

Question referred

Are Articles 10(1) and 12(1) of the First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks (Trade Mark Directive) ⁽¹⁾ to be interpreted as meaning that a trade mark is being put to genuine use if it is used for goods (here: alcohol-free drinks) which the proprietor of the trade mark gives, free of charge, to purchasers of his other goods (here: textiles) after conclusion of the purchase contract?

⁽¹⁾ OJ 1989 L 40, p. 1.

Appeal brought on 16 November 2007 by Philip Morris Products SA against the judgment of the Court of First Instance (Second Chamber) delivered on 12 September 2007 in Case T-140/06 Philip Morris Products v OHIM

(Case C-497/07 P)

(2008/C 22/52)

Language of the case: French

Parties

Appellant: Philip Morris Products SA (represented by: T. van Innis and C. S. Moreau, lawyers)

Other party to the proceedings: Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)

Form of order sought

- Set aside the judgment under appeal;
- Order the Office to pay the costs.

Pleas in law and main arguments

By its appeal, the appellant claims that the Court of First Instance infringed Articles 4 and 7(1)(b) of Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark ⁽¹⁾. In this respect, it complains, first, that the Court of First Instance based its assessment on a bias against the category of marks in which the mark applied for falls. In finding that consumers are not in the habit of making assumptions about the origin of goods on the basis of their shape or of the shape of their packaging, the Court of First Instance made a factual finding which has no scientific foundation whatsoever and misconstrues the human perception of signs in general, and of shapes in particular.

Second, the appellant complains that the Court of First Instance carried out an incorrect legal analysis of the relevant public's

perception of the mark. That error arises, on the one hand, from the fact that the Court envisaged use of the mark only through its incorporation into a packet of cigarettes, although the shape of packaging for a given product can be perceived by the public in a multitude of other forms, such as graphic or three-dimensional representations of the mark in advertising material. The error of assessment arises, on the other hand, from the fact that the Court of First Instance reduced the concept of a mark to its part which is perceptible by a prospective purchaser at the moment immediately prior to his purchase, whilst the public concerned by a mark is composed of all those who may be faced with it in the course of normal use of the mark, which occurs both during the advertising of the product before it has been purchased and during use or consumption of the product after it has been purchased.

The appellant claims, thirdly and lastly, that the grounds of the judgment under appeal are contradictory.

⁽¹⁾ OJ 1994 L 11, p. 1.

Appeal brought on 16 November 2007 by Aceites del Sur-Coosur S.A. formerly Aceites del Sur S.A against the judgment delivered by the Court of First Instance (First Chamber) on 12 September 2007 in Case T-363/04 Koipe Corporacion S.L. v Office for Harmonisation in the Internal Market (Trade Marks and Designs)

(Case C-498/07 P)

(2008/C 22/53)

Language of the case: Spanish

Parties

Appellant: Aceites del Sur-Coosur S.A., formerly Aceites del Sur S.A. (represented by: J.-M. Otero Lastres, lawyer)

Other parties to the proceedings: Koipe Corporacion S.L and Office for Harmonisation in the Internal Market (Trade Marks and Designs)

Form of order sought

- declare that the appeal against the judgment of the Court of First Instance (First Chamber) of 12 September 2007 in Case T-363/04 for infringement of Community law was lodged in good time and in due form;
- uphold the appeal and, accordingly, set aside the judgment of the Court of First Instance in its entirety in accordance with Article 61 of the Statute of the Court of Justice and Article 113 of the Rules of Procedure;

- give final judgment if the state of the proceedings so permits;
- alternatively, if the state of the proceedings does not so permit, refer the case back to the Court of First Instance for judgment in accordance with the binding criteria established by the Court of Justice and, if necessary, state which of the effects of the judgment set aside must be regarded as final for the parties to the proceedings and, in accordance with Article 112 of the Rules of Procedure, order the applicant, now the respondent, to pay the costs.

Pleas in law and main arguments

This appeal against the judgment of the First Chamber of the Court of First Instance of 12 September 2007 is based on the two grounds set out below:

1. Infringement of Article 8(1) and (2)(a)(i) and (ii) of Regulation No 40/94 ⁽¹⁾

The first infringement of Community Law committed by the judgment appealed is the fact that it held to be 'irrelevant' the question of which of the marks put forward by CARBONELL to oppose the application for the Community trade mark LA ESPAÑOLA No 236588 satisfy the condition of being 'earlier' marks.

If it had applied Article 8(1) and (2)(a)(i) and (ii) of Regulation No 40/94, the judgment should have excluded KOIPE's Community mark CARBONELL No 338681 from the opposing marks on the ground that that Community registration is not an earlier mark within the meaning of Article 8(2)(a)(i) of Regulation No 40/94. If it had acted in that way the only earlier marks of KOIPE which could oppose the application for registration of the Community mark LA ESPAÑOLA No 236588 would be CARBONELL's Spanish trade marks No 994364, No 1238745 and No 1698613.

Delimited in that way, the earlier marks enforceable against the application for registration of the Community mark LA ESPAÑOLA No 236588 would, for the purposes of Article 8(1)(b), be earlier marks protected in Spanish territory. Therefore, the existence of the likelihood of confusion between the Community mark LA ESPAÑOLA No 236588 and KOIPE's earlier opposing marks would relate solely to the public on Spanish territory, which is where KOIPE's earlier marks are protected, and not the public on the whole of Community territory, as those marks do not include any Community marks.

2. Infringement of Article 8(1)(b) of Regulation No 40/94

Article 8(1)(b) of Regulation No 40/94 governs the relative ground of refusal of an application for registration of a Community trade mark on the ground that there is a likelihood of confusion between the Community mark applied for and one or more earlier opposing marks. Therefore, the judgment appealed infringed that rule for the two reasons set out below:

Part One

The consequences of the improper delimitation of the earlier marks which are enforceable against the application of the application for Community trade mark LA ESPAÑOLA No 236588

The starting point for the first infringement of Article 8(1)(b) complained of is the improper delimitation of the 'earlier' marks enforceable against the Community trade mark application and relates to the consequences that that improper delimitation of the earlier opposing marks had on the way in which the judgment appealed applied Article 8(1)(b) to the dispute which is the subject of these proceedings.

From all of the submissions in Part One it may be concluded that the judgment appealed infringed Article 8(1)(b) of Regulation No 40/94 because:

- It did not find CARBONELL's marks No 994364, No 1238745 and No 1698613 to be the only earlier opposing marks.
- CARBONELL's later Community mark No 338681 was not expressly excluded from the opposing marks.
- As a consequence of the two preceding submissions 'the public in the territory in which the earlier marks were protected' was not correctly delimited, the earlier marks being exclusively Spanish marks the public in the relevant territory was the Spanish consumer of olive oil.
- Although in some paragraphs the Court refers to the 'Spanish market for olive oil', its assessment of that information was made in a partial and limited manner, since that information was taken into account only in determining the distinctive character of the figurative elements of the signs at issue.
- Consequently, the Court did not take account of that information either in its overall assessment of the similarity of the signs (since the Court does not mention the 'Spanish market for olive oil' in assessing, for example, the distinctive character of the verbal components of the signs at issue) or in weighing up other factors which were also relevant in the case in order to give a ruling on whether there was a likelihood of confusion between the signs at issue.

Part Two

Effect of the improper delimitation of the opposing marks on the scope of the public of the territory in which the earlier mark is protected. Incorrect determination and subsequent assessment of the relevant factors for the determination of the likelihood of confusion.

The reasoning put forward by the appellant to substantiate the infringement of Article 8(1)(b) complained of in the *Second part* is based on two grounds. First, the submissions set out above relating to the improper delimitation of the 'earlier opposing marks' and its influence on the scope 'of the public of the territory in which the earlier mark is protected'. Second, an incorrect determination and subsequent assessment of all the factors that should have been taken into account in order to determine whether there was a likelihood of confusion between Community mark applied for LA ESPAÑOLA No 236588 and CARBONELL's earlier opposing Spanish marks No 994364, No 1238745 and No 1698613.

The arguments on which the appellant bases its opinion that the judgment under appeal infringed Article 8(1)(b) by its improper application are as follows:

- The judgment appealed examined the marks at issue not on the basis of the criterion of a ‘global assessment’ or ‘overall impression’, but took a separate, successive and ‘analytical’ approach to the constituent elements of compound marks thereby infringing Article 8(1)(b) and the Community case-law interpreting it.

The judgment appealed failed to do what it ought to have done from the beginning, which was to examine the marks using a ‘global assessment’ and the ‘overall impression’ made by them. Instead, the judgment appealed used an analytical approach from the outset and made a separate and successive examination of the figurative elements on one hand (paragraphs 75 to 87) and the verbal components on the other (paragraphs 88 to 93), giving decisive weight to the figurative elements, denying any importance to the verbal components. It is true that the judgment appealed did mention the criterion of the global assessment and overall impression (paragraph 99), but it is also true that it is not sufficient to mention and repeat a judicial criterion in order to act correctly it is important to follow it and apply it correctly to the case. That was not done in the judgment appealed. In order to assess the similarity of the signs at issue, the judgment appealed failed to apply the primary and principal criterion of a global assessment and overall impression, and applied an analytical criterion, deriving first of all from a breakdown of the marks into their figurative and verbal components and then a separate assessment, first of the two figurative components of the signs at issue and then of the verbal component of LA ESPAÑOLA, omitting any reference to the other verbal element of the opposing marks, the name CARBONELL.

Second, the judgment appealed also infringed Article 8(1)(b), because it did not assess two relevant elements in the case such as earlier coexistence over a long period and notoriety which were extremely relevant in order to determine the likelihood of confusion between the Community mark applied for LA ESPAÑOLA No 236588 and the earlier opposing Spanish marks CARBONELL.

- The perception of the average Spanish consumer of olive oil and the supposed likelihood of confusion between the marks at issue.

The judgment appealed, while it alludes to the profile of the average consumer elaborated by Community case-law, does not use that consumer model but constitutes the profile of the average Spanish consumer of olive oil as a consumer who is closer to the model of the average consumer used in German case-law: ‘a careless and rash consumer’ than the model European consumer chosen by Community case-law who is ‘reasonably well-informed and reasonably observant and circumspect’ (judgments LLOYD, paragraph 26, and PICASSO, paragraph 38). In addition, the judgment appealed

commits another no less serious error which is to ‘take account of a lower level of attention’ by consumers with regard to marks of olive oil, instead of taking account of the level attention normally paid to olive oil by the average Spanish consumer who is reasonably well-informed and reasonably observant and circumspect.

(¹) Council Regulation of 20 December 1993 on the Community trade mark.

Reference for a preliminary ruling from the De Rechtbank van Eerste Aanleg te Brugge (Belgium) lodged on 16 November 2007 — Beleggen, Risicokapitaal, Beheer NV v Belgische Staat

(Case C-499/07)

(2008/C 22/54)

Language of the case: Dutch

Referring court

Rechtbank van Eerste Aanleg te Brugge (Belgium)

Parties to the main proceedings

Applicant: Beleggen, Risicokapitaal, Beheer NV

Defendant: Belgische Staat

Questions referred

1. Must Council Directive 90/435/EEC of 23 July 1990 on the common system of taxation applicable in the case of parent companies and subsidiaries of different Member States (¹), in particular Article 4(1) thereof, be construed as precluding a situation in which a Member State applies the exemption relating to distributed profits which are received by a company of that State from its subsidiary in another Member State, except when the subsidiary is liquidated, by first including in full the distributed profits in the taxable basis and then deducting 95 % of those profits from the taxable basis but limiting the deduction to the amount of profits made in the taxable period in which the distribution of profits took place (after certain statutorily defined deductions) (Article 205(2) WIB 1992 in conjunction with Article 77 KB/WIB 1992), with the result that, if the profits made in the relevant taxable period are smaller than the amount of the aforementioned distributed profits, this does not give rise to a transferable loss?