



Reports of Cases

JUDGMENT OF THE GENERAL COURT (Third Chamber)

16 March 2022*

(EU trade mark – Opposition proceedings – Application for the EU figurative mark APE TEES – Earlier national non-registered figurative trade marks representing an ape – Relative ground for refusal – Article 8(4) of Regulation (EC) No 207/2009 (now Article 8(4) of Regulation (EU) 2017/1001) – Rules governing common-law actions for passing-off – Agreement on the withdrawal of the United Kingdom from the European Union and Euratom)

In Case T-281/21,

Nowhere Co. Ltd, established in Tokyo (Japan), represented by R. Kunze, lawyer,

applicant,

v

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

defendant,

the other party to the proceedings before the Board of Appeal of EUIPO being

Junguo Ye, residing in Elche (Spain),

ACTION brought against the decision of the Second Board of Appeal of EUIPO of 10 February 2021 (Case R 2474/2017-2), relating to opposition proceedings between Nowhere Co. and Mr Ye,

THE GENERAL COURT (Third Chamber),

composed of G. De Baere, President, V. Kreuzschitz (Rapporteur) and G. Steinfatt, Judges,

Registrar: E. Coulon,

having regard to the application lodged at the Court Registry on 21 May 2021,

having regard to the response lodged at the Court Registry on 30 July 2021,

* Language of the case: English.

having regard to the fact that no request for a hearing was submitted by the parties within three weeks after service of notification of the close of the written part of the procedure, and having decided to rule on the action without an oral part of the procedure, pursuant to Article 106(3) of the Rules of Procedure of the General Court,

gives the following

Judgment

Background to the dispute

- 1 On 30 June 2015, Mr Junguo Ye 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 mark was sought for the following figurative sign:



- 3 The goods and services in respect of which registration was sought are in Classes 3, 9, 14, 18, 25 and 35 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.
- 4 The trade mark application was published in *Community Trade Marks Bulletin* No 234/2015 of 9 December 2015.
- 5 On 8 March 2016, the applicant, Nowhere Co. Ltd, filed a notice of opposition pursuant to Article 41 of Regulation No 207/2009 (now Article 46 of Regulation 2017/1001) to registration of the mark applied for in respect of all of the goods and services referred to in paragraph 3 above.

- 6 The opposition was based on, inter alia, the following three earlier non-registered figurative trade marks, used in the course of trade in, inter alia, the United Kingdom:



- 7 The ground relied on in support of the opposition as regards the earlier non-registered trade marks was that set out in Article 8(4) of Regulation No 207/2009 (now Article 8(4) of Regulation 2017/1001).
- 8 On 20 September 2017, the Opposition Division rejected the opposition.
- 9 On 17 November 2017, the applicant filed a notice of appeal with EUIPO, pursuant to Articles 66 to 71 of Regulation 2017/1001, against the decision of the Opposition Division.
- 10 By decision of 8 October 2018 ('the first decision of the Board of Appeal'), the Second Board of Appeal of EUIPO dismissed the appeal.

- 11 By document lodged at the Court Registry on 7 January 2019, the applicant brought an action seeking the annulment of the first decision of the Board of Appeal.
- 12 By communication of 29 April 2019, the rapporteur of the Board of Appeal informed the parties to the proceedings before the Board of Appeal that it intended to revoke its first decision.
- 13 By decision of 17 July 2019 (Case R 2474/2017-2 (REV)), the Second Board of Appeal revoked its first decision, in accordance with Article 103 of Regulation 2017/1001 and with Article 70 of Commission Delegated Regulation (EU) 2018/625 of 5 March 2018 supplementing Regulation 2017/1001, and repealing Delegated Regulation (EU) 2017/1430 (OJ 2018 L 104, p. 1), on account of an obvious error attributable to EUIPO.
- 14 By order of 18 December 2019, *Nowhere v EUIPO – Ye (APE TEES)* (T-12/19, not published, EU:T:2019:907), the Court held that there was no need to adjudicate on the action against the first decision of the Board of Appeal, which the applicant had brought by document lodged at the Court Registry on 7 January 2019.
- 15 By decision of 10 February 2021 ('the contested decision'), the Second Board of Appeal dismissed the appeal. In particular, as regards the opposition based on the earlier non-registered trade marks, it found that, after the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and after the expiry of the transitional period on 31 December 2020, the applicant could no longer rely on the rules governing common-law actions for passing off under the law of the United Kingdom for the purposes of Article 8(4) of Regulation No 207/2009 (paragraphs 24 to 27 of the contested decision).

Forms of order sought

- 16 The applicant claims that the Court should:
 - annul the contested decision;
 - refuse registration of the mark applied for;
 - alternatively, remit the case to EUIPO for reconsideration;
 - order EUIPO to pay the costs.
- 17 EUIPO contends that the Court should:
 - dismiss the action;
 - order the applicant to pay the costs incurred by EUIPO.

Law

- 18 Given the date on which the application for registration at issue was filed, namely 30 June 2015 (see paragraph 1 above), which is decisive for the purposes of identifying the applicable substantive law, the facts of the case are governed by the substantive provisions of Regulation No 207/2009 in the version prior to their amendment by Regulation (EU) 2015/2424 of the

European Parliament and of the Council of 16 December 2015 amending Regulation No 207/2009 and Commission Regulation (EC) No 2868/95 implementing Council Regulation (EC) No 40/94 on the Community trade mark, and repealing Commission Regulation (EC) No 2869/95 on the fees payable to the Office for Harmonization in the Internal Market (Trade Marks and Designs) (OJ 2015 L 341, p. 21) (see, to that effect, judgments of 8 May 2014, *Bimbo v OHIM*, C-591/12 P, EU:C:2014:305, paragraph 12, and of 18 June 2020, *Primart v EUIPO*, C-702/18 P, EU:C:2020:489, paragraph 2 and the case-law cited).

- 19 Consequently, in the present case, so far as concerns the substantive rules, the references to Regulation 2017/1001 made by the Board of Appeal in the contested decision and by the parties must be understood as referring to the substantively identical provisions of Regulation No 207/2009.
- 20 In support of its action, the applicant relies on a single plea in law, alleging infringement of Article 8(4) of Regulation No 207/2009.
- 21 Furthermore, it is apparent from paragraphs 2 and 7 of the application that the applicant is challenging the contested decision only to the extent that, by that decision, the Board of Appeal confirmed the rejection of the opposition – and, consequently, dismissed the appeal – in so far as it was based on the earlier non-registered trade marks, and only in so far as those marks were used in the course of trade in the United Kingdom.
- 22 In paragraph 24 of the contested decision, the Board of Appeal found, in essence, that, after the United Kingdom's withdrawal from the European Union and after the expiry of the transitional period on 31 December 2020, rights that might exist in the United Kingdom no longer constituted a basis for the purpose of opposition proceedings based on, inter alia, Article 8(4) of Regulation No 207/2009. In paragraph 26 of the contested decision, the Board of Appeal found that the applicant could not therefore rely on the rules governing common-law actions for passing off under the law of the United Kingdom for the purposes of Article 8(4) of Regulation No 207/2009. It is apparent from paragraph 27 of the contested decision that, as regards rights that might exist in the United Kingdom and, among those rights, in particular those based on the earlier non-registered trade marks and on Article 8(4) of Regulation No 207/2009, the Board of Appeal confirmed the rejection of the opposition for that reason alone.
- 23 Whereas the applicant submits, in essence, that the relevant date with regard to establishing the existence of an earlier right which has been relied on in opposition to the registration of an EU trade mark is the date on which the application for registration was filed, EUIPO takes the view that such an earlier right must exist not only on that date, but also on the date on which EUIPO takes its final decision on the opposition, that is to say, in the present case, on the date on which the contested decision was adopted.
- 24 The Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community (OJ 2020 L 29, p. 7; 'the withdrawal agreement'), which was concluded pursuant to Article 50(2) TEU, entered into force on 1 February 2020 (see the Notice concerning the entry into force of the Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community (OJ 2020 L 29, p. 189), with the result that, in accordance with Article 50(3) TEU, the law of the European Union ceased to apply to the United Kingdom as from that date (see also the fourth recital of the withdrawal agreement). However, it is clear from Article 126 of the withdrawal agreement, read in conjunction with the

first sentence of Article 127(1) of that agreement, that, unless otherwise provided, EU law continued to apply to and in the United Kingdom during a transition period which started on the date of entry into force of that agreement and ended on 31 December 2020 ('the transition period').

- 25 Furthermore, the provisions of the withdrawal agreement regarding intellectual property which are contained under Title IV of Part Three of that agreement (Articles 54 to 61) remain silent as regards the treatment of an opposition which was brought before the entry into force of the withdrawal agreement, on the basis of an earlier right which was protected in the United Kingdom, against the registration of an EU trade mark which had also been applied for before the entry into force of that agreement.
- 26 In the present case, it is common ground that the filing of the application for registration of the mark applied for (see paragraph 1 above), the filing of the notice of opposition to registration of the mark applied for (see paragraph 5 above), the rejection of that opposition by the Opposition Division (see paragraph 8 above), the first decision of the Board of Appeal (see paragraph 10 above), the decision revoking that decision of the Board of Appeal (see paragraph 13 above) and the order holding that there was no need to rule on the action brought by the applicant against the first decision of the Board of Appeal (see paragraph 14 above) all took place before the entry into force of the withdrawal agreement and thus, in any event, before the end of the transition period.
- 27 An examination of EUIPO's administrative file shows that that file does not contain any document dating from the period of almost 18 months which elapsed between the notification of the revocation decision to the parties to the proceedings before the Board of Appeal on 22 August 2019 and the adoption of the contested decision on 10 February 2021. It is therefore apparent that, with regard to the present case, the only relevant document which postdates the entry into force of the withdrawal agreement and the end of the transition period is the contested decision.
- 28 In that regard, in line with the case-law of the Court of Justice from which it is apparent, in essence, that it is the filing date of the application for registration of the mark against which an opposition has been brought which is decisive for the purposes of identifying the applicable substantive law (see paragraph 18 above), it is clear from now settled case-law that the existence of a relative ground for refusal must be assessed as at the time of filing of the application for registration of an EU trade mark against which an opposition has been brought (judgments of 30 January 2020, *Grupo Textil Brownie v EUIPO – The Guide Association (BROWNIE)*, T-598/18, EU:T:2020:22, paragraph 19; of 23 September 2020, *Bauer Radio v EUIPO – Weinstein (MUSIKISS)*, T-421/18, EU:T:2020:433, paragraph 34; of 1 September 2021, *Sony Interactive Entertainment Europe v EUIPO – Wong (GT RACING)*, T-463/20, not published, under appeal, EU:T:2021:530, paragraph 118; and of 1 December 2021, *Inditex v EUIPO – Ffauf Italia (ZARA)*, T-467/20, not published, EU:T:2021:842, paragraph 58).
- 29 The fact that the earlier trade mark could lose the status of a trade mark registered in a Member State at a time after that of the filing of the application for registration of the EU trade mark, in particular following the possible withdrawal of the Member State concerned from the European Union, is in principle irrelevant to the outcome of the opposition (judgments of 30 January 2020, *BROWNIE*, T-598/18, EU:T:2020:22, paragraph 19; of 23 September 2020, *MUSIKISS*, T-421/18, EU:T:2020:433, paragraph 35; and of 1 December 2021, *ZARA*, T-467/20, not published, EU:T:2021:842, paragraph 59).

- 30 Consequently, the fact that an opposition under Article 8(4) of Regulation No 207/2009 is based on non-registered trade marks used in the course of trade in the United Kingdom and on the law of passing off laid down in the law of the United Kingdom is irrelevant as regards an opposition brought against an application for registration of an EU trade mark which was filed before the entry into force of the withdrawal agreement and the expiry of the transition period (see, to that effect, judgment of 1 September 2021, *GT RACING*, T-463/20, not published, under appeal, EU:T:2021:530, paragraphs 119 and 120).
- 31 Since the application for registration of the mark applied for was filed before the expiry of the transition period, indeed before the entry into force of the withdrawal agreement (see paragraphs 1 and 26 above), it must be held that the earlier non-registered trade marks were, in so far as they had been used in the course of trade in the United Kingdom, in principle, indeed capable of forming the basis of the opposition in the present case. As the applicant correctly submits, the Board of Appeal should therefore have taken them into account in its assessment, which it, however, refused to do for the sole reason that the transition period had expired at the time when the contested decision was adopted (see paragraph 22 above).
- 32 In the present case, the arguments put forward by EUIPO cannot call that finding into question.
- 33 First, EUIPO submits that Article 8(4) of Regulation No 207/2009 uses the present tense in order to establish not only the requirement of an earlier right (Article 8(4)(a) of that regulation), but also the requirement that that sign ‘confers’ on its proprietor the right ‘to prohibit’ the use of a subsequent trade mark (Article 8(4)(b) of that regulation).
- 34 Contrary to what EUIPO claims, the mere use of the present tense in a provision does not make it possible to derive any conclusion as regards its interpretation. So far as concerns the wording of Article 8(4) of Regulation No 207/2009, it must be pointed out that that provision begins with the words ‘[u]pon opposition by the proprietor of a non-registered trade mark’. Consequently, it cannot be ruled out that the present tense which is subsequently used in that provision refers more to the time when the opposition is brought, and not to the time when the contested decision is adopted.
- 35 Secondly, in so far as EUIPO dwells on the fact that Rule 19(2)(d) of Commission Regulation (EC) No 2868/95 of 13 December 1995 implementing Council Regulation (EC) No 40/94 on the Community trade mark (OJ 1995 L 303, p. 1) requires the opponent to provide evidence of the acquisition, continued existence and scope of protection of the earlier right, within the meaning of Article 8(4) of Regulation No 207/2009, and that, according to Rule 20(1) of Regulation No 2868/95, failure to comply with that requirement entails the rejection of the opposition as unfounded, it must be pointed out that, under Article 80 and Article 82(2)(b) of Delegated Regulation 2018/625, those procedural provisions of Regulation No 2868/95 are indeed applicable in the present case.
- 36 However, it is apparent from the wording of Rule 20(1) of Regulation No 2868/95 that that proof of the existence, validity and scope of protection of the earlier right must be produced before the expiry of the period referred to in Rule 19(1) of that regulation. It is clear from EUIPO’s administrative file that, in the present case, that time limit was specified as being 2 August 2016 and was extended once until 2 October 2016, and therefore to a date well before the entry into force of the withdrawal agreement and the expiry of the transition period.

- 37 It must therefore be held that, at least in the present case, the provisions of Regulation No 2868/95 on which EUIPO relies run counter to its argument that the relevant date with regard to the existence of the earlier rights in this case is that on which the contested decision was adopted.
- 38 Thirdly, in so far as EUIPO refers to the fact that, under Article 42(2) and (3) of Regulation No 207/2009, an opposition based on an earlier mark has to be rejected where the opponent has not put that mark to genuine use, it must first of all be pointed out that the examination of an opposition does not as a matter of course entail an examination of whether the earlier mark has been put to genuine use. It is unequivocally clear from Article 42(2) of Regulation No 207/2009, to which Article 42(3) of that regulation refers, that it is only if the trade mark applicant so requests that the opponent is required to prove that he or she has made genuine use of the earlier mark which has been relied on in opposition to the registration sought. EUIPO cannot examine that aspect on its own initiative.
- 39 In any event, it must be stated that Article 42(2) of Regulation No 207/2009, in the version applicable in the present case (see paragraph 18 above), refers to the period of five years preceding the date of publication of the EU trade mark application, and not to the period which ends on the date on which EUIPO gives its final decision on the opposition. That provision therefore also does not support EUIPO's argument that it is the latter date which matters.
- 40 Fourthly, as regards the various references to the provisions and the case-law relating to applications for a declaration of invalidity, the Court has already had occasion to point out that those provisions and that case-law are not necessarily relevant in the context of a case concerning opposition proceedings (see, to that effect, judgment of 6 October 2021, *Indo European Foods v EUIPO – Chakari (Abresham Super Basmati Selaa Grade One World's Best Rice)*, T-342/20, under appeal, EU:T:2021:651, paragraph 22).
- 41 Fifthly, in so far as EUIPO takes the view, in essence, that, as from the end of the transition period, no conflict between the mark applied for and the earlier non-registered trade marks could arise, in so far as those earlier non-registered trade marks are used in the course of trade in the United Kingdom, it must be stated that EUIPO fails to have regard to the fact that, under Article 51 of Regulation 2017/1001, the mark applied for is to be registered where any opposition entered has been finally disposed of by, inter alia, rejection. It is clear from Article 52 of Regulation 2017/1001 that a registration is valid as from the date of filing of the application, and not only as from the date on which any opposition is finally rejected.
- 42 It follows that, even if it were to be accepted that, after the end of the transition period, a conflict between the marks at issue could no longer arise, the fact remains that, if the mark applied for is registered, such a conflict could nevertheless have existed during the period between the date on which the EU trade mark application was filed and the expiry of the transition period, namely, in the present case, the period which ran from 30 June 2015 (see paragraph 1 above) to 31 December 2020 (see paragraph 24 above), that is to say, a period of five and a half years. It is difficult to comprehend why the applicant's earlier non-registered trade marks used in the course of trade in the United Kingdom would have to be denied protection also during that period, in particular with regard to the potential use of the mark applied for, which the applicant regards as being in conflict with those earlier non-registered trade marks. Consequently, it must also be acknowledged that the applicant has a legitimate interest in the success of its opposition as regards that period.

- 43 On the other hand, it would have been open to the other party to the proceedings before the Board of Appeal to file a new application for registration of the mark applied for as soon as the transition period had expired, an application which would no longer, in any event, have come into conflict with the earlier non-registered trade marks in so far as they had been used in the course of trade in the United Kingdom.
- 44 Sixthly, it is also necessary to reject EUIPO's argument alleging that, pursuant to Article 139 of Regulation 2017/1001, the trade mark applicant would be able to convert its EU trade mark application into national trade mark applications in all EU Member States, in particular if that first application were rejected on the basis of the opposition in question, while preserving the filing date. According to EUIPO, the trade mark applicant could thus obtain protection of the same mark in the same territory by means of a burdensome and costly route, although the obstacle to registration would no longer exist in the European Union.
- 45 First, it must be pointed out that such considerations apply, in principle, to any opposition proceedings (see, to that effect, judgment of 6 October 2021, *Abresham Super Basmati Selaa Grade One World's Best Rice*, T-342/20, under appeal, EU:T:2021:651, paragraph 26). Secondly, given that EUIPO itself rightly states that, under Article 139(3) of Regulation 2017/1001, the national trade mark application resulting from the conversion of an EU trade mark application enjoys, in respect of the Member State concerned, the date of filing of that latter application, it must again be stated that a conflict could thus have existed during the period between the date on which the EU trade mark application was filed and the expiry of the transition period (see paragraph 42 above).
- 46 Consequently, none of the arguments put forward by EUIPO is capable of supporting its position that the date on which the contested decision was adopted, the only event in the present case which took place after the expiry of the transition period, was the relevant date with regard to the outcome of the present case. The single plea must therefore be upheld and the contested decision must be annulled, in accordance with the applicant's first head of claim.
- 47 By its second head of claim, the applicant requests that the Court refuse registration of the mark applied for, which must be understood as a claim seeking that the Court adopt the decision which EUIPO should, according to the applicant, have taken, and, consequently, as a claim for alteration pursuant to Article 72(3) of Regulation 2017/1001. In that regard, it must be stated that, since the power of the General Court to alter decisions does not have the effect of conferring on it the power to substitute its own reasoning for that of a Board of Appeal or to carry out an assessment on which that Board of Appeal has not yet adopted a position, it must be exercised in situations in which the General Court, after reviewing the assessment made by the Board of Appeal, is in a position to determine, on the basis of the matters of fact and of law as established, what decision the Board of Appeal was required to take (judgment of 5 July 2011, *Edwin v OHIM*, C-263/09 P, EU:C:2011:452, paragraph 72).
- 48 In the present case, the Board of Appeal confined itself to denying the relevance of the earlier non-registered trade marks in so far as they had been used in the course of trade in the United Kingdom (see paragraphs 22 and 31 above). It did not carry out any assessment of the merits of the ground for opposition laid down in Article 8(4) of Regulation No 207/2009, which was based on those marks, with the result that it is not for the Court to carry out that assessment in the context of the examination of a claim for alteration of that decision. The applicant's second head of claim must therefore be rejected.

- 49 Furthermore, in an action before the EU judicature against a decision of a Board of Appeal of EUIPO, EUIPO is required, under Article 72(6) of Regulation 2017/1001, to take the measures necessary to comply with judgments of that judicature. It is therefore for EUIPO to draw the appropriate inferences from the operative part and grounds of the judgments of the EU judicature (see judgment of 31 January 2019, *Pear Technologies v EUIPO – Apple (PEAR)*, T-215/17, EU:T:2019:45, paragraph 81 and the case-law cited). Accordingly, in so far as the applicant requests, by its third head of claim and in the alternative, that the Court remit the case to EUIPO for reconsideration, it must be held that such a head of claim has no specific purpose, in that it is merely a consequence of the first head of claim, seeking the annulment of the contested decision.

Costs

- 50 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 essentially been unsuccessful, it must be ordered to pay the costs, in accordance with the form of order sought by the applicant.

On those grounds,

THE GENERAL COURT (Third Chamber)

hereby:

- 1. Annuls the decision of the Second Board of Appeal of the European Union Intellectual Property Office (EUIPO) of 10 February 2021 (Case R 2474/2017-2);**
- 2. Dismisses the action as to the remainder;**
- 3. Orders EUIPO to pay the costs.**

De Baere

Kreuschitz

Steinfatt

Delivered in open court in Luxembourg on 16 March 2022.

E. Coulon
Registrar

M. van der Woude
President