

JUDGMENT OF THE COURT OF FIRST INSTANCE (Second Chamber)
2 July 2002 *

In Case T-323/00,

SAT.1 SatellitenFernsehen GmbH, established in Mainz (Germany), represented
by R. Schneider, lawyer,

applicant,

v

Office for Harmonisation in the Internal Market (Trade Marks and Designs)
(OHIM), represented by A. von Mühlendahl and C. Røhl Søberg, acting as
Agents,

defendant,

* Language of the case: German.

ACTION brought against the decision of the Second Board of Appeal of the Office for Harmonisation in the Internal Market (Trade Marks and Designs) of 2 August 2000 (Case R 312/1999-2),

THE COURT OF FIRST INSTANCE
OF THE EUROPEAN COMMUNITIES (Second Chamber),

composed of: R.M. Moura Ramos, President, J. Pirrung and A.W.H. Meij,
Judges,

Registrar: J. Plingers, Administrator,

having regard to the application lodged at the Registry of the Court on
16 October 2000,

having regard to the response lodged at the Registry of the Court on 15 February
2001,

further to the hearing on 9 January 2002,

gives the following

Judgment

Background to the dispute

- 1 On 15 April 1997, the applicant filed an application for a Community trade mark at the Office for Harmonisation in the Internal Market (Trade Marks and Designs) ('the Office') pursuant to Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark (OJ 1994 L 11, p. 1), as amended.

- 2 The trade mark in respect of which registration was sought was 'SAT.2'.

- 3 Registration of the mark was sought in respect, first, of goods which come within Classes 3, 9, 14, 16, 18, 20, 25, 28, 29 and 30 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, secondly, for services which come within Classes 35, 38, 41 and 42 of that agreement. Those services correspond, for each of those classes, to the following description:
 - Class 35: 'Advertising and marketing, information and consultancy services in the field of marketing and advertising, statistical evaluation of market research data, market research, market analyses, distribution of catalogues, mailing lists and goods for advertising purposes, radio, television and cinema advertising, public relations, sales promotion, negotiating and concluding commercial transactions for others, negotiating contracts on the purchase and sale of goods, all

the aforesaid services including in connection with communication networks; computerised file management; gathering and supplying market research data; on-line interactive electronic research including marketing and market research with regard to information technology products and services; recording, transmission, storage, processing and reproduction of data; recording, processing, storage and transmission of cost data; database services, namely collecting, processing, archiving, analysing, updating and supplying data’;

- Class 38: ‘Wireless or hard-wire networked broadcast of radio and television transmissions/programmes; broadcasting of film, television, radio, video text and teletext programmes or transmissions; arranging and allocating of user passwords for users of various communication networks; telecommunications; gathering, delivering and transmitting messages, press reports (including using electronic means and/or by computer); transmission of sound and images by means of satellites; broadcasting Pay TV including video on demand, including for others on a digital platform; services relating to telecommunications and a database; providing information to others; dissemination of information via wireless or cable networks; on-line services and transmissions, namely transfer of information and messages including E-mail; operation of networks for the transfer of messages, images, text, speech and data; broadcasting of tele-shopping programmes’;

- Class 41: ‘Production, reproduction, showing and rental of films, videos and other television programmes; production and reproduction of data, speech, text, sound and image recordings on video and/or audio cassettes, tapes and discs (including CD-ROMs and CD-i’s) and of video games (computer games); demonstration and rental of video

and/or audio cassettes, tapes and discs (including CD-ROMs and CD-i's) and of video games (computer games); rental of television receiving apparatus and decoders; education, providing of training, entertainment; sporting and cultural activities; organisation and conducting of shows, quizzes and musical events and conducting competitions in the entertainment and sporting field, including for recordings or being live broadcasts on radio or television; production of television and radio advertising broadcasts including associated prize game broadcasts; conducting competitions in the fields of training, teaching, entertainment and sports; distance learning courses; publishing books, periodicals and other printed matter and associated electronic media (including CD-ROMs and CD-i's); conducting concert, theatre and entertainment events and sporting competitions; production of film, television, radio, teletext and videotext programmes or transmissions, radio and television entertainment; production of films and videos and radio and television programmes of a training, teaching and entertaining nature, including such production for children and young people; production, reproduction, showing and rental of sound and image recordings on video and/or audio cassettes, tapes and discs; theatrical performances and orchestra services; recording, transmission, storing, processing and reproduction of sound and images; organising radio and television broadcasts/programmes; production of teleshopping programmes';

- Class 42: 'Issuing, negotiating, rental and other exploitation of rights to films, television and video productions and other image and sound programmes; copyright and industrial property rights exploitation for others; exploitation of film and television ancillary rights in the field of merchandising; software development, in particular in the fields of multimedia, interactive television and Pay-TV; operation of networks for the transfer of messages, images, text, speech and data;

technical consultancy in the field of multimedia, interactive television and Pay TV (included in class 42); computer programming, including video and computer games; arranging and allocating of user passwords for users of various communication networks’.

- 4 By letter of 11 November 1998, the examiner informed the applicant that in his opinion the absolute grounds for refusal laid down in Article 7(1)(b) and (d) of Regulation No 40/94 precluded registration of the mark in question so far as concerned goods within Classes 9 and 16 and services within Classes 38, 41 and 42.

- 5 By decision of 9 April 1999, the examiner refused the application in part under Article 38 of Regulation No 40/94. The first and third paragraphs of that decision are worded as follows:

‘Ich beziehe mich auf Ihre Erwiderung... auf den Amtsbescheid vom 11. November 1998.... Aus den bereits mitgeteilten Gründen wird dem Zeichen gemäß Artikel 7, 1b der GMV für alle beanspruchten Dienstleistungen der Markenschutz versagt, insoweit sich diese auf Satelliten oder Satellitenfernsehen beziehen, alles im weitesten Sinne. Für die beanspruchten Warenklassen bestehen keine Bedenken’

(‘I refer to your reply... to the letter of 11 November 1998. For the reasons already referred to, registration of the sign as a trade mark is refused, in pursuance of Article 7(1)(b) of Regulation No 40/94, in respect of all the services mentioned in the application, in so far as they refer to satellites or to satellite television, in the widest sense. There is no objection as regards the goods mentioned in the application’).

- 6 On 7 June 1999, the applicant filed at the Office notice of appeal against the examiner's decision, under Article 59 of Regulation No 40/94.
- 7 By decision of 2 August 2000 ('the contested decision'), the Second Board of Appeal dismissed the appeal in so far as it concerned the services within Classes 38, 41 and 42.
- 8 In so far as it ruled on the appeal, the Board of Appeal held, essentially, that the sign in question fell within Article 7(1)(b) and (c) of Regulation No 40/94.
- 9 The contested decision was served on the applicant on 11 August 2000. In the notice, dated 4 August 2000, it was stated that the decision notified was a decision of the First Board of Appeal. By letter of 30 August 2000, sent to the Registry of the Boards of Appeal, the applicant pointed out that the decision of which it was being notified was not a decision of the First Board of Appeal. By letter of 4 September 2000, the Registry of the Boards of Appeal confirmed that there had been a mistake in the notification procedure and corrected the notice, explaining that it should have stated that the notified decision was a decision of the Second Board of Appeal.

Forms of order sought

- 10 The applicant claims that the Court should:

— annul the contested decision;

— order the Office to pay the costs.

11 The Office contends that the Court should:

— dismiss the application;

— order the applicant to pay the costs.

Law

Preliminary remarks

12 At the hearing, the applicant stated that its application must not be understood as meaning that it would raise a plea in law based on an irregularity in the procedure for notifying the contested decision. Besides, according to settled case-law, irregularities in the procedure for notifying a decision are extraneous to the decision and therefore cannot invalidate it (judgments of the Court of Justice in Case 48/69 *ICI v Commission* [1972] ECR 619, at paragraph 39; Joined Cases T-78/96 and T-170/96 *W v Commission* [1998] ECR-SC I-A-239 and II-745, paragraph 183). Even if the provisions governing notification of a decision constitute an essential procedural requirement (see, to that effect, Case C-227/92 *P Hoechst v Commission* [1999] ECR I-4443, paragraph 72), it is clear that in the present case there has been no breach of an essential procedural requirement. The

Office did in fact notify the contested decision to the applicant. So far as concerns the clerical error in the notice, it was corrected by the Registry of the Boards of Appeal within the procedural time-limits, so that the applicant was not prevented from defending its rights.

- 13 Both the Office and the applicant take the view that, by the contested decision, the Board of Appeal dismissed the appeal brought before it also as regards the services within Class 35. At the hearing, the Office stated that, in its view, the fact that those services were not expressly mentioned in the contested decision amounted to a defect in its statement of reasons.

- 14 It must be observed, first, that it appears from paragraphs 1 and 5 of the contested decision that the Board of Appeal considered that, by his decision of 9 April 1999, the examiner had rejected the application for a trade mark only so far as concerned the services within Classes 38, 41 and 42 and that, therefore, only those services were in issue before it. Next, even though in the abovementioned decision the examiner referred, confusingly, to his letter of 11 November 1998, in which he expressed the view that absolute grounds for refusal precluded registration of the mark in respect of the services within Classes 38, 41 and 42 only, he none the less expressly rejected the application in respect of all the services referred to therein. Finally, the appeal brought by the applicant before the Board of Appeal was directed against the examiner's decision as a whole and not just part of it. Accordingly, the Board of Appeal failed to rule on the appeal before it in so far as the appeal was directed against the examiner's decision as regards the services coming within Class 35.

- 15 The analysis in the preceding paragraph is not undermined by the argument put forward by the Office that the fact that the Board of Appeal did not expressly mention in the contested decision the services coming within Class 35 has no bearing on the scope of that decision and constitutes no more than a defect in the

statement of reasons. It must be noted that the operative part of a decision of the Board of Appeal must be interpreted in the light of the factual and legal grounds on which it is necessarily based. Consequently, the fact that the contested decision expressly mentions only the services coming within Classes 38, 41 and 42 makes it impossible to ascribe to it a scope beyond the dismissal of the appeal in respect only of those services.

Legality of the contested decision in so far as the Board of Appeal failed to rule on the appeal before it

Arguments of the parties

- 16 The applicant submits that the trade mark applied for does not fall within the scope of Article 7(1)(b) and (c) of Regulation No 40/94 as regards the services within Class 35.

- 17 The Office is of the view that the trade mark applied for must be refused registration by virtue of Article 7(1)(c) of Regulation No 40/94 as regards the services within Class 35.

Findings of the Court

- 18 As found in paragraphs 14 and 15 above, the Board of Appeal failed to rule on the applicant's claims with regard to the services within Class 35. In those circumstances, if the Court determines the merits of whether the trade mark

applied for falls within the scope of Article 7(1)(b) and/or (c) of Regulation No 40/94 in respect of those services, it will be altering the contested decision. It is true that Article 63(3) of Regulation No 40/94 provides for the possibility of altering decisions. However, that possibility is, in principle, restricted to situations in which the case has reached a stage permitting final judgment. That is not so where the Board of Appeal has failed to rule on the merits of an entire head of claim, as here. It is therefore not appropriate to alter the contested decision in this instance.

19 However, it must be borne in mind that, according to the first sentence of Article 62(1) of Regulation No 40/94, '[f]ollowing the examination as to the allowability of the appeal, the Board of Appeal shall decide on the appeal'. That obligation must be understood as meaning that the Board of Appeal is required to rule on each of the heads of claim before it in full, by upholding it, dismissing it as inadmissible or dismissing it in substance. Next, it must be noted that failure to fulfil that obligation may affect the content of the decision of the Board of Appeal and that the obligation therefore represents an essential procedural requirement breach of which may be raised by the Court of its own motion.

20 In the present case, the Board of Appeal, by failing to rule on the applicant's claims with regard to the services within Class 35, failed to fulfil its obligation under the first sentence of Article 62(1) of Regulation No 40/94.

21 Accordingly, the contested decision must be annulled in so far as the Board of Appeal failed to rule on the applicant's claims with regard to the services within Class 35.

Legality of the contested decision in so far as the Board of Appeal did rule on the appeal brought before it

- 22 The applicant puts forward three pleas in law, alleging infringement of Article 7(1)(c) and of Article 7(1)(b) of Regulation No 40/94 and breach of the principle of equal treatment.

The plea alleging infringement of Article 7(1)(c) of Regulation No 40/94

— Arguments of the parties

- 23 The applicant and the Office are of the view that the trade mark applied for does not fall within the scope of Article 7(1)(c) of Regulation No 40/94.

— Findings of the Court

- 24 Under Article 7(1)(c) of Regulation 40/94, ‘trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin or the time of production of the goods or of rendering of the service, or other characteristics of the goods or service’ are not to be registered. Moreover, Article 7(2) of Regulation No 40/94

provides that ‘paragraph 1 shall apply notwithstanding that the grounds of non-registrability obtain in only part of the Community’.

25 Although the contested decision is formally based on Article 7(1)(c) of Regulation No 40/94, it contains no specific indication that the trade mark applied for falls within the scope of that provision. Moreover, the Office stated expressly in the reply and at the hearing that in its view that was not the case.

26 Furthermore, in order to fall within the scope of Article 7(1)(c) of Regulation No 40/94 a trade mark must consist ‘exclusively’ of signs or indications which may serve to designate a characteristic of the goods or service concerned. That means that where a word mark consists of several features (a compound mark) account must be taken of the relevant significance of the word mark applied for, on the basis of all of its components, and not merely of the significance of one of them. Furthermore, account must be taken, for the purposes of that appraisal, only of such characteristics of the goods or services concerned as are likely to be taken into account by the relevant public when making its choice. Thus, if a compound word mark is to be considered to be descriptive, it must only designate such characteristics.

27 However, in the present case, assuming that the relevant meaning of ‘SAT.2’ is ‘second satellite channel’, it may, indeed, serve to designate a characteristic of some of the services concerned which is likely to be taken into account by the relevant public when making its choice, namely the fact that they have to do with satellite broadcasting. On the other hand, it does not designate such a characteristic in so far as it indicates that it involves a second channel. Even if it is considered that that indication conveys the information that what is involved

is the second of two channels belonging to a single television undertaking, that information does not relate to any specific characteristic of the services concerned which might be taken into account by the relevant public when making its choice. Therefore, the word mark SAT.2, considered as a whole, does not merely designate such characteristics.

- 28 In those circumstances, the plea alleging infringement of Article 7(1)(c) of Regulation No 40/94 must be upheld.

The plea alleging infringement of Article 7(1)(b) of Regulation No 40/94

— Arguments of the parties

- 29 The applicant submits that since the sign constitutes a designation typical of a television channel, it produces the same effect as a proper name and, thus, is not devoid of any distinctive character.
- 30 Furthermore, since ‘SAT.2’ is neither descriptive nor an expression which is customary in any of the Community languages, there is nothing to suggest that the circles concerned would deny that, used as a trade mark, it has the specific function of indicating the trade origin of the services concerned.
- 31 Finally, the applicant claims that it has an element of creativity and imaginativeness which makes it able to serve, among the circles concerned, as an indication of origin.

- 32 The Office contends that ‘SAT’ by itself, which is descriptive of the services concerned, is devoid of distinctive character in relation to those services.
- 33 Moreover, the addition of the number ‘2’ does not introduce anything capable of conferring on the sign in question, read as a whole, a distinctive character. It takes the view that the addition of a number is altogether commonplace in the media-related services sector.

— Findings of the Court

- 34 According to Article 7(1)(b) of Regulation No 40/94, ‘trade marks which are devoid of any distinctive character’ are not to be registered. In addition, Article 7(2) of Regulation No 40/94 states that ‘paragraph 1 shall apply notwithstanding that the grounds of non-registrability obtain in only part of the Community’.
- 35 Article 7(1)(b) makes it clear that a minimum degree of distinctive character suffices for the absolute ground for refusal set out in that article not to apply. It is therefore necessary to ascertain whether the mark applied for will enable the members of the relevant public to distinguish the goods or services designated by it from those having a different trade origin when that section of the public comes to select those goods or services for purchase.
- 36 According to settled case-law, the absolute grounds for refusal set out in Article 7(1)(b) to (e) of Regulation No 40/94 pursue an aim which is in the public interest, which requires that the signs they refer to may be freely used by all (Case

T-118/00 *Procter & Gamble v OHIM* (Square tablet, white with green speckles and pale green) [2001] ECR I-2731, paragraph 73, and, as regards the ground of refusal relating to the descriptive nature of the sign, Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee* [1999] ECR I-2779, paragraph 25). Unlike other intellectual and industrial property rights, the legal protection afforded to trade marks is not intended, in principle, to cover the result of a creative or economic effort of the proprietor of the right but only the sign 'occupied' by him. Accordingly, it is necessary to rule out the creation of an exclusive right over a sign which, in order to avoid conceding an unjustified competitive advantage to a single trader, must be freely available for use by everyone. It is only in the event that such a sign, in consequence of the use to which it has been put, is actually perceived by the relevant public as an indication of the trade origin of the goods or service that the economic effort made by the trade mark applicant justifies putting aside the public-interest considerations set out above. Accordingly, in such a case, Article 7(3) of Regulation No 40/94 allows registration of such a sign, as an exception to the general rule enshrined in Article 7(1)(b) to (d).

37 From that point of view, the trade marks covered by Article 7(1)(b) of Regulation No 40/94 are in particular those which, from the point of view of the relevant public, are commonly used, in trade, for the presentation of the goods or services concerned or in connection with which there exists, at the very least, concrete evidence justifying the conclusion that they are capable of being used in that manner. Consequently, the distinctive character of a trade mark can be appraised only, first, by reference to the goods or services for which registration is sought and, secondly, by reference to the way it is perceived by the relevant public.

38 In the present case, the services concerned, with the exception of those falling within Class 42, are intended for general consumption. Accordingly, the relevant section of the public consists, essentially, of the average consumer, who is deemed to be reasonably well-informed and reasonably observant and circumspect (see, to that effect, Case C-342/97 *Lloyd Schuhfabrik Meyer* [1999] ECR I-3819,

paragraph 26, and Case T-359/99 *DKV v OHIM (EuroHealth)* [2001] ECR II-1645, paragraph 27). On the other hand, as regards services falling within Class 42, the relevant public must be held to consist essentially of professionals in the film and media industries.

39 Since what is involved is a compound trade mark, appraisal of its distinctive character calls for it to be considered as a whole. However, that is not incompatible with an examination of each of the trade mark's individual features in turn (*Procter & Gamble v OHIM*, cited above, paragraph 54).

40 Generally, too, a sign which is descriptive of the goods or services listed in the application for a trade mark is also devoid of any distinctive character in relation to those goods or services. That interpretation is not incompatible with the case-law of the Court of First Instance to the effect that each of the two absolute grounds for refusal laid down in Article 7(1)(b) and (c) of Regulation No 40/94 has its own sphere of application (*DKV v OHIM*, cited above, paragraph 48). An individual sign which, according to the semantic rules of the relevant language, may serve to designate the characteristics of the goods or services concerned likely to be taken into account by the relevant public when making its choice is, thus, likely to be commonly used, in trade, for the presentation of those goods or services and falls, therefore, within the scope of Article 7(1)(b) of Regulation No 40/94. On the other hand, Article 7(1)(c) is only applicable where the trade mark applied for consists 'exclusively' of such signs or indications.

41 In the present case, so far as concerns, first, the element 'SAT', the Board of Appeal, at paragraph 17 of the contested decision, and the Office, in its reply and in the explanations it provided at the hearing, proved to the requisite legal standard that it is the usual abbreviation, in German and in English, for the word

‘satellite’. Moreover, as an abbreviation, that element does not depart from the lexical rules of those languages. Furthermore, it designates a characteristic of most of the services concerned which is likely to be taken into account by the relevant public when making its choice, namely the fact that they have to do with broadcasting via satellite. Accordingly, it must be held that the element ‘SAT’ is devoid of any distinctive character in relation to those services.

42 However, that finding does not apply to the following categories of services:

- ‘Services relating to a database’ within Class 38;

- ‘Production and reproduction of data, speech, text, sound and image recordings on video and/or audio cassettes, tapes and discs (including CD-ROMs and CD-i’s) and of video games (computer games); demonstration and rental of video and/or audio cassettes, tapes and discs (including CD-ROMs and CD-i’s) and of video games (computer games); rental of television receiving apparatus and decoders; education, providing of training, entertainment; sporting and cultural activities; conducting competitions in the fields of training, teaching, entertainment and sports; distance learning courses; publishing books, periodicals and other printed matter and associated electronic media (including CD-ROMs and CD-i’s); conducting concert, theatre and entertainment events and sporting competitions; production of films and videos and radio and television programmes of a training, teaching and entertaining nature, including such production for children and young people; production, reproduction, showing and rental of sound and image recordings on video and/or audio cassettes, tapes and discs; theatrical performances and orchestra services’ within Class 41;

— ‘Issuing, negotiating, rental and other exploitation of rights to films, television and video productions and other image and sound programmes; copyright and industrial property rights exploitation for others; exploitation of film and television ancillary rights in the field of merchandising; software development, in particular in the fields of multimedia, interactive television and Pay-TV; operation of networks for the transfer of messages, images, text, speech and data; technical consultancy in the field of multimedia, interactive television and Pay-TV (included in class 42); computer programming, including video and computer games; arranging and allocating of user passwords for users of various communication networks’ within Class 42.

43 In relation to the services referred to in the preceding paragraph, which have no immediate connection with the broadcasting of programmes, the element ‘SAT’ designates no characteristic likely to be taken into account by the relevant public when making its choice.

44 In that connection, it cannot be claimed that the applicant markets or intends to market the services mentioned in paragraph 42 above as part of a marketing concept including, in addition to the latter services, all the other services listed in the application for a trade mark and that the descriptive character of the sign ‘SAT’ must be assessed, in respect of all the categories of services in the application for a trade mark, by reference to such marketing concept.

45 A sign’s descriptiveness must be assessed individually by reference to each of the categories of goods or services listed in the application for a trade mark. For the purposes of assessing a sign’s descriptiveness in respect of a particular category of

goods or services, whether the applicant for the trade mark in question is contemplating using or is actually using a particular marketing concept involving goods and services in other categories in addition to the goods and services within that category is immaterial. Whether or not there is a marketing concept is of no consequence to the right conferred by the Community trade mark. Furthermore, since a marketing concept is purely a matter of choice for the undertaking concerned, it may change after registration as a Community trade mark and it cannot therefore have any bearing on the assessment of the sign's registrability.

- 46 Next, as regards the element '2', the Office stated, in reply to a question put by the Court and without being contradicted in that respect by the applicant, that numbers in general and the number '2' in particular are commonly used, in trade, for the presentation of the services concerned. That element is therefore devoid of distinctive character as regards at least services other than those referred to in paragraph 42 above.
- 47 Finally, as for the element '.', the fact that that sign is commonly used, in trade, for the presentation of all sorts of goods and services indicates that it is capable of being used in that manner also for the services at issue in the present case.
- 48 It follows that the trade mark applied for consists of a combination of elements each of which, being at the very least capable of being commonly used, in trade, for the presentation of the services concerned other than those mentioned in paragraph 42 above, is devoid of any distinctive character in relation to the latter.

49 Moreover, the fact that a compound trade mark consists only of elements devoid of distinctive character generally justifies the conclusion that that trade mark, considered as a whole, is also capable of being commonly used, in trade, for the presentation of the goods or services concerned. The conclusion would not apply only if concrete evidence, such as, for example, the way in which the various elements were combined, were to indicate that the compound trade mark was greater than the sum of its parts.

50 In the present case, there does not appear to be such evidence. Indeed, the structure of the trade mark applied for, essentially an acronym followed by a number, is a customary way of combining the various elements of a compound word mark. In that context, the applicant's argument that the trade mark applied for, considered as a whole, has an element of imaginativeness, is irrelevant.

51 It must therefore be held that the trade mark applied for, considered as a whole, is capable of being commonly used, in trade, for the presentation of the services concerned other than those mentioned in paragraph 42 above.

52 The applicant's argument that the trade mark applied for, since it constitutes a typical designation for a television channel, produces the same effect as a proper name does not alter the conclusion set out in the preceding paragraph; on the contrary, it confirms it. Accordingly, that trade mark can be registered only if it can be shown that, in consequence of its use, it is indeed perceived by the relevant public as a proper name, that is, as the indication of the trade origin of the

services concerned. However, it must be stated that the applicant has not, at any time during proceedings before the Office, sought to rely on Article 7(3) of Regulation No 40/94.

53 Accordingly, it must be held that the trade mark applied for is devoid of any distinctive character in relation to the categories of services listed in the application for a trade mark other than those mentioned in paragraph 42 above.

54 On the other hand, as regards the services falling within the categories mentioned in paragraph 42 above, it has been found, in paragraph 43 above, that the sign 'SAT' does not designate any characteristic likely to be taken into account by the relevant public when making its choice. Moreover, the case-file contains no indication that that sign is commonly used, in trade, for the presentation of those services, nor that there exists evidence on the basis of which it might be concluded that — despite the absence of distinctive character — it is capable of being used in that way. Thus, it must be held that the sign 'SAT' is not devoid of distinctive character in relation to those services.

55 In that context, it must be observed, as a general point, that a compound trade mark falls within the scope of Article 7(1)(b) of Regulation No 40/94 only if all the elements of which it consists are devoid of distinctive character in relation to the goods or services listed in the application for a trade mark.

56 Accordingly, it must be held that the trade mark applied for is not devoid of distinctive character in relation to the categories mentioned in paragraph 42 above.

- 57 It follows that the plea alleging infringement of Article 7(1)(b) of Regulation No 40/94 must be upheld so far as concerns the categories of services mentioned in paragraph 42 above and dismissed so far as concerns the other categories of services listed in the application for a trade mark.

The plea alleging breach of the principle of equal treatment

— Arguments of the parties

- 58 The applicant claims that in refusing to register the trade mark applied for the Office has departed from its own previous decisions with regard to trade marks consisting of numbers and letters. In that connection, it refers to the documents which it submitted in the course of the administrative procedure before the examiner and before the Board of Appeal.
- 59 The Office contends that, among the 49 trade marks cited in the documents which the applicant submitted in the course of the administrative procedure, only the trade marks GERMANSAT and NET.SAT cover services provided via satellite. According to the Office, those two trade marks are not comparable to the trade mark at issue in the present case in that they do not consist of an acronym and a number.

— Findings of the Court

- 60 It must be observed, in the first place, that decisions concerning registration of a sign as a Community trade mark which the Boards of Appeal are called on to take under Regulation No 40/94 are adopted in the exercise of circumscribed powers and are not a matter of discretion. Accordingly, the registrability of a sign as a Community trade mark must be assessed only on the basis of the relevant Community legislation, as interpreted by the Community judicature, and not on the basis of a different approach taken in the past by the Boards of Appeal in their decisions.
- 61 Two hypotheses therefore exist. If, by accepting in a previous case the registrability of a sign as a Community trade mark, the Board of Appeal correctly applied the relevant provisions of Regulation No 40/94 and in a later, similar, case it adopted a contrary decision, the Community judicature will be required to annul the latter decision for infringement of the relevant provisions of Regulation No 40/94. On this first hypothesis, the plea alleging breach of the principle of non-discrimination must therefore fail. On the other hand, if, by accepting in an earlier case the registrability of a sign as a Community trade mark, the Board of Appeal erred in law and in a later, similar, case it adopted a contrary decision, the first decision cannot successfully be relied on to support an application for the annulment of the later decision. It is clear from the case-law of the Court of Justice that observance of the principle of equal treatment must be reconciled with observance of the principle of legality, according to which no person may rely, in support of his claim, on unlawful acts committed in favour of another (see, to that effect, Case 188/83 *Witte v Parliament* [1984] ECR 3465, paragraph 15, and Case 134/84 *Williams v Court of Auditors* [1985] ECR 2225, paragraph 14). On this second hypothesis, the plea alleging breach of the principle of non-discrimination must therefore also fail.

- 62 It follows that the plea alleging breach of the principle of non-discrimination must fail.
- 63 Furthermore, whilst factual or legal grounds in an earlier decision may provide arguments to support a plea alleging infringement of a provision of Regulation No 40/94, it is clear that in this case, with the exception of the decision on the GERMANSAT trade mark, the applicant has relied solely on decisions where no reasons were provided. With regard to the GERMANSAT decision, the applicant has not claimed that it contains grounds such as to call in question the assessment made above in relation to the pleas alleging infringement of Article 7(1)(c) and (b) of Regulation No 40/94. Moreover, the trade marks which are the subject of the decisions on which the applicant relies were registered for goods or services other than those which are in issue in the present case. As the Office rightly pointed out in its reply, since the trade marks GERMANSAT and NET SAT EXPRESS cover services provided via satellite, they are not comparable to the trade mark applied for in the present case in that they do not consist of an abbreviation and a number.
- 64 It follows that the contested decision must be annulled in so far as the Board of Appeal dismissed the appeal before it as regards the categories of services mentioned in paragraph 42 above.
- 65 It follows from all the foregoing that the contested decision must be annulled in so far as the Board of Appeal failed to rule on the appeal before it as regards the services within Class 35 and in so far as it dismissed the appeal before it as regards the categories of services mentioned in paragraph 42 above. The remainder of the action must be dismissed.

Costs

- 66 Under Article 87(3) of the Rules of Procedure, the Court may order that the costs be shared where each party succeeds on some and fails on other heads. In the present case, the application has been granted only in respect of a limited number of categories of services. On the other hand, account must be taken of the procedural defect vitiating the contested decision. In those circumstances, the parties must be ordered to bear their own costs.

On those grounds,

THE COURT OF FIRST INSTANCE (Second Chamber)

hereby:

1. Annuls the decision of the Second Board of Appeal of the Office for Harmonisation in the Internal Market (Trade Marks and Designs) of 2 August 2000 (Case R 312/1999-2) in so far as the Board failed to rule on the appeal before it as regards the services within Class 35;

2. Annuls the decision of the Second Board of Appeal of the Office for Harmonisation in the Internal Market (Trade Marks and Designs) of 2 August 2000 (Case R 312/1999-2) in so far as the Board dismissed the appeal before it as regards the following categories of services:

— ‘Services relating to a database’ within Class 38;

— ‘Production and reproduction of data, speech, text, sound and image recordings on video and/or audio cassettes, tapes and discs (including CD-ROMs and CD-i’s) and of video games (computer games); demonstration and rental of video and/or audio cassettes, tapes and discs (including CD-ROMs and CD-i’s) and of video games (computer games); rental of television receiving apparatus and decoders; education, providing of training, entertainment; sporting and cultural activities; conducting competitions in the fields of training, teaching, entertainment and sports; distance learning courses; publishing books, periodicals and other printed matter and associated electronic media (including CD-ROMs and CD-i’s); conducting concert, theatre and entertainment events and sporting competitions; production of films and videos and radio and television programmes of a training, teaching and entertaining nature, including such production for children and young people; production, reproduction, showing and rental of sound and image recordings on video and/or audio cassettes, tapes and discs; theatrical performances and orchestra services’ within Class 41;

— ‘Issuing, negotiating, rental and other exploitation of rights to films, television and video productions and other image and sound programmes; copyright and industrial property rights exploitation for others; exploi-

tation of film and television ancillary rights in the field of merchandising; software development, in particular in the fields of multimedia, interactive television and Pay-TV; operation of networks for the transfer of messages, images, text, speech and data; technical consultancy in the field of multimedia, interactive television and Pay-TV (included in class 42); computer programming, including video and computer games; arranging and allocating of user passwords for users of various communication networks' within Class 42;

3. Dismisses the remainder of the application;
4. Orders the parties to bear their own costs.

Moura Ramos

Pirrung

Meij

Delivered in open court in Luxembourg on 2 July 2002.

H. Jung

R.M. Moura Ramos

Registrar

President