

JUDGMENT OF THE COURT (Second Chamber)

7 October 2004^{*}

In Case C-136/02 P,

APPEAL under Article 49 of the EC Statute of the Court of Justice,

lodged at the Court on 8 April 2002,

Mag Instrument Inc., established in Ontario, California (United States of America), represented initially by A. Nette, G. Rahn, W. von der Osten-Sacken and H. Stratmann, and subsequently by W. von der Osten-Sacken, U. Hocke and A. Spranger, Rechtsanwälte,

appellant,

^{*} Language of the case: German.

the other party to the proceedings being:

Office for Harmonisation in the Internal Market (Trade Marks and Designs),
represented by D. Schennen, acting as Agent,

defendant at first instance,

THE COURT (Second Chamber),

composed of: C.W.A. Timmermans, President of the Chamber, C. Gulmann,
J.-P. Puissochet, J.N. Cunha Rodrigues and F. Macken (Rapporteur), Judges,

Advocate General: D. Ruiz-Jarabo Colomer,
Registrar: L. Hewlett, Principal Administrator,

having regard to the written procedure and further to the hearing on 5 February
2004,

after hearing the Opinion of the Advocate General at the sitting on 16 March 2004,

gives the following

Judgment

- 1 By its appeal, Mag Instrument Inc. requests the Court to set aside the judgment of the Court of First Instance of 7 February 2002 in Case T-88/00 *Mag Instrument v OHIM (Torch shapes)* [2002] ECR II-467 ('the contested judgment'), in which the Court of First Instance dismissed its application for the annulment of the decision of the Second Board of Appeal of the Office for Harmonisation in the Internal Market (Trade Marks and Designs) ('the Office') of 14 February 2000 (Cases R 237/1999-2 to R 41/1999-2), refusing registration of five three-dimensional marks consisting of torch shapes ('the disputed decision').

Legal framework

- 2 Article 7 of Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark (OJ 1994 L 11, p. 1), headed 'Absolute grounds for refusal', states:

'1. The following shall not be registered:

...

(b) trade marks which are devoid of any distinctive character;

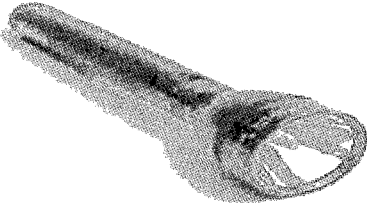
...

3. Paragraph 1(b), (c) and (d) shall not apply if the trade mark has become distinctive in relation to the goods or services for which registration is requested in consequence of the use which has been made of it.'

Background

3 On 29 March 1996, the appellant filed five applications for three-dimensional Community trade marks under Regulation No 40/94 at the Office.

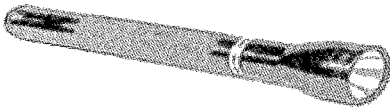
4 The three-dimensional marks in respect of which registration was sought are five shapes of torches, reproduced below, which are marketed by the appellant.



'3 C-Cell Mag-Lite'



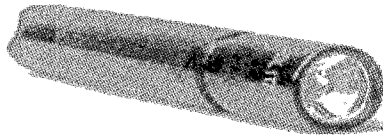
'3 D-Cell Mag-Lite'



'Mag Charger'



'Mini Maglite'



'Solitaire'

5 The goods in respect of which registration was sought are in Classes 9 and 11 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 to the following descriptions: 'Accessories for apparatus for lighting, in particular for flashlights (torches)' and 'Apparatus for lighting, in particular flashlights (torches), including parts and accessories for the above-named goods'.

6 By three decisions of 11 March 1999 and two decisions of 15 March 1999, the Office's examiner refused those applications on the ground that the marks applied for were devoid of any distinctive character.

7 By the disputed decision, the Second Board of Appeal of the Office confirmed the examiner's decisions.

8 In that decision the Board of Appeal, after referring to the terms of Article 4 of Regulation No 40/94, held that, in the absence of use, and in order for the shape of goods alone to be capable of constituting a distinctive indication of the origin of the goods, the shape must display features sufficiently different from the usual shape of the goods for a potential purchaser to perceive it primarily as an indication of the origin of the goods and not as a representation of the goods themselves. The Board of Appeal further held that, if a shape is not sufficiently different from the usual shape of the goods, and potential purchasers do not therefore perceive it to represent the goods, then it is descriptive and falls within the scope of Article 7(1)(c), as would a word consisting simply of the name of the goods. In the Board of Appeal's view, the essential question is whether the representation of any of the marks in question would immediately convey to the average purchaser of torches that the torch comes from a particular source, or whether the representation simply indicates that it is a torch. The Board of Appeal added that it does not necessarily follow from the fact that the applicant's goods are attractively designed that they are inherently distinctive. Nor did the Board of Appeal consider it to follow from the

fact that a sign is to be refused registration under Article 7(1)(b) of Regulation No 40/94 if it is devoid of any distinctive character that a mark with the merest trace of distinctive character must be registered. It considered that the very essence of Regulation No 40/94 entails that the degree of distinctiveness required must be such as to enable the mark to function as an indication of origin. The Board of Appeal concluded that, notwithstanding the many appealing attributes each shape possesses, none is inherently distinctive to the average purchaser of a torch.

Procedure before the Court of First Instance and the contested judgment

- 9 The appellant brought proceedings before the Court of First Instance for the annulment of the disputed decision on the ground that the marks in question were not devoid of any distinctive character.

- 10 It based some of its arguments on a number of documents produced by it, which are referred to in paragraphs 18, 19, 21 and 22 of the contested judgment and which aimed to demonstrate that the marks in question are not devoid of any distinctive character within the meaning of Article 7(1)(b) of Regulation No 40/94. It produced, first of all, an expert's report from Professor Stefan Lengyel on 'the originality, creativity and distinctiveness of the torch shapes in question', which seeks to demonstrate that each of those shapes possesses a distinctive character. Next, it argued that the shape of the torches for which registration is sought is internationally recognised as distinctive, as is demonstrated by numerous references to those torches in various books, by the fact that they are on display in several museums and by the fact that they have won international awards. Lastly, it submitted that the capacity of the marks in question to indicate the origin of the goods was evidenced by the fact that consumers sent counterfeits of the applicant's originals to it for repair, even though they did not carry the 'Mag Lite' name, and that the counterfeiters often advertised their goods using the original design of the Mag Lite torch.

11 The Office essentially argued that the shapes in question are to be regarded as common and thus incapable of performing a trade mark's function as an indication of origin.

12 The Court of First Instance held that the Second Board of Appeal of the Office had been right to conclude that the three-dimensional marks in question were devoid of any distinctive character, for the following reasons:

'28 Article 7(1)(b) of Regulation No 40/94 provides that "trade marks which are devoid of any distinctive character" are not to be registered.

29 A mark has distinctive character if it is capable of distinguishing the goods or services in respect of which registration is applied for according to their origin.

30 A mark's distinctiveness must be assessed, firstly, by reference to those goods and services and, secondly, by reference to the way in which the mark is perceived by a targeted public, which is constituted by the consumers of the goods or services.

...

- 32 It must further be observed that Article 7(1)(b) of Regulation No 40/94, under which marks which are devoid of any distinctive character are to be refused registration, draws no distinction between different categories of mark. Accordingly, it is not appropriate to apply more stringent criteria or impose stricter requirements when assessing the distinctiveness of three-dimensional marks comprising the shape of the goods themselves, such as those sought in the present case, than are applied or imposed in the case of other categories of mark.
- 33 However, in order to assess a mark's distinctiveness, it is necessary to take account of all relevant elements linked to the specific circumstances of the case. One such element is the fact that it cannot be excluded that the nature of the mark in respect of which registration is sought might influence the perception which the targeted public will have of the mark.
- 34 Under Article 7(1)(b) of Regulation No 40/94, moreover, it is sufficient, in order to defeat the absolute ground for refusal, to demonstrate that the mark possesses a minimum degree of distinctiveness. It is therefore necessary to determine — in the context of an a priori examination and without reference to any actual use of the sign within the meaning of Article 7(3) of Regulation No 40/94 — whether the claimed mark will enable the targeted public to distinguish the marked goods or services from those of other undertakings when they come to make a purchasing choice.
- 35 In assessing a mark's distinctiveness, regard must be had to the presumed expectations of an average consumer who is reasonably well informed and reasonably observant and circumspect (Cases C-342/97 *Lloyd Schuhfabrik Meyer* [1999] ECR I-3819, paragraph 26, and T-359/99 *DKV v OHIM (Eurohealth)* [2001] ECR II-1645, paragraph 27). The goods whose shape it

has been sought to register as a mark — the present case involves five shapes of torch — are goods for general consumption, and the targeted public must therefore be considered to comprise all consumers.

- 36 For the purposes of determining whether the five torch shapes in respect of which trade mark registration is sought are capable of acting on the memory of the average consumer as indications of origin, that is to say, in such a way as to differentiate the goods and link them to a particular commercial source, it should first be noted that it is a feature of the shapes that they are cylindrical. A cylinder is a common shape for a torch. In four of the applications filed, the torches' cylindrical shape opens out at the end where the bulb is, while the torch in the fifth application does not, being cylindrical all the way down. The marks in all the applications correspond to shapes commonly used by other torch manufacturers on the market. Rather than enabling the product to be differentiated and linked to a specific commercial source, therefore, the effect of the marks claimed is to give the consumer an indication as to the nature of the product.
- 37 Next, as regards the features relied on by the applicant in support of its contention that the shapes claimed as marks are inherently capable of distinguishing its goods from those of its competitors, such as their aesthetic qualities and their unusually original design, it is to be observed that such shapes appear, as a result of those features, as variants of a common torch shape rather than as shapes capable of differentiating the goods and indicating, on their own, a given commercial origin. The average consumer is accustomed to seeing shapes similar to those at issue here, in a wide variety of designs. The shapes in respect of which registration has been applied for are not distinguishable from the shapes of the same type of goods commonly found

in the trade. It is therefore wrong to claim, as the applicant does, that the special features of the torch shapes in question such as, *inter alia*, their attractiveness, draw the average consumer's attention to the goods' commercial origin.

...

39 The possibility that the average consumer might have become accustomed to recognising the applicant's goods by reference to their shape alone cannot render the absolute ground for refusal in Article 7(1)(b) of Regulation No 40/94 inapplicable in this case. If that is how the marks claimed are perceived, that is something that can only be taken into account in the context of the application of Article 7(3) of the regulation, a provision not invoked by the applicant at any point in the proceedings. All the factors relied on by the applicant — referred to at paragraphs 17 to 19, 21 and 22 above — in order to demonstrate the distinctiveness of the marks claimed relate to the possibility of the torches in question having acquired distinctiveness following the use made of them, and cannot therefore be regarded as relevant for the purposes of assessing their inherent distinctiveness under Article 7(1)(b) of Regulation No 40/94.

40 In the light of the foregoing considerations, the three-dimensional marks applied for in the present case, as perceived by an average consumer who is reasonably well informed and reasonably observant and circumspect, are therefore not capable of differentiating the goods or of distinguishing them from those of a different commercial origin.

...'

13 The Court of First Instance accordingly dismissed the action brought by the appellant and ordered it to pay the costs.

The appeal

14 The appellant advances seven grounds of appeal and claims that the Court of Justice should:

— set aside the contested judgment and hold that there are no absolute grounds for refusal within the meaning of Article 7 of Regulation No 40/94 which preclude the marks in question being registered;

— annul the disputed decision;

— order the Office to pay the costs.

15 The Office requests the Court to dismiss the appeal and to order the appellant to pay the costs.

The first ground of appeal

Arguments of the parties

- 16 By its first ground of appeal, the appellant claims that, in assessing the distinctiveness of the marks in question, the Court of First Instance failed to consider, as it was required to do, the overall impression given by each of them, but, at paragraph 36 of the contested judgment, adopted the wrong approach by separating the marks into their component parts, holding that ‘it is a feature of the shapes that they are cylindrical’ and that, in four of them, ‘the torches’ cylindrical shape opens out where the bulb is’. The Court of First Instance thereby contravened Article 7(1)(b) of Regulation No 40/94.
- 17 The appellant, which has provided an extremely detailed description of the characteristics of the torches in question, argues that, if the Court of First Instance had considered the visual and aesthetic aspects which are specific to each of them when seen from an overall perspective, it would have been bound to hold that the marks in question are not devoid of any distinctive character.
- 18 The Office claims that it is, on the contrary, the appellant which, by its detailed descriptions of the torches, adopts the wrong approach by separating the shape into its component parts.

Findings of the Court

- 19 The distinctive character of a trade mark within the meaning of Article 7(1)(b) of Regulation No 40/94 must be assessed by reference, first, to the goods or services in respect of which registration is sought and, secondly, to the perception of the relevant public. That means the presumed expectations of an average consumer who is reasonably well informed and reasonably observant and circumspect (see, to that effect, in relation to Article 3(1)(b) of First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks (OJ 1989 L 40, p. 1), which is identical to Article 7(1)(b) of Regulation No 40/94, Case C-218/01 *Henkel* not yet published in the ECR, paragraph 50 and the case-law cited there; see also Joined Cases C-456/01 P and C-457/01 P *Henkel v OHIM* [2004] ECR I-5089, paragraph 35 and the case-law cited there).
- 20 As the Court has consistently held, the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. Thus, in order to assess whether or not a trade mark has any distinctive character, the overall impression given by it must be considered (see, in relation to a word mark, Case C-104/00 P *DKV v OHIM* [2002] ECR I-7561, paragraph 24, and, in relation to a three-dimensional mark constituted by the shape of the goods themselves, Joined Cases C-468/01 P to C-472/01 P *Procter & Gamble v OHIM* [2004] ECR I-5141, paragraph 44).
- 21 The findings of the Court of First Instance at paragraphs 36 and 37 of the contested judgment do not seek to separate each of the marks in question into their component parts, but, on the contrary, to consider the overall impression given by the mark concerned. The appellant's objection that the Court of First Instance failed to assess the distinctiveness of each mark, seen as a whole, is thus not well founded.

22 The first ground of appeal must accordingly be rejected as unfounded.

The sixth ground of appeal

Arguments of the parties

23 By its sixth ground of appeal, the appellant claims that the Court of First Instance contravened Article 7(1)(b) of Regulation No 40/94 by applying criteria which are irrelevant to that regulation and are unduly strict as regards the assessment of the distinctiveness of the marks in question.

24 According to the appellant, as with word marks (Case C-383/99 *Procter & Gamble v OHIM* ('*Baby-dry*') [2001] ECR I-6251, paragraph 40), any perceptible difference in relation to goods in common use is sufficient to mean that the three-dimensional mark constituted by the shape of the goods for which registration is sought is not devoid of any distinctive character.

25 In those circumstances, since the Court of First Instance held at paragraph 37 of the contested judgment that the shapes in question appear 'as variants of a common torch shape', it ought to have held that the marks in question were not devoid of any distinctive character, as variants necessarily imply that the shape has been changed.

- 26 The Office accepts that it is not appropriate to apply more stringent criteria when assessing the distinctiveness of three-dimensional marks than in the case of other categories of mark. However, the Court of First Instance rightly pointed out at paragraph 33 of the contested judgment that the nature of the mark in respect of which registration is sought may influence the perception which the targeted public will have of the mark.
- 27 Consumers do not normally make any precise connection between the three-dimensional shape of a product and that product's particular origin, but restrict themselves to perceiving that shape as having technical or aesthetic advantages, or even do not attach any special meaning to it at all. For consumers to perceive the actual shape of the product as a means of identifying its origin, it is not sufficient for it to differ in some way from all the other shapes of goods which are available on the market, but it must also have some striking 'feature' which attracts attention. For that reason, the shape of a product is, on any basis, devoid of a distinctive character where it is common to goods in the sector concerned and similar in kind to the usual shapes of those goods.
- 28 The Office is of the view that the Court of First Instance correctly applied the criteria referred to above to the marks which the appellant had sought to register.

Findings of the Court

- 29 For a trade mark to possess distinctive character for the purposes of Article 7(1)(b) of Regulation No 40/94, it must serve to identify the goods or services in respect of

which registration is applied for as originating from a particular undertaking, and thus to distinguish the goods or services from those of other undertakings (see *Henkel v OHIM*, paragraph 34 and the case-law cited there).

- 30 The criteria for assessing the distinctive character of three-dimensional marks consisting of the shape of the product itself are no different from those applicable to other categories of trade mark. None the less, for the purpose of applying those criteria, the relevant public's perception is not necessarily the same in the case of a three-dimensional mark consisting of the shape of the product itself as it is in the case of a word or figurative mark consisting of a sign which is independent from the appearance of the products it denotes. Average consumers are not in the habit of making assumptions about the origin of products on the basis of their shape or the shape of their packaging in the absence of any graphic or word element and it could therefore prove more difficult to establish distinctiveness in relation to such a three-dimensional mark than in relation to a word or figurative mark (see *Henkel v OHIM*, paragraph 38 and the case-law cited there).
- 31 In those circumstances, the more closely the shape for which registration is sought resembles the shape most likely to be taken by the product in question, the greater the likelihood of the shape being devoid of any distinctive character for the purposes of Article 7(1)(b) of Regulation No 40/94. Only a mark which departs significantly from the norm or customs of the sector and thereby fulfils its essential function of indicating origin, is not devoid of any distinctive character for the purposes of that provision (see, to that effect, *Henkel v OHIM*, paragraph 39 and the case-law cited there).
- 32 Therefore, contrary to what the appellant submits, where a three-dimensional mark is constituted by the shape of the product for which registration is sought, the mere fact that that shape is a 'variant' of a common shape of that type of product is not sufficient to establish that the mark is not devoid of any distinctive character for the purposes of Article 7(1)(b) of Regulation No 40/94. It must always be determined

whether such a mark permits the average consumer of that product, who is reasonably well informed and reasonably observant and circumspect, to distinguish the product concerned from those of other undertakings without conducting an analytical examination and without paying particular attention.

33 The appellant has thus failed to establish that the Court of First Instance applied irrelevant and unduly strict criteria in deciding that the three-dimensional marks in question are devoid of any distinctive character.

34 The sixth ground of appeal must accordingly be rejected as unfounded.

The seventh ground of appeal

Arguments of the parties

35 By its seventh ground of appeal, the appellant submits that the Court of First Instance contravened Article 7(1)(b) of Regulation No 40/94 by relying, at paragraph 37 of the contested judgment, on the statement that 'the average consumer is accustomed to seeing shapes similar to those at issue here, in a wide variety of designs', so as to hold that the marks in question were devoid of any distinctive character.

36 According to the appellant, even if that statement were correct, two opposing conclusions may be drawn from it as to the perception of marks by consumers. Either, consumers may fail to recognise the shape as an indication of origin, because

they are, generally speaking, 'accustomed to seeing those shapes'. But, according to the appellant, that conclusion must be rejected, as, by incorporating in Regulation No 40/94 a category of marks constituted by the shape of the product, the Community legislature took the view that the shape of the product is an indication of its origin. Alternatively, the wide variety of designs in fact leads consumers to notice the shape of products and accordingly the variations which may arise in the design of products of different origins. According to the appellant, it is the latter conclusion which is correct, as it is clear that consumers do recognise shapes. The reasoning of the Court of First Instance at paragraph 37 of the contested judgment is thus inherently contradictory.

Findings of the Court

- 37 First, it does not follow in any way from paragraph 37 of the contested judgment that the Court of First Instance took the view that consumers will, as a matter of principle, fail to recognise the shape of goods as an indication of their origin.
- 38 Secondly, as regards the appellant's argument that the wide variety of designs in fact leads consumers to notice the shape of the goods and thus the variations that may arise in the design of goods of different origins, that argument seeks in reality to have this Court substitute its own appraisal of the facts for that of the Court of First Instance set out at paragraph 37 of the contested judgment.
- 39 As is clear from Article 225 EC and the first paragraph of Article 58 of the Statute of the Court of Justice, an appeal lies on a point of law only. The Court of First Instance thus has exclusive jurisdiction to find and appraise the relevant facts and to assess

the evidence. The appraisal of those facts and the assessment of that evidence thus does not, save where they distort the evidence, constitute a point of law which is subject, as such, to review by the Court of Justice on appeal (see, to that effect, *DKV v OHIM*, paragraph 22, and Case C-194/99 P *Thyssen Stahl v Commission* [2003] ECR I-10821, paragraph 20).

40 As distortion by the Court of First Instance of the facts or evidence put before it has not been alleged in this ground of appeal, the latter must be rejected as inadmissible.

The fourth ground of appeal

Arguments of the parties

41 By its fourth ground of appeal, the appellant submits that the Court of First Instance contravened Article 7(1)(b) of Regulation No 40/94 in failing to take account, when assessing the distinctive character of the marks in question, of the way in which consumers actually perceive them.

42 According to the appellant, as the Court of First Instance itself stated at paragraph 33 of the contested judgment, in order to assess a mark's distinctiveness, it is necessary to take account of all relevant elements linked to the specific circumstances of the case. However, in a manner which was blatantly inconsistent with that statement, the Court of First Instance wrongly restricted itself, at paragraphs 34 and 39 of the contested judgment, to an a priori assessment, without any reference to the use of the mark, by failing to have regard to the evidence relating to the perception by the public of the marks in question following their use.

- 43 There are purely legal considerations which justify taking into account the actual perception which the public has of a mark in order to assess its distinctiveness *ab initio*. First of all, according to the seventh recital in the preamble to Regulation No 40/94, the function of the protection afforded by a Community trade mark is to guarantee the trade mark as an indication of origin; the only way in which it can be established with certainty whether the role of the mark as an indication of origin is guaranteed is to rely on the actual perception of the mark by the relevant public. Next, it follows from the wording itself of Article 7 of Regulation No 40/94 — and particularly from the use of the words ‘in trade’ in Article 7(1)(c) and ‘the public’ in Article 7(1)(g) — that each of the absolute grounds for refusal referred to in Article 7(1) must be considered in the light of the opinion of the relevant public. Lastly, that interpretation has been confirmed on a number of occasions by the Court of Justice (*Baby-dry*, paragraph 42) and by the Court of First Instance (Case T-135/99 *Taurus-Film v OHIM (Cine Action)* [2001] ECR II-379, paragraph 27, and Case T-331/99 *Mitsubishi HiTec Paper Bielefeld v OHIM (Giroform)* [2001] ECR II-433, paragraph 24), and it is also the interpretation which has been adopted by the German courts.
- 44 The Office is of the opinion that the Court of First Instance was right to assess the distinctiveness of the marks in question, registration of which was applied for under Article 7(1)(b) of Regulation No 40/94, in the context of an a priori consideration and without reference to any actual use made of the sign. Article 7(3) of Regulation No 40/94, which relates to distinctiveness in consequence of use, would be rendered redundant if an assessment of the distinctiveness of a mark *ab initio* required that factors linked to its use be brought into account.
- 45 It is not disputed that the appellant has not invoked the use made of its mark for the purpose of Article 7(3) of Regulation No 40/94. The Court of First Instance was accordingly right to consider the distinctiveness of the marks in question from the point of view of a consumer who is accustomed to the shapes of torches that are on the market and is faced for the first time with the torches in question.

Findings of the Court

46 As was noted at paragraph 29 of this judgment, for a trade mark to possess distinctive character for the purposes of Article 7(1)(b) of Regulation No 40/94, it must serve to identify the goods or services in respect of which registration is applied for as originating from a particular undertaking, and thus to distinguish the goods or services from those of other undertakings.

47 If a mark does not *ab initio* have distinctive character within the meaning of Article 7(1)(b) of Regulation No 40/94, Article 7(3) provides that it may acquire such character in relation to the goods or services claimed in consequence of the use which has been made of it. That distinctive character may be acquired, inter alia, after the normal process of familiarising the relevant public has taken place (see Case C-104/01 *Libertel* [2003] ECR I-3793, paragraph 67).

48 In order to assess whether or not a mark is devoid of any distinctive character within the meaning of Article 7(1)(b) of Regulation No 40/94, the Office, or, where a challenge is brought, the Court of First Instance, must have regard to all the relevant facts and circumstances (see, in relation to Article 3(1)(b) of Directive 89/104, Case C-363/99 *Koninklijke KPN Nederland* [2004] ECR I-1619, paragraph 35).

49 In that regard, even if, as was pointed out at paragraph 19 of this judgment, that assessment must be carried out in relation to the presumed expectations of an average consumer of the goods or services in respect of which registration is sought, who is reasonably well informed and reasonably observant and circumspect, the possibility remains that evidence based on the actual perception of the mark by consumers may, in certain cases, provide guidance to the Office or, where a challenge is brought, the Court of First Instance.

- 50 However, in order to contribute to the assessment of the distinctiveness of a mark for the purposes of Article 7(1)(b) of Regulation No 40/94, that evidence must show that consumers did not need to become accustomed to the mark through the use made of it, but that it immediately enabled them to distinguish the goods or services bearing the mark from the goods or services of competing undertakings. As the Office rightly argues, Article 7(3) of Regulation No 40/94 would be redundant if a mark fell to be registered in accordance with Article 7(1)(b) by reason of its having become distinctive in consequence of the use made of it.
- 51 The evidence relating to the actual perception of the marks in question by consumers which the appellant has produced is summarised at paragraphs 21 and 22 of the contested judgment. It seeks to demonstrate that consumers were of the opinion that copies of the torches marketed by the appellant originated with it and that competitors recommended their products by saying that they were of the same design as the appellant's torches.
- 52 Contrary to what is submitted by the appellant, the Court of First Instance did not refuse in any way to consider that evidence.
- 53 First, in stating at paragraph 34 of the contested judgment that it is necessary to determine whether the marks in question would enable the targeted public to distinguish the goods or services bearing the mark from those of other undertakings 'in the context of an a priori examination and without reference to any actual use of the sign within the meaning of Article 7(3) of Regulation No 40/94', the Court of First Instance merely stated that it would not determine whether the marks in question had succeeded in becoming distinctive within the meaning of that provision, thereby giving effect to the fact that the appellant had not invoked it at any point in the proceedings.

54 Secondly, paragraph 39 of the contested judgment shows that the Court of First Instance considered the evidence summarised at paragraphs 21 and 22 of the contested judgment, but rejected it as not permitting the distinctive character of the marks in question to be established for the purposes of Article 7(1)(b) of Regulation No 40/94.

55 In that regard, it must be held that that evidence relates to the perception of the marks in question by consumers at a time when the torches in question had already been on the market for many years and when consumers were thus accustomed to their shape. Moreover, the appellant has itself accepted in its application that that evidence 'could also relate to the fact that the relevant public has associated the shape of the torches with the appellant ... by reason in particular of their use in trade'.

56 In those circumstances, the Court of First Instance was entitled, at paragraph 39 of the contested judgment, to hold, without distorting the evidence summarised at paragraphs 21 and 22 of the contested judgment, that that evidence failed to show that the marks in question had distinctive character within the meaning of Article 7(1)(b) of Regulation No 40/94, and that it was only capable of establishing that those marks could become distinctive in consequence of the use made of them for the purposes of Article 7(3) of that regulation.

57 The fourth ground of appeal must accordingly be rejected as unfounded.

The second ground of appeal

Arguments of the parties

- 58 By its second ground of appeal, the appellant argues that, at paragraph 39 of the contested judgment, the Court of First Instance distorted the evidence referred to at paragraphs 18, 19, 21 and 22 of the contested judgment which the appellant produced in support of its application, by holding, quite illogically, that the evidence related only to distinctiveness acquired through use for the purposes of Article 7(3) of Regulation No 40/94, with the result that the Court of First Instance left it out of account.
- 59 According to the appellant, that evidence relates wholly or mainly to the distinctive character, within the meaning of Article 7(1)(b) of Regulation No 40/94, *ab initio* of the marks in question.
- 60 The Office argues that the Court of First Instance summarised, at paragraphs 18, 19, 21 and 22 of the contested judgment, all the evidence relied on by the appellant, and subsequently, at paragraph 39 of the contested judgment, considered the significance of that evidence in relation to the substance of the case. According to the Office, the Court of First Instance rightly, and without infringing the general rules of logic, held that the facts relied on by the appellant might have had a role to play as part of an analysis based on Article 7(3) of Regulation No 40/94, but not on the basis of Article 7(1)(b) of that regulation.

Findings of the Court

61 As regards, first, the evidence summarised at paragraphs 21 and 22 of the contested judgment, the Court of First Instance could, for the reasons given at paragraphs 55 and 56 of this judgment, hold, without distorting that evidence, that it was only capable of establishing that the marks in question might have become distinctive in consequence of the use which had been made of them.

62 As regards, secondly, the evidence summarised at paragraphs 18 and 19 of the contested judgment, that evidence seeks to establish that, in view of the functional and aesthetic qualities of the shapes of the torches in question and their atypical design, they possess distinctive character.

63 Contrary to what the appellant claims, the Court of First Instance did not refuse to take that evidence into account in any way.

64 Paragraph 37 of the contested judgment makes it clear that the Court of First Instance considered the appellant's arguments based on the aesthetic qualities and the design of the torches in question, but that the result of its analysis was that it took the view that those characteristics were not sufficient to confer on the marks in question distinctive character within the meaning of Article 7(1)(b) of Regulation No 40/94.

65 Moreover, at paragraph 39 of the contested judgment, the Court of First Instance merely noted that the evidence intended to show the excellence of the design of those torches and their aesthetic and functional qualities did not show that the marks in question possessed distinctive character *ab initio*, but was capable only of demonstrating that they might become distinctive in consequence of the use made of them.

- 66 Contrary to what the appellant submits, the Court of First Instance did not distort that evidence in any way.
- 67 As regards the expert evidence produced by the appellant, the Court of First Instance was not bound to agree with the expert's opinion and was entitled to undertake its own appraisal of the distinctiveness of the marks in question.
- 68 Similarly, as regards the recognition which, according to the appellant, the design of the torches in question enjoys internationally, it must be held that the fact that goods benefit from a high quality of design does not necessarily mean that a mark consisting of the three-dimensional shape of those goods enables *ab initio* those goods to be distinguished from those of other undertakings for the purposes of Article 7(1)(b) of Regulation No 40/94.
- 69 In those circumstances, the second ground of appeal must be rejected as unfounded.

The third ground of appeal

Arguments of the parties

- 70 By its third ground of appeal, the appellant claims that the Court of First Instance infringed its right to be heard under the combined provisions of Article 6(2) EU, Article 6 of the European Convention on the Protection of Human Rights and Fundamental Freedoms and the first indent of Article 41(2) of the Charter of fundamental rights of the European Union proclaimed in Nice on 7 December 2000 (OJ 2000 C 364, p. 1).

- 71 First, the Court of First Instance was wrong to dismiss the evidence already referred to in relation to the second ground of appeal. The appellant criticises the Court of First Instance for rejecting its proposal that the author of the expert's report be heard as an 'expert witness'.
- 72 Secondly, the Court of First Instance failed to have regard to the evidence produced by the appellant which, according to it, shows both that other manufacturers use a very wide variety of torch shapes and also that the marks in question can clearly be distinguished from all those shapes. The Court of First Instance held, without having any reason for doing so, that the shape of the torches in question was commonly used by other manufacturers.
- 73 The Office argues that, by its third ground of appeal, the appellant is truly seeking to challenge the appraisal of the facts carried out by the Court of First Instance.
- 74 As regards the fact that the Court of First Instance did not wish to hear the author of the expert's report produced by the appellant, that decision did not amount to a breach of the rules of procedure, as it is for that Court alone to decide whether a hearing of a witness or expert evidence are necessary.

Findings of the Court

- 75 First, in so far as it criticises the Court of First Instance for failing to take into account the evidence summarised at paragraphs 18, 19, 21 and 22 of the contested judgment, the third ground of appeal is indissociable from the second ground and must therefore be rejected for the same reasons.

- 76 Next, as regards the criticism of the Court of First Instance for not wishing to hear the author of the expert's report produced by the appellant, as the latter proposed, it must be pointed out that the Court of First Instance is the sole judge of any need for the information available to it concerning the cases before it to be supplemented. Whether or not the evidence before it is sufficient is a matter to be appraised by it alone and, as already noted at paragraph 39 of this judgment, is not subject to review by the Court of Justice on appeal, except where the clear sense of that evidence has been distorted or the substantive inaccuracy of the Court of First Instance's findings is apparent from the documents in the case-file (Case C-315/99 P *Ismeri Europa v Court of Auditors* [2001] ECR I-5281, paragraph 19, and Joined Cases C-24/01 P and C-25/01 P *Glencore and Compagnie Continentale v Commission* [2002] ECR I-10119, paragraphs 77 and 78).
- 77 In the present case, the Court of First Instance was entitled, after having considered the whole of the facts and evidence before it, to hold that the hearing as a witness of the author of an expert's report already produced in the proceedings was not necessary for the purposes of its appraisal of the distinctive character of the marks in question, within the meaning of Article 7(1)(b) of Regulation No 40/94. The Court of First Instance accordingly did not infringe the right of the appellant to be heard by failing to order that the expert be led as a witness.
- 78 Lastly, inasmuch as the appellant criticises the Court of First Instance for failing to take account of the other evidence produced by it which, it claims, shows both that other manufacturers use a very wide variety of torch shapes and that the marks in question can clearly be distinguished from all those shapes, the third ground of appeal challenges in effect an appraisal of the facts. Accordingly, for the reason given in paragraph 39 of this judgment, and in the absence of any evidence of distortion of the facts or evidence, that ground of appeal is manifestly inadmissible in an appeal.
- 79 The third ground of appeal must accordingly be rejected as being partly unfounded and partly inadmissible.

The fifth ground of appeal

Arguments of the parties

- 80 By its fifth ground of appeal, the appellant argues that the Court of First Instance contravened Article 7(1)(b) of Regulation No 40/94 by basing its reasoning only on general propositions which are unsupported by any evidence, so as to hold that the marks which are the subject of the application for registration are devoid of any distinctive character.
- 81 According to the appellant, the Court of First Instance held at paragraphs 33, 36 and 37 of the contested judgment that the shapes in question are common and that the average consumer is accustomed to them, that those shapes are commonly found in trade and that the nature of the marks might influence the perception which the targeted public will have of them, without basing those findings on any factual evidence.
- 82 The Office claims that, as regards the question which torches should be considered to be common or coming naturally to mind, adequate findings had already been made by the Second Board of Appeal, particularly in the light of the series of representations of other shapes of torch produced by the appellant. It adds that, as the members of the Court of First Instance are themselves consumers for whom torches are familiar objects, they were in a position to assess on the basis of their own knowledge which shapes of torch are 'normal' and common.

Findings of the Court

- 83 First, as was pointed out at paragraph 30 of this judgment, average consumers are not in the habit of making assumptions about the origin of products on the basis of their shape or the shape of their packaging in the absence of any graphic or word element, and it could therefore prove more difficult to establish distinctiveness in relation to such a three-dimensional mark than in relation to a word or figurative mark.
- 84 The Court of First Instance was accordingly right to point out, at paragraph 33 of the contested judgment, that the nature of the mark in respect of which registration is sought might influence the perception which the relevant public will have of the mark.
- 85 In so far as it criticises the Court of First Instance for making a finding of that kind, the fifth ground of appeal is unfounded.
- 86 Secondly, contrary to what the appellant submits, the Court of First Instance did not, at paragraphs 36 and 37 of the contested judgment, reach conclusions that were unsupported by evidence, but carried out an appraisal of the evidence, based in particular on the consideration of the torches in question, which were produced before it.
- 87 The Court of First Instance thus reached the conclusion that the shapes of those torches are devoid of any distinctive character within the meaning of Article 7(1)(b) of Regulation No 40/94.

88 As was pointed out at paragraph 39 of this judgment, the appraisal of the facts does not, save where the facts or evidence submitted to the Court of First Instance have been distorted, which this ground of appeal does not allege, constitute a point of law which is subject, as such, to review by the Court of Justice on appeal.

89 In those circumstances, the fifth ground of appeal must be rejected as being partly unfounded and partly inadmissible, as, accordingly, must be the whole of the appeal.

Costs

90 Under Article 69(2) of the Rules of Procedure, which applies to appeal proceedings by virtue of Article 118 of those Rules, the unsuccessful party is to be ordered to pay the costs if they have been applied for in the successful party's pleadings. Since the Office has applied for costs against the appellant, and the latter's appeal has been unsuccessful, it must be ordered to pay the costs.

On those grounds, the Court (Second Chamber) hereby:

- 1. Dismisses the appeal;**
- 2. Orders Mag Instrument Inc. to pay the costs.**

Signatures.