated that it is not Article 8(1)(b) of Regulation No 40/94 but Articles 7(1)(b) and (c) and 51 of that regulation and Article 3(1)(b) and (c) of Directive 2008/95 which are intended to avoid such monopolisation.
- 66 So far as concerns, in particular, earlier national trade marks, the Court has already had occasion to point out that it follows from the coexistence of EU trade marks and such national marks, and from the fact that the registration of the latter does not fall within the sphere of competence of EUIPO and that judicial review in respect of them does not fall within the jurisdiction of the General Court, that in opposition proceedings directed against the registration of an EU trade mark the validity of national trade marks may not be called into question. Therefore, in such opposition proceedings, it is likewise not possible to find, with regard to a sign identical to a trade mark protected in a Member State, an absolute ground for refusal, such as descriptive character and the lack of distinctive character, provided for in Article 7(1)(b) and (c) of Regulation No 40/94 and Article 3(1)(b) and (c) of Directive 2008/95 (see, to that effect, judgment of 24 May 2012, *Formula One Licensing v OHIM*, C-196/11 P, EU:C:2012:314, paragraphs 40 and 41).
- 67 It follows that, when applying Article 8(1)(b) of Regulation No 40/94, it is necessary to acknowledge a certain degree of distinctiveness of a national mark on which an opposition against the registration of an EU mark is based (see, to that effect, judgment of 24 May 2012, *Formula One Licensing v OHIM*, C-196/11 P, EU:C:2012:314, paragraph 47).

- 68 Therefore, assuming that an earlier national mark is in fact descriptive in respect of some of the goods for which it has been registered and that its protection leads to improper monopolisation of the descriptive indication in question, such a consequence must be remedied not by an application of Article 8(1)(b) of Regulation No 40/94 excluding those goods as a matter of principle from the protection which that provision confers on the earlier marks, but by invalidity proceedings brought in the Member State concerned by virtue of Article 3(1)(b) and (c) of Directive 2008/95 (see, to that effect, judgment of 24 May 2012, *Formula One Licensing v OHIM*, C-196/11 P, EU:C:2012:314, paragraph 45).
- 69 Accordingly, it is also necessary to reject as ineffective, in any event, BSH's argument that, in the judgment of 10 November 2011, *LG Electronics v OHIM* (C-88/11 P, not published, EU:C:2011:727), the Court confirmed EUIPO's refusal to register the sign 'KOMPRESSOR PLUS' as an EU trade mark for vacuum cleaners on the ground that that sign was purely descriptive. That judgment does not affect the validity of the national marks which have been relied upon by LG in support of its opposition.
- 70 Finally, contrary to BSH's submissions, it cannot be ruled out in advance and in any event that, where a trade mark applied for reproduces with slight differences the sign of weak distinctive character of an earlier national mark, consumers may suppose that those differences between the opposing signs reflect a variation in the nature of the products or stem from marketing considerations and do not denote goods from different traders, and that a likelihood of confusion on the part of the public may therefore exist (see, to that effect, order of 27 April 2006, *L'Oréal v OHIM*, C-235/05 P, not published, EU:C:2006:271, paragraph 45).
- 71 Thus, the General Court was able to conclude in this instance without erring in law, after its independent assessment of the facts, that there was such a likelihood of confusion between the earlier national marks and the mark applied for.
- 72 It follows from all the foregoing considerations that the second plea must be dismissed as unfounded and that the appeal must therefore be dismissed in its entirety.

Costs

- 73 Under Article 184(2) of the Rules of Procedure, where the appeal is unfounded, the Court is to make a decision as to the costs.
- 74 Article 138(1) of the Rules of Procedure, which is applicable to appeal proceedings by virtue of 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.
- 75 Since EUIPO has applied for costs and BSH has been unsuccessful, the latter must be ordered to pay the costs.

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

- 1. Dismisses the appeal;**
- 2. Orders BSH Bosch und Siemens Hausgeräte GmbH to pay the costs.**

[Signatures]