



## Reports of Cases

JUDGMENT OF THE GENERAL COURT (Fifth Chamber, Extended Composition)

1 September 2021 \*

(EU trade mark – Application for the EU word mark Limbic® Types – Absolute grounds for refusal – Decision taken following the annulment by the General Court of an earlier decision – Referral to the Grand Board of Appeal – Article 7(1)(b) of Regulation No 207/2009 (now Article 7(1)(b) of Regulation 2017/1001) – Error of law – Examination of the facts of the Office’s own motion – Article 95(1) of Regulation 2017/1001 – *Res judicata* – Article 72(6) of Regulation 2017/1001 – Composition of the Grand Board of Appeal)

In Case T-96/20,

**Gruppe Nymphenburg Consult AG**, established in Munich (Germany), represented by R. Kunze, lawyer,

applicant,

v

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

defendant,

ACTION brought against the decision of the Grand Board of Appeal of EUIPO of 2 December 2019 (Case R 1276/2017-G), concerning an application for registration of the word sign Limbic® Types as an EU trade mark,

THE GENERAL COURT (Fifth Chamber, Extended Composition),

composed of S. Papasavvas, President, D. Spielmann (Rapporteur), U. Öberg, O. Spineanu-Matei and R. Mastroianni, Judges,

Registrar: R. Ūkelytė, Administrator,

having regard to the application lodged at the Court Registry on 20 February 2020,

having regard to the response lodged at the Court Registry on 22 May 2020,

having regard to the Court’s written question to the parties of 18 November 2020,

\* Language of the case: German.

following the hearing on 16 March 2021,

gives the following

## Judgment

### Background to the dispute

- 1 On 15 November 2013, the applicant, Gruppe Nymphenburg Consult AG, 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), as amended (replaced 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)).
- 2 Registration as a trade mark was sought for the word sign Limbic® Types.
- 3 The goods and services in respect of which registration was sought are in Classes 16, 35 and 41 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, inter alia, for each of those classes, to the following description:
  - Class 16: ‘Printed matter, in particular books, periodicals, newspapers and pamphlets in the fields of business consultancy and advisory services and human resources management consultancy and advisory services, and brand manuals’;
  - Class 35: ‘Advertising; business and human resources management consultancy and advisory services, in particular in the fields of brand development, brand positioning, business culture development, mission statement development, staff selection, staff motivation, advertising and marketing, presentation of goods and market research’;
  - Class 41: ‘Education; providing of training; entertainment; sporting and cultural activities; lectures, providing of training and training courses on the subjects of brand development, brand positioning, business culture development, mission statement development, staff selection, staff motivation, advertising and marketing, presentation of goods and market research; publication of books, periodicals, newspapers and pamphlets in the fields of business consultancy and advisory services and human resources management consultancy and advisory services, and of brand manuals’.
- 4 By decision of 30 May 2014, the examiner refused the application for registration on the basis of Article 7(1)(b) and (c) of Regulation No 207/2009 (now Article 7(1)(b) and (c) of Regulation 2017/1001), read in conjunction with Article 7(2) of that regulation (now Article 7(2) of Regulation 2017/1001) in respect of the goods and services referred to in paragraph 3 above.
- 5 On 29 July 2014, the applicant filed a notice of appeal with EUIPO, pursuant to Articles 58 to 64 of Regulation No 207/2009 (now Articles 66 to 71 of Regulation 2017/1001), against the examiner’s decision.

- 6 By decision of 23 June 2015, the First Board of Appeal of EUIPO dismissed the appeal. It found that the sign Limbic® Types was descriptive of the goods and services at issue, within the meaning of Article 7(1)(c) of Regulation No 207/2009.
- 7 By application lodged at the Court Registry on 7 September 2015, the applicant brought an action against the decision of 23 June 2015, registered as Case T-516/15.
- 8 By judgment of 16 February 2017, *Gruppe Nymphenburg Consult v EUIPO (Limbic® Types)* (T-516/15, not published, EU:T:2017:83) ('the judgment annulling the decision'), the Court upheld the applicant's action and annulled the decision of 23 June 2015, on the ground that the Board of Appeal had incorrectly assessed the descriptive character of the mark applied for, for the purposes of Article 7(1)(c) of Regulation No 207/2009.
- 9 By decision of the Presidium of the Boards of Appeal of 16 June 2017, the case was referred to the Grand Board of Appeal, under reference number R 1276/2017-G, for a new decision. The applicant was informed of that referral by letter from the Registry of the Boards of Appeal of 2 August 2017.
- 10 By letter of 29 May 2018, the Grand Board of Appeal informed the applicant that it considered that the absolute grounds referred to in Article 7(1)(b) and (c) of Regulation 2017/1001 precluded registration of the mark applied for in respect of the goods and services at issue, and requested the applicant to submit its observations. The applicant complied with that request on 21 September 2018.
- 11 By decision of 2 December 2019 ('the contested decision'), the Grand Board of Appeal dismissed the appeal. First, it considered that, in the judgment annulling the decision, the Court had found that the evidence on which the First Board of Appeal had relied in its decision of 23 June 2015 was not sufficient to conclude that the mark applied for was descriptive. Therefore, in so far as the First Board considered that additional facts and evidence were available, it concluded that it was incumbent on it, under Article 95(1) of Regulation 2017/1001, to make a new decision on the descriptive character of the mark applied for. Secondly, for the purposes of assessing that descriptive character, it found, first of all, that the goods and services at issue were intended for the general public and for professionals in the fields of business consultancy, human resource management consultancy, advertising, marketing, human resources, business management, vocational training, professional sport, coaching, entertainment and culture. Next, it found that the mark applied for could be translated literally as 'limbic types' and found that that mark would be understood by the relevant English-speaking public as designating, in essence, a classification of individuals according to personality profiles or types established on the basis of information relating to the limbic system. Lastly, it concluded from its findings that the mark applied for was descriptive of the goods and services at issue. Thirdly, it found that the mark applied for was devoid of distinctive character. Consequently, it dismissed the appeal.

### **Forms of order sought**

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

13 EUIPO contends that the Court should:

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

### **Law**

14 In support of its action, the applicant raises six pleas in law, alleging, first, infringements of essential procedural requirements, secondly, infringement of Article 72(6) of Regulation 2017/1001, thirdly, infringement of Article 7(1)(c) of that regulation, fourthly, infringement of Article 7(1)(b) of that regulation, fifthly, infringement of Article 94(1) of that regulation, and, sixthly, infringement of Article 96 of that regulation.

### ***Preliminary observations***

- 15 Given the date on which the application for registration at issue was filed, namely 15 November 2013, which is decisive for the purpose of identifying the applicable substantive law, the facts of the present case are governed by the substantive provisions of Regulation No 207/2009 (see, to that effect, order of 5 October 2004, *Alcon v OHIM*, C-192/03 P, EU:C:2004:587, paragraphs 39 and 40, and judgment of 23 April 2020, *Gugler France v Gugler and EUIPO*, C-736/18 P, not published, EU:C:2020:308, paragraph 3 and the case-law cited).
- 16 Consequently, in the present case, as regards the substantive rules, the references made by the Board of Appeal in the contested decision and by the applicant in its arguments to Article 7(1)(b) and (c) of Regulation 2017/1001 must be understood as referring to Article 7(1)(b) and (c) of Regulation No 207/2009, the wording of which is identical.
- 17 Moreover, since, according to settled case-law, procedural rules are generally held to apply on the date on which they enter into force (see judgment of 11 December 2012, *Commission v Spain*, C-610/10, EU:C:2012:781, paragraph 45 and the case-law cited), the dispute is governed, depending on the date of events concerned, by the procedural provisions of Regulation No 207/2009 and Regulation 2017/1001.

### ***The first plea, alleging infringement of essential procedural requirements***

18 In support of this plea, the applicant puts forward three complaints.

### ***The first and second complaints, alleging failure to communicate and failure to state adequate reasons for the decision to refer the case to the Grand Board of Appeal***

19 By the first complaint, the applicant submits that the decision of 16 June 2017 of the Presidium of the Boards of Appeal, by which the case was referred to the Grand Board of Appeal, was not notified to it as such, but that it was only informed of that decision by letter of 2 August 2017, in breach of Article 165(3)(a) and Article 166(4)(a) of Regulation 2017/1001, and of Article 35(1)

and (4) and Article 37(2) of Commission Delegated Regulation (EU) 2018/625 of 5 March 2018 supplementing Regulation (EU) 2017/1001 and repealing Delegated Regulation (EU) 2017/1430 (O) 2018 L 104, p. 1).

- 20 By the second complaint, the applicant submits that the decision of the Presidium of the Boards of Appeal of 16 June 2017 is vitiated by an infringement of the obligation to state reasons, established by Article 94 of Regulation 2017/1001, since the reasons for referring the case to the Grand Board, provided for in Article 165 of that regulation, were not mentioned in that decision. It adds that such a statement of reasons was all the more necessary since, first, the First Board of Appeal, which had adopted the decision of 23 June 2015 referred to in paragraph 6 above, was composed of a single member and, secondly, it was not possible to ascertain on what basis the case had been referred to the Grand Board of Appeal.
- 21 EUIPO disputes the admissibility of those complaints on the ground that they are not directed against the contested decision but against the decision of the Presidium of the Boards of Appeal of 16 June 2017, which does not adversely affect the applicant. It also disputes the merits of the complaints and, as regards the second complaint, its validity, on the ground that the reasons for referring the case to the Grand Board of Appeal had been brought to the attention of the applicant in the letter of 29 May 2018 and that the applicant had been invited to submit observations in response to that letter.
- 22 Under Article 72(1) of Regulation 2017/1001, actions may be brought before the EU judicature only against decisions of the Boards of Appeal. Therefore, it is only pleas directed against the decision of the Board of Appeal itself which are admissible in such an action (see, to that effect, judgments of 7 June 2005, *Lidl Stiftung v OHIM – REWE-Zentral (Salvita)*, T-303/03, EU:T:2005:200, paragraph 59, and of 16 May 2019, *KID-Systeme v EUIPO – Sky (SKYFi)*, T-354/18, not published, EU:T:2019:333, paragraph 99 and the case-law cited).
- 23 It is clear that the irregularities relied on by the applicant are such as to affect the decision of the Presidium of the Boards of Appeal of 16 June 2017, but not the contested decision.
- 24 Accordingly, the first and second complaints of the first plea are inadmissible.

*The third complaint, alleging infringement of Article 169(1) of Regulation 2017/1001*

- 25 The applicant submits that the composition of the Grand Board of Appeal which adopted the contested decision infringed Article 169(1) of Regulation 2017/1001, on the ground that a member of that board was the only member of the Board of Appeal which adopted the decision of 23 June 2015.
- 26 EUIPO disputes the applicant's arguments.
- 27 Under Article 169(1) of Regulation 2017/1001, members of the Boards of Appeal may not take part in appeal proceedings if they participated in the decision under appeal.
- 28 Furthermore, a judgment annulling a measure takes effect *ex tunc* and thus has the effect of retroactively eliminating the annulled measure from the legal system (see judgment of 25 March 2009, *Kaul v OHIM – Bayer (ARCOL)*, T-402/07, EU:T:2009:85, paragraph 21 and the case-law cited).

- 29 In the present case, it should be noted that the registration of the mark applied for was refused by the decision of the EUIPO examiner of 30 May 2014, and that, on appeal by the applicant, the First Board of Appeal upheld the refusal of the application for registration by decision of 23 June 2015. The latter decision was annulled by the judgment annulling the decision, which had become final, so that it was retroactively eliminated from the legal system. Consequently, the decision under appeal, within the meaning of Article 169(1) of Regulation 2017/1001, before the Grand Board is not the decision of 23 June 2015 but the examiner's decision of 30 May 2014.
- 30 Furthermore, Article 35(4) of Delegated Regulation 2018/625 provides:  
'Where a decision of a Board of Appeal on a case has been annulled or altered by a final ruling of the General Court ... the President of the Boards of Appeal shall, with a view to complying with that ruling in accordance with Article 72(6) of Regulation (EU) 2017/1001, reallocate the case pursuant to paragraph 1 of this Article to a Board of Appeal, which shall not comprise those members who had adopted the annulled decision, except where the case is referred to the enlarged Board of Appeal ...'.
- 31 Accordingly, in so far as the case was referred to the Grand Board of Appeal, it was permissible for the Grand Board of Appeal to include the single member of the Board of Appeal which adopted the decision of 23 June 2015.
- 32 It follows from the foregoing that the composition of the Grand Board of Appeal which adopted the contested decision was not vitiated by any defect such as to render that decision unlawful. Thus, the third complaint and, therefore, the first plea in law, must be rejected.

### ***The second plea, alleging infringement of the principle of res judicata***

- 33 The applicant submits, in essence, that the contested decision was adopted in breach of the force of *res judicata*, in the light of Article 72(6) of Regulation 2017/1001, in that the Grand Board of Appeal did not fulfil its obligation to take the necessary measures to comply with the judgment annulling the decision, and that it therefore disregarded the force of *res judicata* with absolute effect attaching to the grounds and operative part of that judgment. In that judgment, the Court found that the mark applied for was not descriptive of the goods at issue for the purpose of Article 7(1)(c) of Regulation No 207/2009, and not that the Board of Appeal had failed to establish to the requisite legal standard that that mark was descriptive. The Court having thus ruled on the substance of the case, the applicant concludes that the Grand Board of Appeal could not legitimately carry out a new examination of that descriptive character.
- 34 EUIPO disputes the applicant's arguments. In the first place, it contends that the decision of 23 June 2015 was annulled, and not altered, by the judgment annulling the decision, with the result that that judgment did not require EUIPO to allow registration of the mark applied for. In accordance with the division of powers between EUIPO and the General Court, the judgment annulling the decision does not contain a definitive finding as to whether the mark applied for is suitable for the purposes of registration, or as to the existence or non-existence of the absolute ground for refusal referred to in Article 7(1)(c) of Regulation No 207/2009. All that emerges from the judgment annulling the decision is that the evidence providing the basis for the assessments made by the First Board of Appeal in the decision of 23 June 2015 was insufficient to conclude that the mark was descriptive of the goods and services at issue.

- 35 In the second place, EUIPO contends that its obligation under Article 95(1) of Regulation 2017/1001 to examine the facts of its own motion applies, as regards absolute grounds for refusal of registration, until the date of registration and that, under Article 45(3) of Regulation 2017/1001, it may reopen the examination of absolute grounds for refusal on its own initiative at any time before registration if this is justified by new facts apparent from observations by third parties or findings made in the course of subsequent opposition proceedings or, as in the present case, after a judgment annulling a measure has become final.
- 36 In the third place, EUIPO contends that the applicant is wrong to criticise the Grand Board of Appeal for having re-examined the descriptive character of the mark applied for, because the examination carried out by that board was based on facts and evidence which were different from those on which the decision of 23 June 2015 was based.
- 37 As a preliminary point, it should be noted that, as no appeal was brought against the judgment annulling the decision, the judgment has become final.
- 38 Furthermore, the case-law has already drawn attention to the importance of the principle of *res judicata*, both in the EU legal order and in the national legal systems. In order to ensure stability of the law and legal relations, as well as the sound administration of justice, it is important that judicial decisions which have become final after all rights of appeal have been exhausted, or after expiry of the time limits provided to exercise those rights, can no longer be called into question (see judgment of 19 April 2012, *Artegodan v Commission*, C-221/10 P, EU:C:2012:216, paragraph 86 and the case-law cited).
- 39 Moreover, under Article 72(6) of Regulation 2017/1001, EUIPO is to take the necessary measures to comply with the judgment of the EU judicature.
- 40 It is common ground that, by decision of 23 June 2015, the Board of Appeal had refused to register the trade mark applied for on the ground that that mark was descriptive of the goods and services at issue. In the judgment annulling the decision, the Court upheld the first plea in law, alleging infringement of Article 7(1)(c) of Regulation No 207/2009. By paragraph 1 of the operative part of that judgment, the Court annulled the decision of the Board of Appeal of 23 June 2015.
- 41 The grounds on which the Court upheld the first plea in law, set out in paragraphs 34 to 52 of the judgment annulling the decision, are as follows:
- ‘34 The Board of Appeal has failed to establish that the relevant public in the present case will immediately and without further thought establish a specific and direct link between the goods and services at issue, on the one hand, and the sign Limbic® Types, on the other.
- 35 It is true that the symbol “” and the word “types” may be understood by the relevant public, since the former represents the sign designating a registered trade mark and the latter is a common English word referring to the overall shape, structure or character distinguishing a particular type, group or class of living beings or objects. The meaning of those two elements with regard to the relevant public, as found by the Board of Appeal, is not disputed by the applicant and must be confirmed for the same reasons as those set out in the contested decision.

- 36 However, it is not sufficient that one or more of the elements of a sign are descriptive; the descriptive character must be established for the sign as a whole, including, in the present case, the third word, namely the word “limbic” (see, to that effect, judgment of 26 February 2016, *provima Warenhandels v OHIM – Renfro (HOT SOX)*, T-543/14, not published, EU:T:2016:102, paragraph 29).
- 37 In that regard, as observed by EUIPO, as well as the examiner and the Board of Appeal, the term “limbic”, as confirmed inter alia by the *Oxford English Dictionary*, refers to the “limbic system”, which describes the region of the brain that influences hormonal control and the autonomic nervous system. The applicant agreed with that definition during the proceedings.
- 38 However, it must be held, in the first place, that, as the applicant correctly submits, the combination of the three words making up the mark applied for is unusual as regards the goods and services at issue.
- 39 Indeed, it is apparent from the various dictionary definitions cited by the examiner and the Board of Appeal that the word “limbic” is normally used in English as part of the known expressions “limbic system” or “limbic lobe” which describe a certain part of the brain.
- 40 However, as regards the mark applied for, first, the word “limbic” has been removed from the expression which normally gives it its meaning. Thus, the word “limbic” has been deprived of its clear and direct meaning.
- 41 Secondly, it appears in the mark applied for in combination with the symbol “®” and the word “types”, that is to say, a combination which is not common or usual in the structure of English.
- 42 Thus, because of the unusual nature of the combination as regards the goods and services concerned, the wording of the mark applied for creates an impression which differs from that produced by the mere combination of the elements making up that mark, as a result of which the mark applied for is not descriptive of the goods and services at issue (see, to that effect, the case-law mentioned in paragraph 21 above).
- 43 In the second place, as the applicant also correctly submits, the term “limbic”, which refers to the limbic system, is a medical term from the field of neurology and therefore a highly specialised term.
- 44 In that regard, it should be noted that the Board of Appeal merely found that the relevant public understood the mark as referring to different types of personality which respond to stimuli from the limbic system in different ways.
- 45 However, it has not been proven, in accordance with the case-law cited in paragraph 22 above, that the relevant public, which does not include medical professions, will understand the term “limbic”, immediately and without further thought, as a reference to a region of the brain or, at any rate, the region of the brain which influences hormonal control and the autonomic nervous system. Nor has it been proven that the relevant public will, without further thought, perceive the combination of the three constituent elements of the mark applied for as conveying the meaning of different types of personality which respond differently to stimuli from the region of the brain that influences hormonal control and the autonomic nervous system, and therefore as a descriptive indication of the goods and services at issue or one of the characteristics thereof.



- 46 Lastly, the fact that the aim of services at issue (in Classes 35 and 41) could be to provide information on the various limbic types and that they enable undertakings to determine their best advertising and sales strategy based on the different types of personality, as the Board of Appeal found in paragraphs 22 and 23 of the contested decision, is not sufficient for the mark applied for to be regarded as descriptive of those services.
- 47 Apart from the fact that the mark applied for contains a term which is used in an unusual combination and is devoid of its clear and direct meaning, it has not been proven that the average specialist, particularly in the fields of advertising, business management and human resources management and business administration, upon encountering a specialist medical term, would not at least have to engage in some process of interpretation involving a period of consideration, in order to understand the meaning of the proposed trade mark in respect of the services at issue. Such a process of interpretation is incompatible with the recognition of descriptive character, the meaning of which must be immediately perceived without further thought (see, to that effect, judgment of 7 June 2011, *Psytech International v OHIM – Institute for Personality & Ability Testing (16PF)*, T-507/08, not published, EU:T:2011:253, paragraph 40).
- 48 In addition, for the same reasons (see paragraph 47 above), it should be noted that, even assuming that the goods at issue in the fields of business consultancy and advisory services and human resources management consultancy and advisory services (in Class 16) contained information about the different limbic types and their behaviour and the best way of targeting them, which is the view taken by the Board of Appeal in paragraph 21 of the contested decision, that observation is not sufficient for the mark applied for to be regarded as descriptive of those goods.
- 49 Furthermore, as regards the assessment of the descriptive character of the mark applied for in relation to the understanding which the general public has of it, it is sufficient to point out that, in view of the foregoing considerations, it will involve to an even greater extent a process of interpretation which is incompatible with the recognition of the descriptive character of a mark (see, to that effect, judgment of 7 June 2011, *16PF*, T-507/08, not published, EU:T:2011:253, paragraph 43).
- 50 As regards the case-law relied on by EUIPO according to which a word sign must be refused registration under Article 7(1)(c) of Regulation No 207/2009 if at least one of its possible meanings designates a characteristic of the goods or services concerned (judgment of 23 October 2003, *OHIM v Wrigley*, C-191/01 P, EU:C:2003:579, paragraph 32), it is sufficient to note, in the light of the foregoing, that the mark applied for does not convey a meaning that is sufficiently clear and direct for it to be regarded by the relevant public as being descriptive of the goods and services at issue.
- 51 It must be concluded that the Board of Appeal's assessment, according to which the sign Limbic® Types will be understood by the relevant public as referring to different types of personality which respond to stimuli from the limbic system in different ways, is incorrect.
- 52 Similarly, the Board of Appeal made an error of assessment in finding that that sign had a sufficiently specific and direct link with the goods and services concerned in Classes 16, 35 and 41.'

- 42 As has been pointed out in paragraph 28 above, a judgment annulling a measure takes effect *ex tunc* and thus has the effect of retroactively eliminating the annulled measure from the legal system.
- 43 Furthermore, it has been held that *res judicata* extends only to the matters of fact and law actually or necessarily settled by the judicial decision in question (see judgment of 19 April 2012, *Artegodan v Commission*, C-221/10 P, EU:C:2012:216, paragraph 87 and the case-law cited).
- 44 Thus, in order to comply with a judgment annulling a measure and to implement it fully, the institution responsible for adopting that measure is required to have regard not only to the operative part of the judgment but also to the grounds constituting its essential basis. It is those grounds which, on the one hand, identify the precise provision held to be illegal and, on the other, indicate the specific reasons which underlie the finding of illegality contained in the operative part and which the institution concerned must take into account when replacing the annulled measure (see judgment of 1 March 2018, *Shoe Branding Europe v EUIPO – adidas (Position of two parallel stripes on a shoe)*, T-629/16, EU:T:2018:108, paragraph 102 and the case-law cited).
- 45 In the present case, following the judgment annulling the decision, the appeal brought by the applicant against the examiner's decision of 30 May 2014 again became pending before EUIPO. In order to fulfil its obligation under Article 72(6) of Regulation 2017/1001 to take the necessary measures to comply with the judgment annulling the decision, EUIPO had to ensure that the appeal led to a new decision of a Board of Appeal. By letter of 29 May 2018, the Grand Board of Appeal, to which the case was referred, informed the applicant that it considered that the absolute grounds referred to in Article 7(1)(b) and (c) of Regulation No 207/2009 precluded registration of the mark applied for in respect of the goods and services at issue, and that it was entitled to reopen the examination of those grounds for refusal.
- 46 In the contested decision, the Grand Board of Appeal, referring to Article 72(6) of Regulation 2017/1001, first of all, found that EUIPO was bound by the operative part of the judgment only in so far as the underlying facts and matters of law were the same. It also stated that, in the judgment annulling the decision, the Court had found that the evidence produced 'to date' was not sufficient to establish the existence of the absolute ground for refusal referred to in Article 7(1)(c) of Regulation No 207/2009, and cited the grounds of the judgment annulling the decision, taken from paragraphs 34 and 45 to 48 thereof, which it considered capable of supporting that assertion. Taking the view that it could rely on new evidence and on the provisions of Article 95(1) of Regulation 2017/1001, it concluded that a new examination of the registrability of the mark applied for was permissible and necessary, in so far as the grounds of the judgment annulling the decision did not preclude a re-examination, based on new evidence, of an absolute ground for refusal. Accordingly, it considered that it was required to re-examine that ground.
- 47 It should be noted that, under Article 95(1) of Regulation 2017/1001, EUIPO examiners and, on appeal, the Boards of Appeal of EUIPO, are required to examine the facts of their own motion in order to determine whether the mark applied for falls under one of the grounds for refusal of registration. It follows that they may be led to base their decision on facts which have not been alleged by the applicant for registration (judgment of 19 April 2007, *OHIM v Celltech*, C-273/05 P, EU:C:2007:224, paragraph 38).

- 48 In addition, under Article 45(3) of Regulation 2017/1001 and Article 27(1) of Delegated Regulation 2018/625, the Board of Appeal has the right to reopen the examination of absolute grounds of refusal on its own initiative at any time before registration, where appropriate, including the right to raise a ground for refusal of the application for registration of the trade mark which has not already been invoked in the decision subject to appeal (judgment of 12 December 2019, *Refan Bulgaria v EUIPO (Shape of a flower)*, T-747/18, not published, EU:T:2019:849, paragraph 21).
- 49 However, EUIPO may exercise the powers conferred on it by those provisions only in order to fulfil its obligation, referred to in Article 72(6) of Regulation 2017/1001, to take the necessary measures to comply with a judgment of the EU judicature.
- 50 Thus, in the present case, the Grand Board of Appeal was entitled to re-examine the facts of its own motion in order to determine whether the mark applied for fell under one of the absolute grounds for refusal of registration. However, when re-examining the facts of its own motion, it was required to have regard not only to the operative part of the judgment annulling the decision, but also to the grounds which led thereto.
- 51 In that regard, as rightly observed by the Grand Board of Appeal in the contested decision and by EUIPO in its response, the Court found, in particular in paragraphs 45 to 48 of the judgment annulling the decision, reproduced in paragraph 41 above, that some of the assessments made by the First Board of Appeal in the decision of 23 June 2015 were not sufficiently substantiated or did not permit the inference that the mark applied for was descriptive. In so doing, the Court found that those assessments did not support the conclusion of the First Board of Appeal relating to the descriptive character of the mark applied for.
- 52 Moreover, by the grounds set out in paragraphs 50 to 52 of the judgment annulling the decision, referred to in paragraph 41 above, the Court ruled on the descriptive character of that mark for the goods and services at issue, taking the view that the mark was not descriptive and that, therefore, it was wrong to refuse registration of that mark on the basis of the absolute ground for refusal provided for in Article 7(1)(c) of Regulation No 207/2009.
- 53 Consequently, the question of the descriptive character of the mark applied for must be regarded as a matter of fact and law actually settled by the judgment annulling the decision, within the meaning of the case-law referred to in paragraph 43 above. In that regard, the grounds set out in paragraphs 45 to 48 and 50 to 52 of the judgment annulling the decision, concerning the lack of such character, were decisive in supporting paragraph 1 of the operative part of that judgment, which annulled the decision of 23 June 2015 and constituted its essential basis. They are therefore covered by the force of *res judicata* attaching to that judgment.
- 54 That conclusion cannot be called into question by EUIPO's arguments that, in the judgment annulling the decision, the Court did not exhaustively identify the facts relevant to the assessment of the registrability of that mark, or by the arguments based on the extent of EUIPO's examination of the facts of its own motion provided for in Article 95(1) of Regulation 2017/1001, according to which the review by the EU judicature is, as a matter of principle, carried out exclusively on the basis of the facts and evidence established by the Board of Appeal.
- 55 As observed, while the judgment annulling the decision contains grounds according to which some of the assessments made by the First Board of Appeal were not sufficiently substantiated or did not permit the inference that the mark applied for was descriptive, it also contains grounds

condemning the substantively incorrect assessments made by that board on the basis of established facts. Thus, by the judgment annulling the decision, the Court concluded that the decision of the First Board of Appeal was vitiated by an error of assessment, in so far as concerns the conditions for the application of Article 7(1)(c) of Regulation No 207/2009, as regards the descriptive character of the mark applied for.

- 56 Furthermore, the power conferred on EUIPO to examine the facts of its own motion cannot allow it to call into question a point of fact and law which has actually been settled by the Court, for the purposes of the case-law referred to in paragraph 43 above. Indeed, the fact that the Grand Board of Appeal based its examination of the descriptive character of the mark applied for on facts which the First Board of Appeal had not taken into account in making its decision of 23 June 2015 does not mean that the Court's findings as to the descriptive character of that mark, made in paragraphs 50 to 52 of the judgment annulling the decision, no longer have the force of *res judicata*.
- 57 Furthermore, EUIPO's argument based on an analogy between the extent of EUIPO's examination of the facts of its own motion in the context of an application for registration and in the context of invalidity proceedings concerning an absolute ground for refusal must be rejected. The fact, relied on by EUIPO, that it is possible for a mark to be declared invalid after its registration confirms that the legislature was aware of the possibility that, at the time of the first examination of the existence of absolute grounds for refusal, all the relevant facts were not necessarily known or proven, does not mean that, in the context of the procedure for registration of a trade mark, EUIPO may disregard the force of *res judicata* attaching to the findings made by the EU judicature as to the descriptive character of that mark in a judgment annulling a decision of a Board of Appeal given in the context of the registration procedure.
- 58 It follows from the foregoing that, by refusing the application for registration of the mark applied for on the ground that that mark was descriptive for the purposes of Article 7(1)(c) of Regulation No 207/2009, the Grand Board of Appeal disregarded the force of *res judicata* attaching to the judgment annulling the decision and thus failed to comply with the requirements of Article 72(6) of Regulation 2017/1001.
- 59 The second plea must therefore be upheld.

***The fourth plea, alleging infringement of Article 7(1)(b) of Regulation No 207/2009***

- 60 The applicant claims that the Board of Appeal infringed Article 7(1)(b) of Regulation No 207/2009 by finding that the mark applied for had no distinctive character in relation to the goods and services at issue. In particular, it submits that the examination of the distinctive character of that mark is based on assessments already made in the context of the examination of the descriptive character of that mark and on the assertion that that mark is descriptive.
- 61 EUIPO disputes the applicant's arguments and refers in that regard to the reasons given in the contested decision.
- 62 As a preliminary point, it should be noted that, even if a sign, the object of an application for an EU trade mark, were to be considered by the Court, contrary to the decision reached by EUIPO, not to be covered by one of the absolute grounds for refusal referred to in Article 7(1) of Regulation No 207/2009, the annulment by the Court of the EUIPO decision refusing registration of that mark would necessarily lead EUIPO, which is required to give due effect to the grounds and

operative part of the Court's judgment, to reopen the procedure for the examination of the mark in question and to reject it where it considers that the sign in question is covered by another absolute ground for refusal referred to in that provision (see judgment of 6 October 2011, *Bang & Olufsen v OHIM (Representation of a loudspeaker)*, T-508/08, EU:T:2011:575, paragraph 33 and the case-law cited).

- 63 Each of the grounds for refusal listed in Article 7(1) of Regulation No 207/2009 is independent of the others and calls for separate examination (see judgment of 29 April 2004, *Henkel v OHIM*, C-456/01 P and C-457/01 P, EU:C:2004:258, paragraph 45 and the case-law cited).
- 64 Consequently, the Grand Board of Appeal was justified, as it pointed out, in examining in the contested decision the absolute ground for refusal referred to in Article 7(1)(b) of Regulation No 207/2009, under which trade marks which are devoid of any distinctive character are not to be registered.
- 65 According to the case-law, the grounds for refusal must be interpreted in the light of the public interest underlying each of them. The public interest taken into account in the examination of each of those grounds for refusal may, or even must, reflect different considerations, depending upon which ground for refusal is at issue (see, to that effect, judgment of 29 April 2004, *Henkel v OHIM*, C-456/01 P and C-457/01 P, EU:C:2004:258, paragraph 46).
- 66 For a trade mark to possess distinctive character, it must serve to identify the goods in respect of which registration is applied for as originating from a particular undertaking, and thus to distinguish those goods from those of other undertakings (see judgment of 21 January 2010, *Audi v OHIM*, C-398/08 P, EU:C:2010:29, paragraph 33 and the case-law cited).
- 67 The notion of public interest underlying Article 7(1)(b) of Regulation No 207/2009 is, manifestly, indissociable from the essential function of a trade mark, which is to guarantee the identity of the origin of the marked product or service to the consumer or end user by enabling him, without any possibility of confusion, to distinguish the product or service from others which have another origin (see, to that effect, judgment of 29 April 2004, *Henkel v OHIM*, C-456/01 P and C-457/01 P, EU:C:2004:258, paragraph 48).
- 68 Furthermore, it is true that the descriptive signs referred to in Article 7(1)(c) of Regulation No 207/2009 are also, without prejudice to the possibility of their acquiring distinctive character through use, devoid of distinctive character and that, according to the case-law, if at least one of the possible meanings of a sign designates a characteristic of the goods concerned, the sign is classified as descriptive within the meaning of Article 7(1)(c) of Regulation No 207/2009 and must therefore be refused registration (see, to that effect, judgment of 23 October 2003, *OHIM v Wrigley*, C-191/01 P, EU:C:2003:579, paragraphs 30 and 32).
- 69 However, that case-law established in the context of Article 7(1)(c) of Regulation No 207/2009 cannot be transposed by analogy to the application of Article 7(1)(b) of that regulation where the distinctive character of the mark applied for, within the meaning of Article 7(1)(b) of Regulation No 207/2009, is called into question for reasons other than its descriptive character (judgment of 3 September 2020, *achtung! v EUIPO*, C-214/19 P, not published, EU:C:2020:632, paragraph 36).
- 70 In the present case, the Grand Board of Appeal observed that the relevant specialist public would regard the mark applied for as conveying a purely informative factual message, and not as a trade sign, in respect of publications in Classes 16 and 41, services in the fields of entertainment, sport

and culture and in training and professional development, in Class 41, and services in the fields of marketing, business and human resources management consultancy and advisory services, in Class 35, which are concerned with the creation or use of personality profiles based on the limbic system.

- 71 The Grand Board of Appeal added that the same applied to the professional public in the fields of culture, sport and entertainment, who would simply assume that the relevant services take into consideration the latest findings about different limbic types and therefore represent added value compared with traditional services of that kind.
- 72 In addition, the Grand Board of Appeal rejected an argument of the applicant based on the judgment of 5 July 2012, *Deutscher Ring v OHIM (Deutscher Ring Sachversicherungs-AG)* (T-209/10, not published, EU:T:2012:347), on the grounds that the case which led to that judgment concerned a different sign and different goods and services, and that that sign would be understood as a fanciful term, whereas the sign applied for had a clearly descriptive meaning.
- 73 Lastly, the Grand Board of Appeal found that the word sequence in the mark applied for did not contain any graphic or semantic change, with the result that it has no features which would make the sign in its entirety capable of distinguishing the applicant's goods and services from those of other undertakings.
- 74 It must be stated that the grounds, referred to in paragraphs 70 and 71 above, by which the Grand Board of Appeal found that the mark applied for would be understood as a purely informative factual message, are intended to establish, where appropriate, that that mark is descriptive, for the purposes of Article 7(1)(c) of Regulation No 207/2009, in that the mark applied for could serve, in trade, to designate, inter alia, the quality, intended purpose or other characteristics of the goods and services at issue, within the meaning of that provision.
- 75 Furthermore, the Grand Board of Appeal reiterated that it considered that the mark applied for had a clearly descriptive meaning.
- 76 First, the ground set out in paragraph 73 above is based on the incorrect findings of the Grand Board of Appeal that the mark applied for is descriptive for the purposes of Article 7(1)(c) of Regulation No 207/2009. Secondly, it demonstrates the use of an incorrect criterion to assess whether the mark applied for could be registered; a criterion according to which a sign composed of descriptive elements could meet the conditions for registration where there is a perceptible difference between the sign and the mere sum of its parts. Although such a criterion makes it possible to exclude the use of a mark to describe a product or service, it does not, however, make it possible to determine whether a mark can guarantee the identity of the origin of the marked product or service to the consumer or end user.
- 77 It follows from the foregoing that the Grand Board of Appeal did not carry out an examination of the ground for refusal set out in Article 7(1)(b) of Regulation No 207/2009 which was separate from the examination of the ground for refusal set out in Article 7(1)(c) of that regulation, having based its reasoning on the premiss that the mark applied for is descriptive for the purposes of the latter provision, and it consequently failed to take into account the public interest which Article 7(1)(b) of Regulation No 207/2009 specifically seeks to protect. In so doing, it erred in law in the application of the latter provision.
- 78 The fourth plea must therefore be upheld.

79 It follows from all the foregoing that the contested decision must be annulled in its entirety, without there being any need to rule on the fifth and sixth pleas, alleging infringement of Article 94(1) of Regulation No 2017/1001 and infringement of Article 96 of that regulation, respectively. It is also unnecessary to rule on the third plea, alleging infringement of Article 7(1)(c) of Regulation No 207/2009, since, as pointed out in paragraph 53 above, the Court's findings as to the descriptive character of the mark at issue in the judgment annulling the decision had acquired the force of *res judicata*.

### Costs

80 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. Since EUIPO has been unsuccessful, it must be ordered to bear its own costs and to pay those incurred by the applicant, in accordance with the form of order sought by the applicant.

On those grounds,

THE GENERAL COURT (Fifth Chamber, Extended Composition),

hereby:

- 1. Annuls the decision of the Grand Board of Appeal of the European Union Intellectual Property Office (EUIPO) of 2 December 2019 (Case R 1276/2017-G);**
- 2. Orders EUIPO to pay the costs.**

Papasavvas

Spielmann

Öberg

Spineanu-Matei

Mastroianni

Delivered in open court in Luxembourg on 1 September 2021.

[Signatures]