



Reports of Cases

JUDGMENT OF THE GENERAL COURT (Second Chamber)

31 May 2017*

(EU trade mark — Opposition proceedings — Application for the EU figurative mark SOTTO IL SOLE ITALIANO SOTTO il SOLE — Earlier EU word mark VIÑA SOL — Relative ground for refusal — Detriment to distinctive character — No similarity between the signs — Article 8(5) of Regulation (EC) No 207/2009)

In Case T-637/15,

Alma-The Soul of Italian Wine LLLP, established in Coral Gables, Florida (United States), represented by F. Terrano, lawyer,

applicant,

v

European Union Intellectual Property Office (EUIPO), represented by J. Crespo Carrillo, acting as Agent,

defendant,

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

Miguel Torres, SA, established in Vilafranca del Penedès (Spain), represented by J. Güell Serra, lawyer,

ACTION brought against the decision of the Second Board of Appeal of EUIPO of 3 September 2015 (Case R 356/2015-2), relating to opposition proceedings between Miguel Torres and Alma-The Soul of Italian Wine,

THE GENERAL COURT (Second Chamber),

composed of M. Prek, President, F. Schalin (Rapporteur) and M.J. Costeira, Judges,

Registrar: M. Marescaux, Administrator,

having regard to the application lodged at the Court Registry on 16 November 2015,

having regard to the response of EUIPO lodged at the Court Registry on 20 January 2016,

having regard to the response of the intervener lodged at the Court Registry on 17 February 2016,

further to the hearing on 11 January 2017,

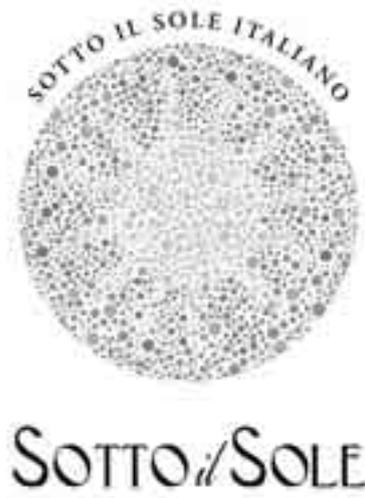
* Language of the case: English.

gives the following

Judgment

Background to the dispute

- 1 On 4 March 2011, the applicant, Alma-The Soul of Italian Wine LLLP, filed an application for registration of an EU trade mark with the European Union Intellectual Property Office (EUIPO) pursuant to Council Regulation (EC) No 207/2009 of 26 February 2009 on the European Union trade mark (OJ 2009 L 78, p. 1).
- 2 Registration as a mark was sought for the following figurative sign:



- 3 The goods in respect of which registration was sought are in Class 33 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 to the following description: 'Wines'.
- 4 The EU trade mark application was published in *Community Trade Marks Bulletin* No 64/2011 of 1 April 2011.
- 5 On 30 June 2011, the intervener, Miguel Torres, SA, filed a notice of opposition pursuant to 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 To the extent that it was brought on the grounds set out in Article 8(1)(b) and Article 8(5) of Regulation No 207/2009, the opposition was based on the following earlier trade marks:
 - the EU word mark VIÑA SOL, which was filed on 12 February 1997, registered on 29 October 1998 under the number 462523 and renewed on 5 March 2007 in respect of 'alcoholic beverages (except beers)' in Class 33;
 - the Spanish word mark VIÑA SOL, which was filed on 9 May 1944, registered on 13 January 1947 under the number 152231 and renewed on 11 September 2007 in respect of 'all types of wines, except extra dry white table wines with characteristics similar to those of the Rhine' in Class 33;

- the Spanish word mark VIÑA SOL, which was filed on 25 May 1973, registered on 21 March 1977 under the number 715524 and renewed on 25 March 2003 in respect of ‘brandy’ in Class 33.
- 7 To the extent that it was brought solely on the ground referred to in Article 8(1)(b) of Regulation No 207/2009, the opposition was based on the following earlier trade marks:
- the Spanish figurative mark which was filed on 26 October 2007, registered on 6 May 2008 under the number 2796505 in respect of ‘alcoholic beverages (except beers)’ in Class 33 and is reproduced below:



- the EU word mark SOL, which filed on 17 October 2007 and registered on 2 May 2010 under the number 6373971 in respect of ‘alcoholic beverages (except beers)’ in Class 33.
- 8 By decision of 30 October 2012, the Opposition Division, taking the earlier EU word mark SOL as its point of reference, upheld the opposition on the ground that there was a likelihood of confusion for the purposes of Article 8(1)(b) of Regulation No 207/2009.
- 9 On 21 December 2012, the applicant filed a notice of appeal with EUIPO, pursuant to Articles 58 to 64 of Regulation No 207/2009, against the decision of the Opposition Division.
- 10 By decision of 10 September 2013 (‘the decision of 10 September 2013’), the Second Board of Appeal of EUIPO upheld the Opposition Division’s decision and rejected the application for registration in its entirety. However, the Board of Appeal stated that, for reasons of procedural economy, since the Opposition Division had upheld the opposition on the basis of Article 8(1)(b) of Regulation No 207/2009, it would examine the ground for opposition set out in Article 8(5) of Regulation No 207/2009, taking the earlier EU word mark VIÑA SOL (‘the earlier mark’) as its point of reference. It found that the relevant public consisted of average consumers in the European Union who were reasonably well informed and reasonably observant and circumspect. It found, first, that the marks at issue were similar to a medium degree for Spanish-, French- and Portuguese-speaking consumers, given that the dominant element of the earlier trade mark, ‘sol’, and the dominant element of the mark applied for, ‘sole’, were highly similar and, secondly, that those marks were similar to only a low degree for Italian consumers.
- 11 According to the Board of Appeal, the earlier trade mark had a reputation in the European Union with regard to wines. Taking into account the similarity of the signs at issue, the distinctive character and reputation of the earlier trade mark and the fact that the goods covered by the marks at issue were identical, the Board of Appeal found that there was a link between the signs at issue for a substantial proportion of the relevant consumers, namely the Spanish-, Italian-, French- and Portuguese-speaking consumers. It held that there was a risk of dilution, that is to say, a risk that the use without due cause of the mark applied for would be detrimental to the distinctive character of the earlier trade mark for

the purposes of Article 8(5) of Regulation No 207/2009. It concluded that the fact that the conditions laid down in Article 8(5) of Regulation No 207/2009 had been fulfilled with regard to Spanish-, Italian-, French- and Portuguese-speaking consumers was a sufficient ground for upholding the opposition.

- 12 On 21 November 2013, the applicant brought an action for the annulment of the decision of 10 September 2013 before the General Court, which, by judgment of 25 September 2014, *Alma-The Soul of Italian Wine v OHIM — Miguel Torres (SOTTO IL SOLE ITALIANO SOTTO il SOLE)* (T-605/13, not published, EU:T:2014:812), annulled that decision.
- 13 In essence, the General Court found that the decision of 10 September 2013 contained no details on the basis of which it would be possible to determine whether the Board of Appeal had taken the evidence provided by the applicant, which was intended to establish the weak distinctive character of the words ‘sol’ and ‘sole’ contained in the marks at issue, into account or to understand the reasons why it may have considered such evidence to be irrelevant. It therefore held that that decision was vitiated by a failure to provide a statement of reasons and that it was not possible to determine whether the Board of Appeal had taken that evidence into account in its assessment to the effect that those words constituted the dominant elements in those marks and, by extension, in its conclusion that those marks were similar.
- 14 Following the General Court’s judgment annulling the decision of 10 September 2013, the Second Board of Appeal of EUIPO re-examined the case and, by decision of 3 September 2015 (‘the contested decision’), confirmed the decision of 10 September 2013 and rejected the application for registration in its entirety.
- 15 The Board of Appeal stated that, in the light of the terms of the General Court’s judgment annulling the decision of 10 September 2013, its task was to assess the evidence filed by the applicant regarding the possibly weak distinctive character of the word ‘sun’ (in various languages) and of the representations of the sun in relation to the designated wine products for consumers in the European Union, which could affect the comparison of the signs at issue based on the dominant and distinctive elements of those signs. According to the Board of Appeal, that evidence could be divided into three categories, namely, first, extracts from a number of websites of various undertakings offering consumers in the European Union wines covered by trade marks that include the words ‘sol’, ‘sole’, ‘soleil’ or ‘sun’ and various images of the sun, secondly, lists of registered EU trade marks which cover goods in Class 33 and contain the same words or images and, thirdly, an earlier decision of the Opposition Decision dated 26 March 2004.
- 16 The Board of Appeal found that the earlier mark had a reputation with regard to wines within the European Union as at the date on which the application for the contested mark was filed, since that finding in the decision of 10 September 2013 had not been called into question by the applicant. It also concluded, after examining the evidence provided by the applicant, that the relevant consumers of the goods covered by the signs at issue were the same, that the signs at issue were similar for a proportion of those consumers, that the earlier mark had distinctive character, that there was a link between the signs at issue for a substantial proportion of the relevant consumers, that there was detriment to the distinctive character of the earlier mark and that there was no due cause for the use the mark applied for.

Procedure and forms of order sought

- 17 The applicant claims that the Court should:
- annul the contested decision;
 - order EUIPO to pay the costs.

18 EUIPO and the intervener contend that the Court should:

- dismiss the action;
- order the applicant to pay the costs.

Law

- 19 In support of the action, the applicant puts forward three pleas in law, alleging, first, infringement of Article 8(5) of Regulation No 207/2009, secondly, infringement of Article 64(1) of Regulation No 207/2009 and, thirdly, infringement of Article 8(1)(b) of Regulation No 207/2009.
- 20 It is appropriate to begin by examining the first plea, alleging infringement of Article 8(5) of Regulation No 207/2009, before, if necessary, examining the second and third pleas.
- 21 In support of the first plea, the applicant submits, in essence, that EUIPO erred in finding that the terms ‘sol’ and ‘sole’ did not have any direct relationship with the goods at issue by taking the view that those terms were not descriptive with regard to wine, its characteristics, its nature or its destination.
- 22 According to the applicant, that is incorrect, because the existence of a relationship between the sun and wine is a well-known fact. It maintains that the words ‘sol’ and ‘sole’ clearly refer to the origin of wine, as is borne out by the list, which it put in evidence, of EU trade marks that cover goods in Class 33 and include the terms ‘sol’, ‘sole’, ‘soleil’ or ‘sun’ or images of the sun. It takes the view that those terms or images are therefore only very weakly distinctive in relation to wine. Furthermore, the applicant submits that the list in question also shows that marks covering wine and containing the terms ‘sol’, ‘sole’, ‘soleil’ or ‘sun’ or images of the sun coexist on the European Union market.
- 23 The applicant also disputes the fact that the earlier mark has acquired a reputation through use in the European Union. In any event, it submits that, even if it has acquired such a reputation, the cumulative conditions necessary for the application of Article 8(5) of Regulation No 207/2009 are not satisfied. It maintains that the signs at issue are not similar, inasmuch as the similarity resulting from the presence in those signs of the words ‘sol’ and ‘sole’, which are very weakly distinctive, cannot outweigh the differences existing between those signs, with the result that there is no detriment to the distinctive character of the earlier mark. Lastly, the applicant claims that it has due cause to register and use the mark applied for, namely that of being able to refer to the sun in a trade mark covering wine, as do many other wine producers.
- 24 EUIPO submits that an assessment of the evidence set out in Annexes 1 to 3, which were submitted during the administrative proceedings, does not prompt it to alter the conclusion set out in the contested decision that the term ‘sol’, as the dominant element in the earlier mark, cannot be regarded as descriptive and does not, therefore, lack distinctive character, with the result that the relevant public will indeed perceive the earlier mark VIÑA SOL as a trade mark.
- 25 EUIPO claims that, in the light of, first, the similarity between the signs at issue arising from the presence of the terms ‘sol’ in the earlier mark and ‘sole’ in the mark applied for and, secondly, the reputation of the earlier mark in connection with wines, there is a link between the signs at issue for a substantial proportion of the relevant consumers, since the mark applied for will, for that part of the public, call to mind the earlier mark. It maintains that the detriment to the earlier mark would consist of a loss in its image of quality and, potentially, a decline in sales.

- 26 The intervener submits that the distinctive character of the word ‘sol’ has been established with regard to wine. Consequently, it takes the view that, in the present case, the absolutely identical nature of the goods in question, the reputation of the earlier mark, which is one of the most well-known wine brands in Europe, and the fact that the marks at issue have as their distinctive and dominant element the word ‘sol’ and the word ‘sole’ respectively and also the concept of the sun are sufficient to justify the conclusion that consumers, at least in Spain, France and Portugal, will establish a link between the marks at issue. The intervener maintains that, since the other conditions referred to in Article 8(5) of Regulation No 207/2009, in the present case, the reputation of the earlier mark and the detriment without due cause to its distinctive character, are satisfied, the mark applied for, if registered, would parasitically exploit the reputation of the earlier mark and the application for registration should therefore be rejected.
- 27 It must be stated at the outset that the examination carried out in the present case will relate to the issue of whether the contested decision is lawful in the light of the reasons contained in that decision, but will also, inasmuch as those reasons consist, in part, of references to the initial reasons set out in the decision of 10 September 2013, relate to the issue of whether the contested decision is lawful in the light of the content of that latter decision, to which reference is made (see, by analogy, judgment of 20 March 1959, *Nold v High Authority*, 18/57, EU:C:1959:6, p. 52), but only in so far as that content is not affected by the judgment of 25 September 2014, *SOTTO IL SOLE ITALIANO SOTTO il SOLE* (T-605/13, not published, EU:T:2014:812).
- 28 Article 8(5) of Regulation No 207/2009 provides that, upon opposition by the proprietor of an earlier trade mark within the meaning of paragraph 2 of that article, the mark applied for must 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 EU 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.
- 29 For an earlier trade mark to be afforded the broader protection under Article 8(5) of Regulation No 207/2009, a number of conditions must, therefore, be satisfied. First, the earlier trade mark and the mark applied for must be identical or similar. Secondly, the earlier trade mark must have a reputation in the European Union, in the case of an earlier EU trade mark, or in the Member State concerned, in the case of an earlier national trade mark. Thirdly, the use without due cause of the mark applied for must lead to the risk that unfair advantage might be taken of the distinctive character or the repute of the earlier trade mark or that it might be detrimental to the distinctive character or the repute of the earlier trade mark. As those conditions are cumulative, failure to satisfy one of them is sufficient to render that provision inapplicable (judgment of 22 March 2007, *Sigla v OHIM — Elleni Holding (VIPS)*, T-215/03, EU:T:2007:93, paragraphs 34 and 35; see also, to that effect, judgment of 25 May 2005, *Spa Monopole v OHIM — Spa-Finders Travel Arrangements (SPA-FINDERS)*, T-67/04, EU:T:2005:179, paragraph 30).
- 30 As regards the third of the conditions for the application of Article 8(5) of Regulation No 207/2009, it must be borne in mind that detriment to the distinctive character of the earlier mark, a notion also called ‘the risk of dilution’, is usually established where the use of the mark applied for would have the effect that the earlier mark would no longer be capable of arousing immediate association with the goods for which it is registered and used (see, to that effect, judgment of 11 December 2014, *Coca-Cola v OHIM — Mitico (Master)*, T-480/12, EU:T:2014:1062, paragraph 83 and the case-law cited).
- 31 The Court of Justice has specified the factors which may be relevant in the global assessment aimed at determining whether the relevant public makes a link between the marks at issue. Among those factors the Court has thus mentioned, first, the degree of similarity between those marks; secondly, the nature

of the goods or services for which those marks are registered, including the degree of closeness or dissimilarity between those goods or services, and the relevant section of the public; thirdly, the strength of the earlier mark's reputation; fourthly, the degree of the earlier mark's distinctive character, whether inherent or acquired through use; and, fifthly, the existence of a likelihood of confusion on the part of the public (see, by analogy, judgment of 27 November 2008, *Intel Corporation*, C-252/07, EU:C:2008:655, paragraph 42).

- 32 In the present case, it is necessary, after comparing the goods at issue and defining the relevant public, to examine the second condition for the application of Article 8(5) of Regulation No 207/2009, which is that the earlier mark must have a reputation in the European Union, inasmuch as the strength of that reputation affects the global assessment of the factors which may contribute towards establishing that there is a link between the marks at issue, and then to examine the first condition for the application of that article, which is that the marks at issue must be identical or similar.

The goods covered by the marks at issue

- 33 Although the protection conferred by Article 8(5) of Regulation No 207/2009 is intended to be applied with regard to goods and services which are not similar, it can also apply when the goods or services covered by the marks at issue are identical or similar (see, to that effect, judgment of 11 July 2007, *Mühlens v OHIM — Minoronzoni (TOSCA BLU)*, T-150/04, EU:T:2007:214, paragraph 54 and the case-law cited).
- 34 The goods covered by the marks at issue are in Class 33 and correspond, on the one hand, to wines in respect of the mark applied for and, on the other hand, to alcoholic beverages (except beers) in respect of the earlier mark. It must therefore be held that those goods are identical, inasmuch as the former are included in the latter, a fact which is not, moreover, disputed by the parties (see, to that effect, judgment of 24 November 2005, *Sadas v OHIM — LTJ Diffusion (ARTHUR ET FELICIE)*, T-346/04, EU:T:2005:420, paragraph 34 and the case-law cited).

The relevant public

- 35 As regards the relevant public, it must be pointed out that the existence of a link between the marks at issue, on which the improper conduct envisaged by Article 8(5) of Regulation No 207/2009 depends, presupposes that the relevant publics for the goods and services in respect of which those marks are registered or registration has been applied for are the same or 'overlap' to a certain extent (judgment of 9 March 2012, *Ella Valley Vineyards v OHIM — HFP (ELLA VALLEY VINEYARDS)*, T-32/10, EU:T:2012:118, paragraph 23; see, by analogy, judgment of 27 November 2008, *Intel Corporation*, C-252/07, EU:C:2008:655, paragraphs 46 to 49).
- 36 Furthermore, in the global assessment of the likelihood of confusion, account should be taken of the average consumer of the category of goods concerned, who is reasonably well informed and reasonably observant and circumspect. It should also be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods or services in question (see judgment of 13 February 2007, *Mundipharma v OHIM — Altana Pharma (RESPICUR)*, T-256/04, EU:T:2007:46, paragraph 42 and the case-law cited).
- 37 In the present case, the applicant maintained in the course of the first appeal before the Board of Appeal that the relevant public with regard to the goods at issue had a level of attention that was higher than average, which EUIPO, in particular, disputes.
- 38 In that regard, it must be held that 'wines', inasmuch as they are covered both by the mark applied for and the earlier mark, are intended for the general public of the European Union. According to the case-law, since wines are usually subject to widespread distribution ranging from the food sections of

department stores to bars and cafes, they are everyday consumer goods for which the relevant public is the average consumer of goods of mass consumption, who is deemed to be reasonably well informed and reasonably observant and circumspect (see judgment of 9 March 2012, *ELLA VALLEY VINEYARDS*, T-32/10, EU:T:2012:118, paragraph 25 and the case-law cited).

39 In those circumstances, the relevant consumers of the goods covered by the marks at issue are members of the general public in the European Union, whose level of attention is average, and it must be held that, in the present case, the publics consisting of those consumers ‘overlap’ according to the case-law referred to in paragraph 35 above.

40 The Board of Appeal did not therefore err in its assessment of the relevant public.

The condition that the earlier mark must have a reputation

41 The contested decision, which refers in that regard to the reasons in the decision of 10 September 2013, states that, as at the filing date of the mark applied for, in the present case 4 March 2011, the earlier mark had a reputation in the European Union for ‘wines’.

42 The applicant submits that the evidence provided by the intervener is either insufficient or devoid of any evidential value for the purposes of showing that the earlier mark had acquired a reputation through use in the European Union.

43 EUIPO and the intervener dispute the applicant’s arguments.

44 In that regard, it must be borne in mind that, in order to satisfy the requirement of reputation, the earlier mark must be known by a significant part of the public which is relevant with regard to the goods or services covered by that trade mark. In examining that condition, all the relevant facts of the case must be taken into consideration, in particular the market share held by the earlier mark, how intensive, geographically widespread and long-standing use of the mark has been, and the amount invested by the undertaking in promoting the mark, but there is no requirement for that mark to be known by a specific percentage of the relevant public or for its reputation to cover all the territory concerned, so long as that reputation exists in a substantial part of that territory (see judgment of 9 March 2012, *ELLA VALLEY VINEYARDS*, T-32/10, EU:T:2012:118, paragraph 31 and the case-law cited).

45 In the present case, it must be held that, contrary to what the applicant submits, the evidence provided by the intervener is such as to show that the earlier mark has acquired a reputation in the European Union. That evidence consists, inter alia, of awards made both to the intervener and to the goods sold under the mark VIÑA SOL, an affidavit by the intervener’s manager stating the volumes and values of sales of those goods in the period from 2003 to 2010 in the territory of various EU Member States, including Belgium, Denmark, Germany, Estonia, Ireland, Greece, Spain, France, Italy, Latvia, Lithuania, Malta, the Netherlands, Austria, Poland, Portugal, Romania, Slovakia, Finland, Sweden and the United Kingdom, affidavits by local distributors, press articles and a brochure from the main Spanish airline company referring to the goods covered by the mark VIÑA SOL.

46 In the course of the period under consideration, the intervener, inter alia, sold more than 41 million bottles in Spain, more than 15 million bottles in the United Kingdom and more than 3 million bottles in Germany, which shows that the goods at issue covered by the earlier mark were widely distributed in a substantial part of the territory of the European Union.

- 47 Furthermore, as EUIPO submits, the evidential value of written statements provided by third parties on the basis of a draft prepared by an interested party is not, in itself, such as to negatively affect the reliability and credibility of those documents nor call into question their evidential value (see, to that effect, judgment of 16 September 2013, *Avery Dennison v OHIM — Dennison-Hesperia (AVERY DENNISON)*, T-200/10, not published, EU:T:2013:467, paragraph 73).
- 48 Lastly, it must be stated that, considered as a whole, those items of evidence do not contain any inconsistencies.
- 49 In those circumstances, it must be held that the applicant has not shown that the Board of Appeal erred in finding that the earlier mark had a reputation in the European Union.

The condition that the signs at issue must be identical or similar

- 50 So far as concerns the issue of whether the signs at issue are identical or similar, the earlier mark and the mark applied for must be compared in order to establish the degree of any similarity that might exist between them.
- 51 In that regard, it must be borne in mind that, in order to satisfy the condition concerning similarity of the marks laid down by Article 8(5) of Regulation No 207/2009, it is not necessary to prove that there exists, on the part of the relevant section of the public, a likelihood of confusion between the earlier mark with a reputation and the mark applied for. It is sufficient for the degree of similarity between those two marks to have the effect that the relevant section of the public establishes a link between them (see, by analogy, judgment of 18 June 2009, *L'Oréal and Others*, C-487/07, EU:C:2009:378, paragraph 36 and the case-law cited). Accordingly, the greater the similarity between the marks at issue, the more likely it is that the mark applied for will bring the earlier mark with a reputation to the mind of the relevant public (see, by analogy, judgment of 27 November 2008, *Intel Corporation*, C-252/07, EU:C:2008:655, paragraph 44).
- 52 The global assessment to determine whether there is a link between the marks in question must, so far as concerns the visual, phonetic or conceptual similarities of the signs at issue, be based on the overall impression given by the signs, bearing in mind, in particular, their distinctive and dominant elements (judgments of 16 May 2007, *La Perla v OHIM — Worldgem Brands (NIMEI LA PERLA MODERN CLASSIC)*, T-137/05, not published, EU:T:2007:142, paragraph 35, and of 25 March 2009, *L'Oréal v OHIM — Spa Monopole (SPALINE)*, T-21/07, not published, EU:T:2009:80, paragraph 18).
- 53 Since the mark applied for is a composite mark which includes figurative and word elements, it must be borne in mind that assessment of the similarity between two marks means more than taking just one component of a composite trade mark and comparing it with another mark. On the contrary, the comparison must be made by examining each of the marks at issue as a whole, which does not mean that the overall impression conveyed to the relevant public by a composite trade mark may not, in certain circumstances, be dominated by one or more of its components (see, by analogy, judgment of 15 December 2009, *Trubion Pharmaceuticals v OHIM — Merck (TRUBION)*, T-412/08, not published, EU:T:2009:507, paragraph 35 and the case-law cited), even though it must be stated that the case-law also, in certain circumstances, allows elements which are not dominant, but less important, albeit not negligible, to be compared (order of 14 April 2016, *Roland v EUIPO*, C-515/15 P, not published, EU:C:2016:298, paragraph 31).
- 54 The Court will examine, in the light of those principles, whether the Board of Appeal erred in finding that, having regard to the strength of the earlier mark's reputation, the signs at issue were sufficiently similar for the relevant public to be capable of making a link between them; it is appropriate to begin that examination by ascertaining which are the distinctive and dominant elements of the signs at issue.

The distinctive and dominant elements of the signs at issue

- 55 As regards the earlier mark, the Board of Appeal found that the word ‘viña’ designated a vineyard for the Spanish-speaking public and for the Portuguese, Italian and French publics. It took the view that that reference to the origin of the product, which made the word in question descriptive, would easily be recognised by the relevant public, with the result that the word ‘viña’ had a weak distinctive character and could not be regarded as the dominant element in that mark. By contrast, the Board of Appeal found that the second word of which that mark consisted, namely ‘sol’, could not be considered to be descriptive or lacking distinctiveness, even if, as the applicant had submitted, that word were to be regarded as alluding directly to wine since the sun is essential for the growth of grapes and thus the production of wine. The Board of Appeal took the view that the assessment in the decision of 10 September 2013 was not altered by the documents which the applicant provided in that regard. The Board of Appeal therefore found that, ‘even if it has a somewhat below normal level of distinctiveness, [the term ‘sol’] must be considered entitled to a reasonable level of protection’ and, as regards the earlier mark, that it was ‘not altogether devoid of distinctiveness’.
- 56 As regards the mark applied for, the Board of Appeal found, first, that the descriptive element in the sign, namely a representation of the sun, should not be regarded as the dominant element in the overall impression created by that sign. Secondly, it found that, for the Spanish-, Portuguese- and French-speaking consumers, the dominant element was the word element ‘sole’, which evoked the sun, and that, for the remaining consumers in the European Union, including the Italian-speaking consumers who would understand its meaning, the dominant element was the expression ‘sotto il sole’, as it is the word element of a figurative mark and is written in a larger font.
- 57 Those assessments by the Board of Appeal are in part incorrect.
- 58 First, in examining the earlier mark, account must be taken of the fact that that mark consists of the association of two short words, namely ‘viña’ and ‘sol’. As the Board of Appeal pointed out, the first of those words is only weakly distinctive, whereas the second word — which is not descriptive, unlike the first word, which may, for the relevant public, refer to the concept of ‘vineyard’ and thus to that of ‘wine’ — is slightly more distinctive, although its degree of distinctiveness is somewhat below normal, which might be capable of making it dominant.
- 59 Analysis of the items of evidence which the applicant has put before the Court, in this case, Annexes 1 to 3, which were submitted during the administrative proceedings and which the decision of 10 September 2013 does not state were taken into account by the Board of Appeal in the context of its assessment, but which were certainly taken into consideration in the contested decision, leads to some alterations in the conclusions drawn from that assessment.
- 60 It is true that Annex 2, which was submitted during the administrative proceedings and relates to images of the sun, is of little relevance in assessing the earlier mark, which is a word mark.
- 61 By contrast, Annexes 1 and 3, which were submitted during the administrative proceedings and consist, on the one hand, of extracts from websites offering consumers in the European Union wines covered by trade marks that include the words ‘sol’, ‘sole’, ‘soleil’ or ‘sun’ and various images of the sun and, on the other hand, of a list of EU trade marks which have been registered in respect of goods in Class 33 and also contain those words or representations, such as, for example, SOL DE MALAGA, COLORES DEL SOL, PIEDRA DEL SOL, CITA DEL SOL, SOL ROJO, REY SOL or SOL DES ESPAÑA, make it possible to conclude that EU trade marks coexist that include a reference, in one form or another, to the concept of the sun.
- 62 It is true, as EUIPO submits, referring to the case-law resulting from the judgment of 16 September 2009, *Zero Industry v OHIM — zero Germany (zerorh+)* (T-400/06, not published, EU:T:2009:331, paragraph 73), that the mere fact that a number of trade marks covering the goods at issue contain

the same word is not enough to establish that the distinctive character of that element has been weakened because of its frequent use in the field concerned, even if the goods covered by those marks are themselves identical or there is a link between them. It is necessary to take into account the actual use of the marks on the market and not the abstract coexistence on the register of marks with an element in common (see, to that effect, judgment of 24 November 2005, *GfK v OHIM — BUS (Online Bus)*, T-135/04, EU:T:2005:419, paragraph 68). However, as the applicant correctly points out, the evidence contained in Annex 1, an annex which was submitted during the administrative proceedings, namely extracts from a number of websites of various undertakings offering consumers in the European Union wines covered by trade marks that include the words ‘sol’, ‘sole’, ‘soleil’ or ‘sun’ and various images of the sun, makes it possible to conclude that EU consumers in general, and the relevant public in particular, are in fact frequently exposed to such marks, with the result that the association between the concept of the sun, on the one hand, and wine, on the other hand, is not unfamiliar to them. The evidence which the applicant has put before the Court makes it possible to reach that conclusion without it being necessary to examine whether, as the applicant submits, the relationship between the concept of the sun and wine is a well-known fact.

- 63 As is stated in essence in paragraph 27 of the contested decision, the advantage of having registered the earlier mark as an EU trade mark would be lost if, in proceedings which are not cancellation proceedings, that mark were found to have no distinctive character at all. It must, however, be held that the term ‘sol’, even though it is not totally devoid of any distinctive character, has a low degree of distinctiveness and that, associated with the term ‘viña’, which is itself weakly distinctive, it confers on the earlier mark only a low degree of distinctiveness.
- 64 That finding as regards the earlier mark is unavoidable in the light of the evidence which was submitted initially to the Board of Appeal and has been examined in paragraphs 59 to 62 above, and there is no need to take into consideration the documents which were produced for the first time before the Court and which the intervener claims should be excluded from consideration.
- 65 Secondly, as regards the examination of the mark applied for, it must be borne in mind that that mark consists of a round figurative element which represents the sun by means of the contrast between various dots. There is a first word element consisting of the words ‘sotto il sole italiano’ in small upper-case letters above that figurative element and below the figurative element is a second word element consisting of the words ‘sotto il sole’ in slightly stylised large letters, in which the word ‘il’ is in italics.
- 66 According to the case-law, where a mark consists of word and figurative elements, the word element of the mark is, in principle, more distinctive than the figurative element, because the average consumer will more readily refer to the goods in question by citing their name than by describing the figurative element (see judgment of 9 September 2008, *Honda Motor Europe v OHIM — Seat (MAGIC SEAT)*, T-363/06, EU:T:2008:319, paragraph 30 and the case-law cited). Furthermore, as was also pointed out by the Board of Appeal in paragraph 43 of the decision of 10 September 2013, the relevant consumer tends to memorise those elements which suggest a meaning for him. It is therefore likely that, in the word element ‘sotto il sole italiano’, the Spanish-speaking, Portuguese-speaking and French-speaking consumers, as well as the Italian-speaking consumers, will understand not only the term ‘sole’, but also the term ‘italiano’ as referring to Italy as the name of a possible place of production of the wine. It is also likely that that term will be understood by the majority of consumers in the European Union since, in a significant number of languages of the European Union, it also refers to that country.
- 67 It is true that the word element in the upper part of the mark applied for is in smaller letters than those used in the word element in the lower part of that mark, but, since those letters are not stylised, they are also more legible, with the result that that makes it easier to read them. Faced with the mark applied for, consumers of wine, although their level of attention is average, will pay a certain amount of attention to the indication of origin of the wine they purchase, as it appears in that mark (see, to that effect, judgment of 9 March 2012, *ELLA VALLEY VINEYARDS*, T-32/10, EU:T:2012:118,

paragraph 45). In those circumstances, it must be held that the dominant element in the mark applied for does not consist solely of the term 'sole', but of the association of the terms 'sole' and 'italiano'. The other elements are not, however, negligible.

- 68 Consequently, in the present case, the Board of Appeal's assessment of the distinctive and dominant elements of the signs at issue appears to be in part incorrect and it must be held that the overall assessment to determine whether there is a link between the marks at issue will have to be carried out by taking into account, on the one hand, the fact that the dominant element of the earlier mark consists of the word 'sol', bearing in mind the low degree of distinctiveness of that word, and the fact that, as that word is associated with the term 'viña', the earlier mark itself has only a low degree of distinctiveness and, on the other hand, the fact that the dominant element of the mark applied for consists of the association of the terms 'sole' and 'italiano'.

The visual comparison

- 69 From a visual standpoint, there is only a low degree of similarity between the signs at issue. The earlier mark consists of only two words, whereas the mark applied for consists of two word elements of four and three words respectively and also of a stylised sun, which is situated in a central position and has a certain degree of originality. Furthermore, it must be pointed out that the figurative element representing the sun in the mark applied for has a certain degree of originality which reflects on the sign as a whole.
- 70 The signs at issue coincide solely due to the fact that the sequence of letters 's', 'o' and 'l' appears in both of those signs, on one occasion in the earlier mark and on two occasions in the mark applied for. That factor is not capable of offsetting the many differences between those signs.

The phonetic comparison

- 71 From a phonetic standpoint, there are also differences between the signs at issue which outweigh the similarities between them. The difference in length between those marks, since the earlier mark consists of two very short words of two syllables and one syllable respectively, whereas the mark applied consists of four different words and the word element 'sotto il sole' on its own comprises five syllables, means that the pronunciation of those marks is very different in rhythm and sound.
- 72 Those factors are such as to counteract totally the element of proximity which might arise out of the presence of the word 'sole' in the mark applied for and the word 'sol' in the earlier mark.

The conceptual comparison

- 73 As the applicant submits, the degree of conceptual similarity between the signs at issue is also not sufficient for the relevant public to be able to establish a link between those signs.
- 74 For the part of the relevant public that understands the Spanish expression 'viña sol' and the Italian expression 'sotto il sole italiano', the former expression means in essence 'vineyard of the sun', whereas the association of the terms 'sole' and 'italiano' means 'Italian sun', and the latter expression means 'under the Italian sun' and thus refers to the Italian origin of the wine covered by the mark applied for.

75 The mere reference in both of the signs at issue to the sun is not capable of creating a conceptual similarity between them. While the earlier mark is somewhat fanciful inasmuch as it refers to a wine from a 'vineyard of the sun', a reference which is also laudatory in nature, the mark applied refers to the origin and place of production of the wine. Each of those signs therefore conveys a different meaning.

Conclusion as to whether there is a link between the signs at issue in the light of the similarity between them

76 The comparison of the signs at issue leads to the finding that there is a low degree of similarity between the signs at issue from a visual standpoint, that the element of proximity between those signs from a phonetic standpoint is neutralised and that the signs at issue are dissimilar from a conceptual standpoint, with the result that, taken as a whole, those signs must be held to be similar to a low degree.

77 As regards the other relevant factors which were taken into account by the Board of Appeal, it must be pointed out that, although it came to the legitimate conclusion in the contested decision that the relevant consumers are the same and that the earlier mark has a reputation in respect of wines, the distinctive character of the earlier mark is nevertheless weak.

78 It follows from those considerations and from those in paragraphs 33 to 75 above that, contrary to what the Board of Appeal found, the degree of similarity between those signs, when taken into account with the other relevant factors referred to in paragraph 35 of the contested decision, in the present case, the identity of the relevant consumers, the degree of reputation of the earlier mark for wines and the distinctive character of that mark, is not sufficient for the relevant public to be capable of associating them, that is to say for that public to be capable of establishing a link between them for the purposes of Article 8(5) of Regulation No 207/2009.

79 Accordingly, the global assessment aimed at determining whether the relevant public makes a link between the marks at issue, as required by the case-law relating to the conditions for the application of Article 8(5) of Regulation No 207/2009, which case-law is referred to in paragraph 31 above, must lead to the conclusion that, having regard in particular to the differences that exist between the signs at issue, there is no risk that the relevant public might establish such a link.

80 Consequently, it must be held that, in the present case, one of the conditions for the application of Article 8(5) of Regulation No 207/2009 is not satisfied, namely the similarity, and a fortiori the identity, of the marks at issue that would have the effect that the relevant public would establish a link between those marks.

81 Accordingly, as the conditions for the application of Article 8(5) of Regulation No 207/2009 are cumulative and failure to satisfy one of them is sufficient to render that provision inapplicable, the action must be upheld and the contested decision must be annulled on the basis of the first plea, without it being necessary to examine the other two pleas.

82 Lastly, it should be pointed out that, since, in the context of an action before the EU judicature against the decision of a Board of Appeal of EUIPO, EUIPO is required to take the measures necessary to comply with judgments of the EU judicature, it may, for that purpose, find it necessary, in the light of the fact that the contested decision is being annulled inasmuch as it infringed the provisions of Article 8(5) of Regulation No 207/2009, to examine the legality of the Opposition Division's decision of 30 October 2012 in so far as it initially upheld the opposition on the basis of Article 8(1)(b) of Regulation No 207/2009, since, for reasons of procedural economy, the grounds for the Opposition Division's decision in that regard were not examined.

Costs

- 83 Under Article 134(1) of the Rules of Procedure of the General Court, the unsuccessful party is to be ordered to pay the costs if they have been applied for in the successful party's pleadings.
- 84 Since EUIPO has been unsuccessful, it must be ordered to pay the costs, in accordance with the form of order sought by the applicant.
- 85 In accordance with Article 138(3) of the Rules of Procedure the intervener is to bear its own costs.

On those grounds,

THE GENERAL COURT (Second Chamber),

hereby:

1. **Annuls the decision of the Second Board of Appeal of the European Union Intellectual Property Office (EUIPO) of 3 September 2015 (Case R 356/2015-2);**
2. **Orders EUIPO to bear its own costs and to pay those incurred by Alma-The Soul of Italian Wine LLLP;**
3. **Orders Miguel Torres, SA to bear its own costs.**

Prek

Schalin

Costeira

Delivered in open court in Luxembourg on 31 May 2017.

E. Coulon
Registrar

M. Prek
President