



## Reports of Cases

JUDGMENT OF THE COURT (Fifth Chamber)

12 December 2019\*

(Appeal — EU trade mark — Regulation (EC) No 207/2009 — Articles 15 and 66 — Genuine use of an EU collective trade mark — Mark concerning a system of collection and recovery of packaging waste — Affixing to the packaging of goods for which the mark is registered)

In Case C-143/19 P,

APPEAL under Article 56 of the Statute of the Court of Justice of the European Union, brought on 20 February 2019,

**Der Grüne Punkt — Duales System Deutschland GmbH**, established in Cologne (Germany), represented by P. Goldenbaum, Rechtsanwältin,

appellant,

the other parties to the proceedings being:

**European Union Intellectual Property Office (EUIPO)**, represented by D. Hanf, acting as Agent,

defendant at first instance,

THE COURT (Fifth Chamber),

composed of E. Regan, President of the Chamber, I. Jarukaitis, E. Juhász, M. Ilešič (Rapporteur) and C. Lycourgos, Judges,

Advocate General: G. Pitruzzella,

Registrar: A. Calot Escobar,

having regard to the written procedure,

having decided, after hearing the Advocate General, to proceed to judgment without an Opinion,

gives the following

### Judgment

- 1 By its appeal, Der Grüne Punkt — Duales System Deutschland GmbH ('DGP') seeks to have set aside the judgment of the General Court of 12 September 2018, *Der Grüne Punkt v EUIPO — Halston Properties (Representation of a circle with two arrows)* (T-253/17, 'the judgment under appeal',

\* Language of the case: German.

EU:T:2018:909) by which it dismissed DGP's action seeking annulment of the decision of the Fifth Board of Appeal of the European Union Intellectual Property Office (EUIPO) of 20 February 2017 (Case R 1357/2015-5), relating to revocation proceedings between Halston Properties s. r. o. and DGP ('the contested decision').

### Legal context

2 Council Regulation (EC) No 207/2009 of 26 February 2009 on the [European Union] trade mark (OJ 2009 L 78, p. 1) 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. It was subsequently repealed and replaced, with effect from 1 October 2017, by Regulation (EU) 2017/1001 of the European Parliament and of the Council of 14 June 2017 on the European Union trade mark (OJ 2017 L 154, p. 1). However, having regard to the date of the facts giving rise to the dispute in the main proceedings, the present appeal will be considered in the light of Regulation No 207/2009, in its initial version.

3 Article 9(1) of that regulation provided:

'A[n EU] trade mark shall confer on the proprietor exclusive rights therein. The proprietor shall be entitled to prevent all third parties not having his consent from using in the course of trade:

...

(b) any sign where, because of its identity with, or similarity to, the [EU] trade mark and the identity or similarity of the goods or services covered by the [EU] trade mark and the sign, there exists a likelihood of confusion on the part of the public; ...

...'

4 Article 15(1) of that regulation set out:

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

...'

5 Under Article 51 of that regulation:

'1. The rights of the proprietor of the [EU] trade mark shall be declared to be revoked on application to the Office or on the basis of a counterclaim in infringement proceedings:

(a) if, within a continuous period of five years, the trade mark has not been put to genuine use in the [European Union] in connection with the goods or services in respect of which it is registered, and there are no proper reasons for non-use ...;

...

2. Where the grounds for revocation of rights exist in respect of only some of the goods or services for which the [EU] trade mark is registered, the rights of the proprietor shall be declared to be revoked in respect of those goods or services only.'

6 Article 66 of Regulation No 207/2009 stated:

‘1. A[n EU] collective mark shall be a[n EU] trade mark which is described as such when the mark is applied for and is capable of distinguishing the goods or services of the members of the association which is the proprietor of the mark from those of other undertakings. Associations of manufacturers, producers, suppliers of services, or traders which, under the terms of the law governing them, have the capacity in their own name to have rights and obligations of all kinds, to make contracts or accomplish other legal acts, and to sue and be sued, as well as legal persons governed by public law, may apply for [EU] collective marks.

...

3. The provisions of this Regulation shall apply to [EU] collective marks, unless Articles 67 to 74 provide otherwise.’

7 Under Article 67 of that regulation:

‘1. An applicant for a[n EU] collective mark must submit regulations governing its use within the period prescribed.

2. The regulations governing use shall specify the persons authorised to use the mark, the conditions of membership of the association and, where they exist, the conditions of use of the mark, including sanctions. ...’

8 The content of Articles 9, 15, 51, 66 and 67 of Regulation No 207/2009 was, essentially, reproduced in Articles 9, 18, 58, 74 and 75 of Regulation 2017/1001.

### **Background to the dispute and the contested decision**

9 On 12 June 1996, DGP filed an application for registration of the following figurative sign as an EU collective mark (‘the mark at issue’):



10 That registration was requested for goods in Classes 1 to 34 of the Nice Agreement concerning the International Classification of Goods and Services for the Purpose of the Registration of Marks of 15 June 1957, as revised and amended (‘the Nice Agreement’), and for services in Classes 35, 39, 40 and 42 thereof.

11 The goods covered included everyday consumer goods, such as food, beverages, clothing, personal care and housekeeping products and professional products, such as agricultural and industrial products.

12 The services covered corresponded to the following description:

- Class: 35 ‘Advertising’;
- Class: 39 ‘Transport; packaging and storage of goods’;
- Class: 40 ‘Treatment of materials; recycling of packaging materials’;

– Class: 42 ‘Waste disposal; creation of software for data processing’.

- 13 Pursuant to the regulations governing use attached to the application for registration, the mark at issue was created ‘to enable consumers and traders to recognise packaging which is included in the [DGP recycling system] and for which a contribution to the financing of the system has been made, as well as goods with such packaging, and to distinguish them from other packaging and goods’.
- 14 The mark at issue was registered on 19 July 1999. That registration was subsequently renewed.
- 15 On 2 November 2012, Halston Properties, a company incorporated under Slovak law, filed an application for partial revocation of that mark on the basis of Article 51(1)(a) of Regulation No 207/2009, on the ground that that mark had not been put to genuine use for the goods for which it had been registered.
- 16 By decision of 26 May 2015, the Cancellation Division of EUIPO partially upheld that application. It declared DGP revoked of its rights conferred by the mark at issue as of 2 November 2012 for all the goods in respect of which it had been registered, with the exception of goods consisting of packaging.
- 17 On 8 July 2015, DGP filed an appeal against that decision of the Cancellation Division.
- 18 By the contested decision, the Fifth Board of Appeal of EUIPO dismissed that appeal.
- 19 That Board of Appeal held that DGP had not provided proof that the mark at issue was used in accordance with its essential function, namely to guarantee the identity of the origin of the goods for which it was registered. The average EU consumer does not perceive the mark at issue as an indication of the origin of those goods, but associates that mark with environmentally sound conduct of the undertakings taking part in DGP’s recycling system.
- 20 Even though the packaging and the product appeared as constituting a unit at the point of sale, the consumer perceives that mark solely as an indication of the fact that the packaging of the goods of those undertakings may be collected and recovered according to that system. Use of that mark was not intended to create or preserve an outlet for the goods themselves.

### **The action before the General Court and the judgment under appeal**

- 21 By application lodged at the Court Registry on 28 April 2017, DGP brought an action against the contested decision, and claimed that EUIPO should be ordered to pay the costs.
- 22 In support of its action, DGP relied on a single plea in law, alleging infringement of Article 15(1) of Regulation No 207/2009, read in conjunction with Article 66 of that regulation, claiming that the mark at issue was used not only for the services for which that mark is registered but also for the goods covered by that registration.
- 23 DGP noted in particular that that mark was affixed to packaging which forms, with the packaged product, the same sales unit. The users of that mark are not suppliers of packaging but manufacturers or distributors of goods. The mark at issue shows that those goods originate from undertakings which are committed to ensuring that packaging is processed according to the DGP system. Moreover, since that mark is associated, by the public, with environmentally sound conduct of those manufacturers and distributors, it expresses an ‘intangible characteristic’ of the goods.
- 24 The General Court dismissed that action.

- 25 First of all, it set out the criteria in respect of which it was necessary to assess whether the mark at issue had been put to genuine use.
- 26 In that regard, the General Court found, in paragraph 26 of the judgment under appeal, that it was apparent from the case-law of the Court that ‘there is genuine use of a trade mark where it is used in accordance with its essential function, which is to guarantee the identity of the origin of the goods or services for which it is registered, in order to create or preserve an outlet for those goods or services; genuine use does not include token use for the sole purpose of preserving the rights conferred by the mark’ and that ‘similarly, the essential function of an EU collective mark is to distinguish the goods or services of the members of the association which is the proprietor of the mark from those of other undertakings’.
- 27 In paragraphs 27 to 29 of that judgment, it observed that the examination as to whether use of the mark is genuine must consist in an overall assessment which takes into account all the relevant factors of the particular case, such as the nature of the goods or services covered by the mark and whether the use is viewed as warranted in the economic sector concerned in order to create or preserve a share in the market.
- 28 Next, while acknowledging, in paragraph 33 of the judgment under appeal, that the mark at issue has been put to genuine use as a collective trade mark in many EU Member States on goods packaging, the General Court found, as did the Board of Appeal, that the genuine use of that mark on packaging does not constitute proof of genuine use of the goods.
- 29 The General Court stated, in paragraph 36 of that judgment, that the relevant public, in the present case, principally consisted of the general public and found, in paragraph 38 of that judgment, that that public identifies the mark at issue as indicating that the packaging may be collected and recovered in accordance with a certain system.
- 30 In the following paragraphs of that judgment, the General Court held that the mark at issue does not, however, indicate the origin of the goods.
- 31 In that regard, the General Court set out, in paragraph 41 of the judgment under appeal, that ‘it is true that the mark [at issue] in accordance with its function as a collective mark, refers to the fact that the producer or distributor of the goods ... is part of [DGP’s] licensing system and therefore indicates a degree of environmentally sound conduct on the part of that undertaking’. However, the relevant public is capable of distinguishing between a mark indicating the product’s commercial origin and a mark indicating that packaging waste may be recovered. It should also be taken into consideration that ‘the goods themselves are usually labelled with marks belonging to different companies’.
- 32 The General Court ruled, in paragraph 42 of that judgment that ‘the use of the mark [at issue] as a collective mark which identifies goods of the members of the association by distinguishing them from goods originating from undertakings which do not belong to that association will be perceived by the relevant public as a use in respect of packaging. ... Environmentally sound conduct on the part of the undertaking through its membership of [DGP’s] licensing system, will be attributed by the relevant public to the possibility of disposing of the packaging in an environmentally sound manner and not to such disposal of the packaged product itself, which may be unsuitable for environmentally sound disposal’.
- 33 Finally, the General Court found, in paragraphs 44 and 45 of the judgment under appeal, that the use of the mark at issue was also not intended to create or preserve an outlet for the goods. That mark is recognised by consumers solely as an indication that packaging will, as a result of the contribution of the manufacturer or distributor of that product, be disposed of and recovered if that consumer takes that packaging to a local collection point. Consequently, affixing that mark to the packaging of a product merely reflects the fact that the manufacturer or distributor of that product conducts itself in

compliance with EU legislation, which places undertakings under a duty to recover packaging waste. According to the General Court, in the unlikely event that the consumer decides to purchase a product on the basis of the quality of the packaging alone, the fact remains that that mark does not create or preserve an outlet for that product, but only for its packaging.

### **Forms of order sought by the parties**

34 DGP claims that the Court should:

- set aside the judgment under appeal;
- give final judgment by granting the forms of order sought at first instance or, alternatively, refer the case back to the General Court; and
- order EUIPO to pay the costs.

35 EUIPO contends that the Court should:

- dismiss the appeal; and
- order DGP to pay the costs.

### **The appeal**

36 In support of its appeal, DGP relies, in essence, on a single ground of appeal, alleging infringement of Article 15(1) of Regulation No 207/2009, read in conjunction with Article 66 of that regulation.

### ***Arguments of the parties***

37 According to DGP, the General Court misconstrued the interpretation of the concept of ‘genuine use’ within the meaning of Article 15(1) of Regulation No 207/2009, as follows from the Court’s case-law, and has failed to take proper account of the characteristics of EU collective marks, as set out in Article 66 of that regulation. The judgment under appeal is, consequently, vitiated by errors of law.

38 DGP notes, *inter alia*, that the General Court regarded as irrelevant the fact, noted however in paragraphs 41 and 42 of the judgment under appeal, that use of the mark at issue indicates to the relevant public that the goods on whose packaging that mark is affixed all originate from undertakings which are affiliated with the DGP system and that that use reflects an environmentally sound conduct common to those undertakings.

39 Since it ruled out such factors, which relate to the marketing of the goods for which the mark at issue is registered, from its assessment of the existence of ‘genuine use’ of that mark, the General Court has allegedly failed to base that assessment on the essential function of EU collective marks. That error of law subsequently led the General Court to hold that the use of the mark at issue was not intended to cover the goods for which it had been registered, but was reserved for their packaging, even though it was undisputed that the users of the mark at issue place goods on the market and are not manufacturers or distributors of packaging materials.

40 According to DGP, in trade mark law, goods and their packaging must be assessed together, since they belong together and are sold as one unit. The assessment made by the General Court is based on a contrary approach, which led it, in paragraphs 44 and 45 of the judgment under appeal, to consider,

without application of the relevant assessment criteria, that the use of the collective mark in question is not consistent with the objective of creating or preserving an outlet for the goods of the members of the association which is the proprietor of that mark.

- 41 The errors made by the General Court in the judgment under appeal as regards the criteria for assessing the existence of genuine use are again made clear by the reasoning, set out in paragraph 41 of that judgment, according to which the goods covered ‘are usually labelled with marks belonging to different companies’. In that regard, DGP notes that it is usual that a collective mark is used for goods of different undertakings and that it is clear that those undertakings affix individual marks to their goods or to the packaging of their goods. However, that simultaneous use of the collective mark and individual marks does not in any way constitute an indication that there was no genuine use of the collective mark.
- 42 EUIPO takes the view that the single ground of appeal, in so far as it is not inadmissible, is in any event unfounded.
- 43 In order to find that a collective mark has been put to ‘genuine use’ in respect of the goods for which it is registered, it is necessary that that mark is used ‘in the capacity of’ a collective mark for those goods.
- 44 It follows that it does not suffice that the mark at issue has been used in some connection with the goods for which it has been registered. According to EUIPO, there must, on the contrary, be an objective and sufficiently specific connection between the collective mark and the goods covered. In the absence of such a connection, it must be concluded that the collective mark is not used in accordance with its essential function, which is to distinguish goods or services of members of the association which is the proprietor of that mark from those of other undertakings.
- 45 In the present case, there is no such connection. Manufacturers’ and distributors’ affiliation with the DGP system concerns only packaging, that is to say the packaging of goods and not the goods themselves. The fact that the product and its packaging constitute one sales unit does not change anything.
- 46 The General Court therefore acted correctly in finding that the use of the mark at issue provides the relevant public with information regarding the packaging and not regarding the packaged product.
- 47 DGP’s argument concerning a simultaneous use of individual and collective marks is irrelevant. In this connection, EUIPO observes that, irrespective of the existence of such a fact, genuine use of the collective mark in respect of the goods for which it is registered must be established.
- 48 EUIPO also concurs with the General Court’s assessment as regards the question whether the use of the mark at issue was intended to create or preserve an outlet for the goods for which the mark at issue was registered. In this respect, EUIPO notes that the requirement relating to the purpose of creating or preserving an outlet for the goods applies equally to collective and individual marks. In the present case, affixing the mark at issue to the packaging of the goods can be relevant to the consumer’s purchasing decision only on account of the packaging. This shows that the use of that mark is not intended to create or preserve an outlet for those goods.

### *Findings of the Court*

- 49 In the absence of any provision to the contrary laid down in Articles 67 to 74 of Regulation No 207/2009, Articles 15 and 51 of that regulation form part, under Article 66(3) thereof, of the provisions of that regulation which apply to EU collective marks.

- 50 Consequently, in accordance with Articles 15 and 51, the rights conferred by such a mark on the proprietor are to be declared to be revoked where, within a continuous period of five years, and in the absence of proper reasons for non-use, the mark has not been put to genuine use in the European Union in connection with the goods or services in respect of which it is registered. Where those grounds for revocation of rights exist in respect of only some of the goods or services, the rights in respect of the goods or services concerned are to be declared to be revoked.
- 51 Although the findings of the General Court relating to the use of a mark are factual and may therefore not be challenged in an appeal, unless there has been a distortion of the facts, a ground of appeal alleging infringement of Article 15(1) of Regulation No 207/2009 is however admissible where it concerns criteria in respect of which the General Court must assess the existence of genuine use within the meaning of that provision (see, to that effect, judgment of 11 October 2017, *EUIPO v Cactus*, C-501/15 P, EU:C:2017:750, paragraph 64). That is the case here, since the single ground of appeal concerns criteria in respect of which it is necessary to assess the existence of genuine use, within the meaning of that provision, of an EU collective mark, taking into account the characteristics of that type of mark.
- 52 As to the substance, it should be recalled that, as the General Court has noted in paragraph 26 of the judgment under appeal, the essential function of an EU collective mark is to distinguish the goods or services of the members of the association which is the proprietor of the mark from those of other undertakings (judgment of 20 September 2017, *The Tea Board v EUIPO*, C-673/15 P to C-676/15 P, EU:C:2017:702, paragraph 63).
- 53 Thus, unlike an individual mark, a collective mark does not have the function of indicating to the consumer ‘the identity of origin’ of goods or services in respect of which it is registered, since that function, which seeks to guarantee to the consumer that the goods or services concerned have been manufactured or supplied under the control of a single undertaking which is responsible for their quality, is specific to individual marks (see, inter alia, judgment of 8 June 2017, *W. F. Gözze Frottierweberei and Gözze*, C-689/15, EU:C:2017:434, paragraph 41 and the case-law cited).
- 54 It must be noted, in that regard, that Article 66 of Regulation No 207/2009 by no means requires that manufacturers, producers, suppliers or traders who are affiliated with the association which is the proprietor of an EU collective mark, form part of the same group of companies which manufacture or supply the goods or services under unitary control. That regulation does not preclude the members of such an association from being competitors, each of whom uses the collective mark indicating its affiliation with that association, on the one hand, and an individual mark indicating the identity of origin of its goods or services, on the other.
- 55 It also follows from the case-law of the Court, referred to in paragraph 26 of the judgment under appeal, that there is genuine use of a trade mark where the mark is used in accordance with its essential function, in order to create or preserve an outlet for the goods or services for which it is registered (see, inter alia, as regards individual marks, judgments of 11 March 2003, *Ansul*, C-40/01, EU:C:2003:145, paragraph 43, and of 3 July 2019, *Viridis Pharmaceutical v EUIPO*, C-668/17 P, EU:C:2019:557, paragraph 38).
- 56 That case-law applies, *mutatis mutandis*, to EU collective marks. Indeed, those marks, like individual marks, are part of the course of trade. Their use must therefore, in order to be classified as ‘genuine’ within the meaning of Article 15(1) of Regulation No 207/2009, in fact be part of the objective of the undertakings concerned to create or preserve an outlet for their goods and services.
- 57 It follows that an EU collective mark is put to genuine use where it is used in accordance with its essential function, which is to distinguish the goods or services of members of the association which is the proprietor of the mark from those of other undertakings, in order to create or preserve an outlet for those goods or services.

- 58 More specifically, such a mark is used in accordance with its essential function from the moment when it enables the consumer to understand that the goods or services covered originate from undertakings which are affiliated with the association, the proprietor of the mark, and to thereby distinguish those goods or services from those originating from undertakings which are not affiliated.
- 59 In paragraph 41 of judgment under appeal, the General Court accepted that the mark at issue, in accordance with its essential function as a collective mark, refers to the fact that the producer or distributor of the goods at issue is part of the appellant's licensing system.
- 60 It follows that such a collective mark is used in accordance with its essential function, without such a finding being called into question, in the light of what has been stated in paragraph 54 of this judgment, by the assertion, contained in paragraph 41 of the judgment under appeal, that the relevant public is fully capable of distinguishing between a mark indicating the product's commercial origin and a mark indicating the recovery of the packaging waste of the product itself.
- 61 Admittedly, the General Court went on to state, in paragraph 44 of the judgment under appeal, that the appellant had failed to prove that the use of the mark at issue was intended to create or preserve an outlet for the goods at issue, with the result that there could be no genuine use of that mark in connection with those goods.
- 62 However, in order to determine whether that requirement was met, it was necessary, in accordance with the settled case-law of the Court, to examine whether the mark at issue is in fact used 'on the market' in respect of the goods or services covered. That examination should be carried out by evaluating, particularly, whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods or services protected by the mark, the nature of those goods or services, the characteristics of the market and the scale and frequency of use of the mark (see, inter alia, judgments of 11 March 2003, *Ansul*, C-40/01, EU:C:2003:145, paragraphs 37 and 43, and of 3 July 2019, *Viridis Pharmaceutical v EUIPO*, C-668/17 P, EU:C:2019:557, paragraphs 39 and 41).
- 63 Although the General Court has in fact mentioned those criteria in paragraph 27 of the judgment under appeal, it must however be held that it has subsequently failed to apply them to the present case.
- 64 As is apparent from paragraphs 3 and 41 of the judgment under appeal, it was undisputed before the General Court that the mark at issue has been registered for very different goods, which fall into a broad range of categories of goods in Classes 1 to 34 within the Nice Agreement and that the goods thus covered are packaged at the point of sale. It was also undisputed that that packaging becomes waste after the consumer has unpacked or used the product.
- 65 The General Court further held, in paragraphs 41 and 42 of that judgment, that the use of the mark at issue is in fact perceived by the relevant public as indicating the fact that manufacturers and distributors of the goods covered are affiliated with the common system of environmentally sound disposal established by DGP and that that system enables the consumer, when purchasing those goods, to take the packaging waste to a local collection point for its disposal and recovery. The General Court also found, in paragraph 44 of that judgment, that in doing so, those manufacturers and distributors comply with the obligation on them under EU law to contribute to the recovery of packaging waste of the goods.
- 66 While noting that the undertakings affiliated with the DGP system effectively indicate, by affixing the mark at issue to the packaging of their goods, in which system of collection and recovery of packaging waste they take part in their capacity as manufacturers and distributors, the General Court decided, in paragraphs 44 and 45 of the judgment under appeal, that it was not established that the mark at issue was in fact part of those undertakings' objective of creating or preserving an outlet for their goods.

- 67 In accordance with the assessment criteria set out in the case-law of the Court of Justice, referred to in paragraph 62 of the present judgment, it was for the General Court, before reaching that conclusion and revoking the rights of the proprietor of the mark at issue in respect of almost all of the goods for which it is registered, to examine whether the use properly established in this case, namely the affixing of the mark at issue to the packaging of the goods of undertakings affiliated with the DGP system is viewed, in the economic sector concerned, as warranted to maintain or create a share in the market for the goods.
- 68 Such an examination, which should also cover the nature of the goods concerned and the characteristics of the markets on which they are offered for sale, is lacking in the judgment under appeal. The General Court has admittedly found that the consumer understands that the DGP system relates to local collection and recovery of packaging of goods and not to the collection or recovery of the goods themselves, but has not properly examined whether the indication to the consumer, at the time of the offer for sale of the products, that such a system of local collection and of environmentally sound disposal of the packaging waste is made available, appears, in the economic sectors concerned or in some of them, warranted to maintain or create a share in the market for the goods.
- 69 Even though it could not, in that context, be expected of the General Court that it carries out that examination separately for each of the detailed descriptions of the goods included in the registration document of the mark at issue, it is nevertheless important, on account of the range of the goods concerned by such a mark, to provide an examination which distinguishes different categories of goods in relation to their nature and the characteristics of the markets, and which assesses, for each of those categories of goods, whether the use of the mark at issue is in fact part of pursuing the objective of creating or maintaining a share in the market.
- 70 Thus, some economic sectors concerned cover everyday consumer goods, such as food, beverages, personal care and housekeeping products, which are likely to generate packaging waste on a daily basis that the consumer must dispose of. Therefore, it cannot be ruled out that the indication, by a manufacturer or a distributor on the packaging of goods of that type, of the affiliation with a local collection system and of environmentally sound disposal of packaging waste may influence consumers' purchasing decisions and, thus, contribute to the maintenance or creation of a share in the market relating to those goods.
- 71 However, in paragraph 45 of the judgment under appeal, the General Court merely stated generally and for all of the contested goods, that even though the consumer's choice is influenced by the quality of the packaging of the product concerned, the mark at issue creates or preserves an outlet in relation to other economic operators only as regards the packaging and not the product concerned. Such reasoning is not based on the criteria referred to in paragraph 62 of this judgment and also leads to the contradictory view that even where the use of the mark at issue contributes to the purchase of goods on whose packaging that mark is affixed, that use must be regarded as being unrelated to the maintenance or creation of an outlet for those goods.
- 72 It should also be noted that the need, in order to assess the genuine character of the use of a mark, for an examination which properly takes into account the nature of the goods or services covered and the characteristics of their respective markets and which, therefore, distinguishes several types of goods or services where the latter are of a large range, adequately reflects the importance of what is at stake in that assessment. That assessment thus establishes whether the rights of a proprietor of a mark should be revoked and, if so, in respect of which goods or services that revocation is declared.
- 73 In this last respect, it is admittedly important that compliance with the requirement of use which is in fact part of the objective of creating or preserving an outlet for the goods and services in respect of which the mark is registered, is ensured so that its proprietor does not remain unduly protected for

the goods or services the marketing of which is not genuinely promoted by that mark. It is, however, equally important that the proprietors of marks and, in the case of a collective mark, their members, may, in a duly protected manner, make use of their sign in the course of trade.

- 74 Since the General Court failed to carry out the examination referred to in the case-law recalled in paragraph 62 of the present judgment, it erred in law in its application of the concept of ‘genuine use’ within the meaning of Article 15(1) of Regulation No 207/2009.
- 75 Consequently, the single ground of the appeal is well founded and the judgment under appeal must be set aside.

### **The action before the General Court**

- 76 It is apparent from the first paragraph of Article 61 of the Statute of the Court of Justice of the European Union that, if the appeal is well founded, the Court may itself give final judgment in the matter, where the state of the proceedings so permits.
- 77 In the present case, the Court has the necessary information to enable it to give final judgment on the single plea in law of the action at first instance.
- 78 It is clear from the contested decision, the content of which is set out in paragraphs 19 and 20 of the present judgment, that the Fifth Board of Appeal of EUIPO relied on grounds which, in essence, correspond to those contained in the judgment under appeal. The General Court has for the most part adopted the reasoning of that Board of Appeal. As is apparent from paragraph 74 of the present judgment, that reasoning is vitiated by an error of law in so far as it misinterprets the scope of the concept of ‘genuine use’ within the meaning of Article 15 of Regulation No 207/2009.
- 79 The contested decision must therefore be annulled.

### **Costs**

- 80 Under Article 184(2) of the Rules of Procedure of the Court of Justice, where the appeal is well founded and the Court itself gives final judgment in the case, the Court is to make a decision as to costs.
- 81 Under Article 138(1) of those rules, 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.
- 82 Since DGP has applied for costs and EUIPO has been unsuccessful in its claims, it must be ordered to bear its own costs and to pay those incurred by DGP, relating to both this appeal and the proceedings at first instance.

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

- 1. Sets aside the judgment of the General Court of the European Union of 12 September 2018, *Der Grüne Punkt v EUIPO — Halston Properties (Representation of a circle with two arrows)* (T-253/17, EU:T:2018:909);**
- 2. Annuls the decision of the Fifth Board of Appeal of the European Union Intellectual Property Office (EUIPO) of 20 February 2017 (Case R 1357/2015-5);**
- 3. Orders the European Union Intellectual Property Office (EUIPO) to bear its own costs and to pay the costs incurred by Der Grüne Punkt — Duales System Deutschland GmbH relating to both this appeal and the proceedings at first instance.**

[Signatures]