

JUDGMENT OF THE GENERAL COURT (Sixth Chamber)

15 September 2011 \*

In Case T-427/09,

**centrotherm Clean Solutions GmbH & Co. KG**, established in Blaubeuren (Germany), represented by O. Löffel, lawyer,

applicant,

v

**Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)**, represented by G. Schneider and R. Manea, acting as Agents,

defendant,

the other party to the proceedings before the Board of Appeal of OHIM, intervener before the General Court, being

**Centrotherm Systemtechnik GmbH**, established in Brilon (Germany), represented by J. Albrecht and U. Vormbrock, lawyers,

\* Language of the case: German.

ACTION brought against the decision of the Fourth Board of Appeal of OHIM of 25 August 2009 (Case R 6/2008-4) relating to revocation proceedings between centrotherm Clean Solutions GmbH & Co. KG and Centrotherm Systemtechnik GmbH,

THE GENERAL COURT (Sixth Chamber),

composed of E. Moavero Milanesi, President, N. Wahl (Rapporteur) and S. Soldevila Fragoso, Judges,

Registrar: T. Weiler, Administrator,

having regard to the application lodged at the Registry of the General Court on 22 October 2009,

having regard to the statements in response of OHIM and the intervener lodged at the Registry on 26 January 2010,

having regard to the parties' request to hold an oral hearing,

having regard to the order of 30 March 2011 joining Cases T-427/09 and T-434/09 for the purposes of the oral procedure,

further to the hearing on 5 May 2011,

gives the following

## **Judgment**

### **Background to the dispute**

- 1 On 7 September 1999, the intervener, Centrotherm Systemtechnik GmbH, filed an application for registration of a Community trade mark at the Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM), under Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark (OJ 1994 L 11, p. 1), as amended (replaced by Council Regulation (EC) No 207/2009 of 26 February 2009 on the Community trade mark (OJ 2009 L 78, p. 1)).
- 2 The mark for which registration was sought is the word sign CENTROTHERM.
- 3 The goods and services in respect of which registration was sought are in Classes 11, 17, 19 and 42 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, for each of those classes, to the following description:
  - Class 11: 'Exhaust gas pipes for heating installations, chimney flues, boiler pipes (tubes) for heating installations; brackets for gas burners; mechanical parts for

heating, air-conditioning, steam generating, drying and ventilating installations; air-filter apparatus and parts thereof; mechanical parts for gas installations; faucets for pipes; chimney blowers’;

- Class 17: ‘Junctions for pipes, pipe sleeves, reinforcing materials for pipes, flexible pipes, all the aforesaid goods not of metal; seals, packing materials; packing, stopping and insulating materials; semi-processed plastics in extruded form for use in manufacture; goods of plastic, included in class 17’;
- Class 19: ‘Building materials; pipes, pipework, in particular for building; water pipes, branching pipes; reinforcing materials for building purposes; wall linings, building panels, panels; lengthening pieces for chimneys, chimney shafts, chimney cowl, chimney pots, mantelpieces, all the aforesaid goods non-metallic’;
- Class 42: ‘Architectural consultation, construction drafting, engineering services, technical project studies; surveying’.

<sup>4</sup> The mark CENTROTHERM was registered for the goods and services referred to in paragraph 3 above on 19 January 2001 as a Community trade mark.

<sup>5</sup> On 7 February 2007, the applicant, centrotherm Clean Solutions GmbH & Co. KG, filed with OHIM, under Articles 15 and 50(1)(a) of Regulation No 40/94 (now Articles 15 and 51(1)(a) of Regulation No 207/2009) an application for revocation of the mark CENTROTHERM for all of the registered goods and services.

- 6 The application for revocation was notified to the intervener on 15 February 2007, which was invited to submit any comments and proof of genuine use of the contested mark within a period of three months.
- 7 In its comments of 11 May 2007, the intervener contested the application for revocation and, in order to demonstrate genuine use of its mark, produced the following:
  - fourteen digital photographs;
  - four invoices;
  - a declaration, headed ‘eidesstattliche Versicherung’ (sworn declaration), made by Mr W., acting in his capacity as manager of the intervener.
- 8 The intervener stated that it was in possession of many other copies of invoices which, at the outset, it would not be submitting, for reasons of confidentiality. Asserting that it could submit other documents, the intervener asked the Cancellation Division of OHIM to adopt a procedural measure accordingly in the event that it wished that other evidence and individual documents be added to the file.
- 9 On 30 October 2007, the Cancellation Division revoked the CENTROTHERM mark, finding that the evidence adduced by the intervener was insufficient to demonstrate genuine use of that mark.
- 10 On 14 December 2007, the intervener filed an appeal against that decision, which the Fourth Board of Appeal upheld in part by decision of 25 August 2009 (‘the contested decision’).

- 11 The Board of Appeal annulled the decision of the Cancellation Division and dismissed the application for revocation in respect of the goods ‘exhaust gas pipes for heating installations, chimney flues, boiler pipes (tubes) for heating installations; brackets for gas burners; mechanical parts for heating, mechanical parts for gas installations; faucets for pipes; chimney blowers’ in Class 11, ‘junctions for pipes, pipe sleeves, reinforcing materials for pipes, flexible pipes, all the aforesaid goods not of metal’ in Class 17, and ‘pipes, pipework, in particular for building; branching pipes; chimney shafts’ in Class 19. The Board of Appeal dismissed the remainder of the appeal.
- 12 In particular, the Board of Appeal found that evidence of genuine use of the CENTROTHERM mark, in respect of the period of five years preceding submission of the application for revocation, namely 7 February 2007 (‘the relevant period’), for the goods mentioned in paragraph 11 above had been adduced, since the photographs submitted by the intervener demonstrated the nature of the mark’s use and the invoices produced showed that the goods mentioned had been marketed under the contested mark.

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

- 13 The applicant claims that the Court should:
- annul the contested decision in so far as it dismisses the application for revocation of the CENTROTHERM mark;
  - order OHIM to pay the costs.

14 OHIM and the intervener contend that the Court should:

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

## Law

### *Arguments of the parties*

- 15 In support of its action, the applicant raises a single plea in law, alleging an incorrect assessment of the evidence. In finding that the evidence submitted by the intervener was sufficient to prove genuine use of the mark at issue, the Board of Appeal breached Article 51(1)(a) of Regulation No 207/2009 and Rule 40(5) and Rule 22(2) and (3) of Commission Regulation (EC) No 2868/95 of 13 December 1995 implementing Regulation No 40/94 on the Community trade mark (OJ 1995 L 303, p. 1), as amended.
- 16 According to the applicant, the assessment undertaken by the Board of Appeal misapplied the requirements imposed by the relevant provisions and by case-law, namely the evidence of the nature, the place, the duration and the importance of the use of a mark. In essence, the applicant asserts that the photographs are not dated, that the invoices do not mention the mark at issue, but the business name of the intervener,

that the sworn statement of the intervener's manager has no probative value and that, taken together, these various elements do not make it possible to establish that the goods shown on the photographs had in fact been placed on the market during the relevant period.

- <sup>17</sup> OHIM disputes the applicant's arguments and claims that although the elements in the file do not constitute, individually, adequate evidence of genuine use, together they point to, and without any remaining doubt, use of the contested mark which has to be regarded as genuine use.

- <sup>18</sup> The intervener also disputes the applicant's arguments. Whilst conceding that the photographs in the file had been taken after the relevant period, it submits that it is excessive to require the proprietor of a mark to present photographs of goods marketed several months, even several years, earlier and which, furthermore, show the date on which they had been taken during the relevant period. That would presuppose that the proprietor of the mark regularly takes, as a precautionary measure, photographs of all its goods and archives them, in order to be able to produce them in the event of revocation proceedings. In the intervener's view, such a requirement is not realistic.

- <sup>19</sup> Furthermore, the intervener draws attention to the characteristics of the market in question. In that regard, it claims that the goods and services protected by its mark are marketed not to end consumers, but to construction companies. They are mainly sold not in retail outlets or on the internet, but are directly marketed and supplied to business customers. That means that the goods covered by the CENTROTHERM mark are less the subject-matter of advertisements in newspapers, in magazines, on the radio, television or on the internet than in specialised trade fairs, brochures and



marketing letters and in the intervener's invoices. The main use of the mark is particularly to affix it to goods and their packaging, namely cartons and pallets.

- 20 According to the intervener, it is not usual in the market in question to resort to and promote a large number of trade marks. Whilst purchasers of consumer products generally have access to a large number of goods of the same nature, offered by a large number of different suppliers, and should be guided by trade marks, purchasers of the relevant goods in the present case generally buy a wide range of goods and accessories and related services from a sole supplier over long periods. According to the intervener, that is the reason why, generally, the business name or insignia is sufficient to distinguish, in the manner of a trade mark, a wide range of goods.

### *Findings of the Court*

- 21 At the outset, it is necessary to note the procedure for and objective of the sanction of revocation and the principles governing evidence in revocation proceedings.
- 22 It follows from the first subparagraph of Article 15(1) and from Article 51(1)(a) of Regulation No 207/2009 that the rights of a proprietor of a Community trade mark are to be declared to be revoked, on application to OHIM, if, within a continuous period of five years, the trade mark has not been put to genuine use in the European Union ('EU') in connection with the goods or services in respect of which it is registered and there are no proper reasons for its non-use.

- 23 Rule 40(5) of Regulation No 2868/95 provides that OHIM, in the case of an application for revocation, shall specify to the proprietor of the Community trade mark a time limit within which it must provide proof of use of the mark. If the proof is not provided within the time limit set, the Community trade mark shall be revoked. Under Rule 22(3) of Regulation No 2868/95 — which applies to applications for revocation pursuant to Rule 40(5) of the same regulation — the proof of use of the mark must relate to the place, time, extent and nature of use.
- 24 The rationale for the requirement that a mark must be the subject of genuine use in order to be protected under EU law is that OHIM's register cannot be compared to a strategic and static depository granting an inactive proprietor a legal monopoly for an unlimited period. On the contrary, and in accordance with recital 10 of Regulation No 207/2009, that register must faithfully reflect what companies actually use on the market to distinguish their goods and services in economic life (see, to that effect and by analogy, order in Case C-259/02 *La Mer Technology* [2004] ECR I-1159, paragraphs 18 to 22).
- 25 According to case-law, there is genuine use of a trade mark where the mark is used in accordance with its essential function, which is to guarantee the identity of the origin of the goods or services for which it is registered, in order to create or preserve an outlet for those goods or services; genuine use does not include token use for the sole purpose of preserving the rights conferred by the mark. Moreover, the condition of genuine use of the mark requires that that mark, as protected on the relevant territory, be used publicly and outwardly (see judgment of the General Court of 27 September 2007, Case T-418/03 *La Mer Technology v OHIM — Laboratoires Goëmar (LA MER)*, not published in the ECR, paragraph 54, and case-law cited).
- 26 Although the concept of genuine use therefore excludes all minimal and insufficient use as the basis for a finding that a mark is being put to real and effective use on a given market, nevertheless the requirement of genuine use does not seek to assess

commercial success or to review the economic strategy of an undertaking, nor is it intended to restrict trade mark protection to the case where large-scale commercial use has been made of the marks (Case T-194/03 *Il Ponte Finanziaria v OHIM - Marine Enterprise Projects (BAINBRIDGE)* [2006] ECR II-445, paragraph 32).

- 27 More specifically, to assess whether a particular trade mark has been put to genuine use in a particular case, an overall assessment of the documents in the file must be carried out, taking account of all the relevant factors in the case. In such an assessment, regard must be had to all the facts and circumstances relevant to establishing whether the commercial exploitation of the mark is real, particularly whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods or services protected by the mark, the nature of those goods or services, the characteristics of the market and the scale and frequency of use of the mark (see *LA MER*, paragraphs 53 to 55 and case-law cited).
- 28 As to the extent of the use to which the trade mark at issue has been put, account must be taken, in particular, of the commercial volume of the overall use, as well as of the length of the period during which the mark was used and the frequency of use (see *LA MER*, paragraph 56 and case-law cited). That assessment entails a degree of interdependence of the factors taken into account. Thus, the fact that commercial volume achieved under the mark was not high may be offset by the fact that use of the mark was extensive or regular, and vice versa (see *LA MER*, paragraph 57, and case-law cited).
- 29 However, the smaller the commercial volume of the exploitation of the mark, the more necessary it is for the proprietor of the mark to produce additional evidence to dispel any doubts as to the genuineness of its use (judgment of 18 January 2011 in

Case T-382/08 *Advance Magazine Publishers v OHIM — Capela & Irmãos (VOGUE)*, not published in the ECR, paragraph 31).

- 30 Moreover, genuine use of a trade mark cannot be proven by means of probabilities or suppositions, but has to be demonstrated by solid and objective evidence of effective and sufficient use of the trade mark on the market concerned (see *LA MER*, paragraph 59, and case-law cited).
- 31 The question whether the Board of Appeal was right to consider that the evidence adduced by the intervener showed genuine use of the CENTROTHERM mark for the goods referred to in paragraph 11 above must be assessed in the light of those considerations. According to the applicant, the finding of the Board of Appeal lacks an adequate factual basis.
- 32 In the present case, the evidence adduced by the intervener to the Cancellation Division to show genuine use of its mark are the sworn statement of its manager, four invoices and fourteen digital photographs.
- 33 At the outset, it should be noted that it is not apparent from the Board of Appeal's reasoning that its finding in relation to establishing genuine use of the goods referred to in paragraph 11 above is based on the sworn statement of the intervener's manager. Indeed, as is apparent from paragraphs 26 to 30 of the contested decision, it is the interaction between the probative value of the photographs and the four invoices which led the Board of Appeal to find that the genuine use of the CENTROTHERM mark had been proven. The references, made in paragraphs 27 and 31 of the contested

decision, to that statement concern only its deficiencies and the lack of additional evidence supporting it.

- 34 It follows that it is necessary to examine whether the overall assessment of the photographs and the four invoices lead to the conclusion that the mark at issue has been put to genuine use in accordance with the principles established by the case-law referred to in paragraphs 25 to 29 above.
- 35 In that regard, it should be noted that, of the four invoices, three are dated July 2006 and relate to Denmark, Hungary and Slovakia and one is dated January 2007 and relates to Germany. The word 'centrotherm' appears in the letterhead of those invoices, accompanied by the intervener's logo as its business name and its postal address.
- 36 Those invoices show multiple products related to plumbing (pipes, pipe sleeves, sets for connecting boilers, revision elbows, exhaust system covers) were sold by the intervener to four clients for a sum which corresponds, including the invoice from 2007, to less than 0.03% of the turnover which the intervener's manager declared to have achieved in 2006 with the sale of the goods under the CENTROTHERM mark.
- 37 It follows that, before OHIM, the intervener adduced relatively weak evidence of sales as compared with the sum indicated in the statement of its manager. Consequently, even if the Board of Appeal had taken that statement into account, it should be noted that there was insufficient evidence in the file supporting the statement as regards the value of sales. Moreover, as regards the temporal aspect of the use of the mark, those

invoices concern a very short, even selective, period, namely 12, 18 and 21 July 2006 and 9 January 2007.

<sup>38</sup> As regards the photographs lodged, it must be noted that only on seven of the fourteen photographs is the CENTROTHERM mark clearly visible, namely:

— as printed on two pipes;

— as printed on two objects which seem to form part of pipes;

— as a sticker on an object which appears to be a pallet and on two boxes.

<sup>39</sup> On four other photographs, it is quite impossible to make out any trace of the contested mark.

<sup>40</sup> On the last three photographs, it is possible to make out traces of the CENTROTHERM mark, namely:

— the letters 'centroth' on the mouth of a pipe;

- the logo of the intervener's company and an illegible text next to that logo, probably corresponding to the text on the letterhead of the invoices submitted, on a pipe and on an object which appears to be the mouth of a pipe.

- 41 None of those photographs is dated, but, as noted in paragraph 18 above, the intervener conceded during the hearing that those photographs had been taken after the relevant period. Furthermore, those photographs do not enable identification of the goods packed on the palette and in the two boxes displaying the CENTROTHERM stickers. Although two of those stickers contain references to plumbing, neither the photographs nor the invoices provide evidence from which to deduce what those packages actually contain.
- 42 Moreover, none of the article numbers which are identifiable on the photographs corresponds to the article numbers on the invoices provided by the intervener. It follows that it is not possible to conclude, on the basis of the photographs and the invoices submitted, that the products and the packages shown on the submitted photographs were in fact marketed by the intervener during the relevant period.
- 43 Accordingly, it must be held that an overall assessment of the evidence, as set out at paragraphs 35 to 42 above, does not allow the conclusion, without resorting to probabilities or presumptions, that the mark at issue was the subject of genuine use during the relevant period for the goods referred to at paragraph 11 above.
- 44 It follows that the Board of Appeal erred in finding that evidence of genuine use of the CENTROTHERM trade mark had been adduced by the intervener for those products.

45 This conclusion is not called into question by the intervener's arguments, set out in paragraphs 18 to 20 above, according to which, in essence, the specific nature of the market makes gathering evidence difficult.

46 There is no limit on the methods and means of proving genuine use of a mark. The Court's finding that genuine use has not been proven in the present case is not attributable to an excessively high standard of proof, but because the intervener chose to restrict the evidence adduced (see paragraph 8 above). The Cancellation Division received poor quality photographs of objects whose article numbers do not correspond to the articles which, according to the few invoices submitted, were sold. Moreover, those invoices cover a short period and show sales of a minimal value as compared with those which the intervener claims to have achieved. It must also be noted that the intervener confirmed during the hearing that there was no direct link between the invoices and the photographs which it had submitted to OHIM.

47 The action should therefore be upheld.

## Costs

48 Under Article 87(2) of the Rules of Procedure of the General Court, the unsuccessful party must be ordered to pay the costs if they have been applied for in the successful party's pleadings. Since OHIM has been unsuccessful, it must be ordered to pay the costs of the applicant, in accordance with the form of order sought by the latter. Since the intervener has been unsuccessful, it must bear its own costs.



On those grounds,

THE GENERAL COURT (Sixth Chamber)

hereby:

- 1. Annuls the decision of the Fourth Board of Appeal of the Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM) of 25 August 2009 (Case R 6/2008-4) insofar as it annuls the decision of the Cancellation Division of 30 October 2007 in part;**
- 2. Orders OHIM to bear its own costs and to pay those incurred by centrotherm Clean Solutions GmbH & Co. KG;**
- 3. Orders Centrotherm Systemtechnik GmbH to bear its own costs.**

Moavero Milanesi

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Soldevila Fragoso

Delivered in open court in Luxembourg on 15 September 2011.

[Signatures]