

JUDGMENT OF THE COURT OF FIRST INSTANCE (Third Chamber)
24 November 2005 *

In Case T-346/04,

Sadas SA, established in Tourcoing (France), represented by A. Bertrand, lawyer,

applicant,

v

Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM), represented by A. Folliard-Monguiral and G. Schneider, acting as Agents,

defendant,

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

* Language of the case: French.

LTJ Diffusion SA, established in Colombes (France), represented by F. Fajgenbaum and S. Lederman, lawyers,

ACTION against the decision of the First Board of Appeal of OHIM of 7 June 2004 (Case R 393/2003-1), concerning opposition proceedings between Sadas SA and LTJ Diffusion SA,

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

composed of M. Jaeger, President, V. Tiili and O. Czúcz, Judges,

Registrar: I. Natsinas, Administrator,

having regard to the application lodged at the Registry of the Court of First Instance on 17 August 2004,

having regard to the response lodged at the Court Registry on 31 January 2005,

having regard to the response of the intervener lodged at the Court Registry on 20 January 2005,

further to the hearing on 6 July 2005,

gives the following

Judgment

Background to the dispute

- 1 On 9 September 1996, the applicant filed an application for 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.
- 2 The trade mark for which registration was sought is the word sign ARTHUR ET FELICIE.
- 3 The goods in respect of which registration was sought are in Classes 16, 24 and 25 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, following the limitation adopted by the applicant during the opposition proceedings, to the following descriptions:

— Class 16: ‘Home purchase catalogues’;

- Class 24: 'Fabrics for textile use; bed and table covers';
- Class 25: 'Clothing; footwear (except orthopaedic footwear); headgear, all these goods for children sold by mail order and in the specialised shops distributing the catalogue products'.

4 That application was published in *Community Trade Marks Bulletin* No 24/98 of 6 April 1998.

5 On 2 July 1998, the intervener filed, pursuant to Article 42 of Regulation No 40/94, a notice of opposition to registration of the mark applied for. The opposition was based on the existence, firstly, of the French registration No 17 731 dated 16 June 1983, renewed on 14 June 1993, and, secondly, on the international registration No 539 689 dated 31 May 1989 effective in Germany, Austria, Spain and the Benelux countries. The two earlier figurative marks are represented as follows:



6 The opposition was based on part of the goods listed in the Community trade mark application, namely the goods in Classes 24 and 25. It was based on all the goods covered by the earlier marks, namely 'textile articles, both ready to wear and made to measure, including boots, shoes and slippers' in Class 25.

- 7 The grounds relied on in support of the opposition were those set out in Article 8(1) (a) and (b) of Regulation No 40/94.
- 8 By decision of 8 October 1999 ('the decision of the Opposition Division of 8 October 1999') the Opposition Division rejected the opposition. It took the view that the conflicting signs were neither identical nor similar and that, since the intervener had not submitted any evidence likely to affect the analysis of the likelihood of confusion, such as documents allowing an assessment of the awareness of the earlier marks in the countries concerned, there could be no likelihood of confusion within the meaning of Article 8(1)(b) of Regulation No 40/94, whatever the degree of identity or similarity between the goods covered by the trade marks in question, such that it was not necessary to carry out a comparison of the goods.
- 9 On 7 December 1999, the intervener filed notice of appeal at OHIM, pursuant to Articles 57 to 62 of Regulation No 40/94, against the decision of the Opposition Division of 8 October 1999.
- 10 By decision of 19 June 2002, the Third Board of Appeal dismissed the appeal with regard to application of Article 8(1)(a) of Regulation No 40/94 and annulled the decision of the Opposition Division of 8 October 1999 insofar as it rejected the opposition on the ground of a lack of likelihood of confusion between the conflicting trade marks. It took the view that there were significant resemblances between them and referred the case back to the Opposition Division for a ruling on the likelihood of confusion, taking into account in particular the comparison of the goods, the limitation of the list of goods claimed by the applicant and the effect of new documents submitted by both parties and deemed admissible by the Board of Appeal.

- 11 By decision of 22 April 2003 ('the decision of the Opposition Division of 22 April 2003'), the Opposition Division upheld the opposition in part. Firstly, it held that the trade marks at issue were not identical and that Article 8(1)(a) of Regulation No 40/94 did not apply. Secondly, it considered that there was a risk of confusion, including the risk of association, for the goods in Class 25. It also held that the earlier French trade mark was reasonably well known in the French market.
- 12 On 18 June 2003, the applicant lodged an appeal before OHIM pursuant to Articles 57 to 62 of Regulation No 40/94 against the decision of the Opposition Division.
- 13 By decision of 7 June 2004 ('the contested decision'), the First Board of Appeal dismissed the appeal. In the light of the significant resemblances between the trade marks at issue, the identity of the corresponding goods and the high distinctive character and the awareness on the market of the earlier mark, the visual and aural differences which result from the presence of the words 'et' and 'Félicie' in the trade mark applied for were not sufficient to remove the likelihood of confusion for the French consumer for the goods in Class 25.

Forms of order sought

- 14 The applicant claims that the Court should:

— reverse the contested decision;

- annul the decision of the Opposition Division;
- order the intervener to pay the costs.

15 OHIM contends that the Court should:

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

16 The intervener contends that the Court should:

- confirm the contested decision;
- confirm the decision of the Opposition Division;
- order the applicant to pay the costs pursuant to Article 81 of Regulation No 40/94.

Admissibility of the documents produced for the first time before the Court of First Instance

- 17 The intervener submits that Annexes 15 and 21 to 30 to the application are new documents, in that they had not been produced before OHIM. Accordingly, those documents are inadmissible.
- 18 Annexes 22 to 24, 26 and 27 are extracts from internet sites; printed following the administrative procedure before OHIM. Annex 25 sets out the results of a survey carried out between 22 and 28 July 2003 by the market research company Ipsos ('the Ipsos survey') and does not appear in the administrative file either. Furthermore, nor was Annex 16, which sets out the results of an internet search made on 17 June 2003, produced before OHIM.
- 19 Those documents, produced for the first time before the Court, cannot therefore be taken into consideration. The purpose of actions before the Court of First Instance is to review the legality of decisions of the Boards of Appeal of OHIM for the purposes of Article 63 of Regulation No 40/94, so it is not the Court's function to review the facts in the light of documents produced for the first time before it. Accordingly, the abovementioned documents must be excluded, without it being necessary to assess their probative value (Case T-10/03 *Koubi v OHIM — Flabesa (CONFORFLEX)* [2004] ECR II-719, paragraph 52; Case T-399/02 *Eurocermex v OHIM (Shape of a beer bottle)* [2004] ECR II-1391, paragraph 52; Case T-396/02 *Storck v OHIM (Shape of a sweet)* [2004] ECR II-3821, paragraph 24; and Case T-164/03 *Ampafrance v OHIM — Johnson & Johnson (monBéBé)* [2005] ECR II-1401, paragraph 29).
- 20 Annexes 15 and 21 respectively set out a decision of the First Board of Appeal of 25 July 2001 and a judgment of the Tribunal de grande instance de Paris (Paris Regional

Court) of 23 January 2004. Although produced for the first time before the Court of First Instance, those documents are not strictly evidence but relate to OHIM's usual practice in reaching decisions and to national case-law, to which, even after the procedure before OHIM is complete, a party has the right to refer.

- 21 Annexes 28 to 30, which are documents required by the Rules of Procedure of the Court, namely an extract from the Companies and Commercial Register relating to the applicant, a copy of the proof of identity of its representative and his authority to act, are admissible.

Substance

- 22 The applicant relies essentially on a sole plea in law in support of its action: infringement of Article 8(1)(b) of Regulation No 40/94.
- 23 The applicant's principal submission is that the Board of Appeal failed to take into consideration several factors which should have led it to hold that there was no likelihood of confusion between the conflicting trade marks. Those factors are, *inter alia*, the weak intrinsic distinctive character of the earlier mark due to the registration of several dozen clothing trade marks including the word 'Arthur', the awareness on the market of the sign applied for even before the start of the opposition proceedings, the fact of the co-existence of the trade marks in question on the French market, the differences between the distribution structures and chains and between the categories of goods offered for sale by the applicant and the intervener and, finally, the Ipsos survey, which showed that there was no likelihood of confusion at all.

- 24 OHIM and the intervener claim that the Board of Appeal correctly found that there was a likelihood of confusion.
- 25 The Court reiterates that Article 8(1)(b) of Regulation No 40/94 provides that, upon opposition by the proprietor of an earlier mark, the mark applied for is not to be registered if because of its identity with or similarity to the earlier mark and the identity or similarity of the goods or services covered by the trade marks there exists a likelihood of confusion on the part of the public in the territory in which the earlier mark is protected. The likelihood of confusion includes the likelihood of association with the earlier mark. Moreover, Article 8(2)(a)(ii) and (iii) of Regulation No 40/94 provide that earlier marks include marks registered in a Member State and trade marks registered under international arrangements which have effect in a Member State, the application date for which is prior to that of the application for the Community trade mark.
- 26 According to settled case-law, the risk that the public might believe that the goods or services in question come from the same undertaking or, as the case may be, from economically linked undertakings constitutes a likelihood of confusion.
- 27 That case-law also states that the likelihood of confusion must be assessed globally, according to the perception by the relevant public of the signs and the goods or services in question, and taking into account all factors relevant to the circumstances of the case, in particular the interdependence between similarity of the signs and similarity of the goods or services designated (see Case T-162/01 *Laboratorios RTB v OHIM — Giorgio Beverly Hills (GIORGIO BEVERLY HILLS)* [2003] ECR II-2821, paragraphs 31 to 33, and the case-law cited).

The relevant public

- 28 In the present case, the earlier marks are a French national trade mark and an international trade mark effective in Germany, Austria, Spain and the Benelux countries. The contested decision is based solely on the earlier French trade mark, which the parties do not contest. Accordingly, the Court's examination must be limited to the likelihood of confusion between the trade mark applied for and the earlier French trade mark ('the trade mark Arthur') and thus to French territory.
- 29 The applicant criticises the definition of the relevant public, which is not the same for the goods marketed by the intervener and those which it markets, since only the latter are intended for children aged between 2 and 12 years. That argument cannot be accepted. To the extent that clothing goods for children are purchased by adults, the goods covered by the trade mark sought are just as much for adults as for children. The same is true of the intervener's goods, given that those may include clothing intended for children.
- 30 Accordingly, since the goods in question are everyday consumer goods, the target public is the average French consumer, who is deemed to be reasonably well informed and reasonably observant and circumspect.

The comparison of the goods

- 31 The Board of Appeal considered that the goods covered by the earlier mark were identical to those for which registration of a trade mark was sought by the applicant.

32 The applicant criticises that view, noting that, although the two trade marks cover items of clothing, the articles sold by the intervener are almost exclusively interior clothing (underpants, pyjamas, etc.) for men, women and children, whereas it markets street clothes and shoes intended exclusively for children aged between 2 and 12 years. Accordingly, the clothing sold by the applicant and the intervener does not have the same function. Furthermore, the marketing methods are not the same, since the applicant distributes its goods by mail order and catalogue whilst the intervener mainly distributes its goods in supermarkets and in shops. The small percentage (5%) of sales made by the intervener in the mail order sector and the small percentage (5%) of sales made by the applicant in shops are not sufficient to establish an identity of marketing methods.

33 In assessing the similarity of the goods or services concerned all the relevant factors which characterise the relationship between them should be taken into account. Those factors include, inter alia, their nature, their end users and their method of use and whether they are in competition with each other or are complementary (Case C-39/97 *Canon* [1998] ECR I-5507, paragraph 23).

34 Furthermore, where the goods covered by the earlier mark include the goods covered by the trade mark application, those goods are considered to be identical (see, to that effect, Case T-104/01 *Oberhauser v OHIM — Petit Liberto (Fifties)* [2002] ECR II-4359, paragraphs 32 and 33).

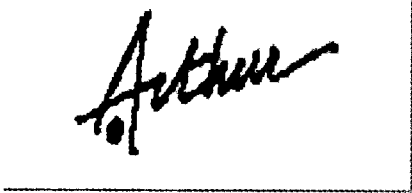
35 It should be noted that the comparison of the goods must relate to those covered by the registration of the trade marks in question and not to those for which the trade mark has been used unless, following an application made under Article 43(2) and (2) of Regulation No 40/94, it is apparent that the earlier mark has been used in relation to part only of the goods or services for which it is registered. In that case, for the purposes of consideration of the opposition, the earlier mark is deemed

registered only for that part of those goods. No such application has been made in the present case. Accordingly, the goods covered by the earlier mark which are to be taken into consideration in a comparison of the goods are all those for which that trade mark was registered.

- 36 In the present case, the goods for which the earlier mark was registered are 'textile articles, both ready to wear and made to measure, including boots, shoes and slippers' in Class 25. The goods for which the applicant seeks registration, forming the subject matter of the present dispute, are 'clothing; footwear (except orthopaedic footwear); headgear, all these goods for children sold by mail order and in the specialised shops distributing the catalogue products', also in Class 25.
- 37 It should be noted that the latter goods are included in the former. In essence, the goods for which the earlier mark was registered are not limited to an age category or to a given marketing method.
- 38 As OHIM correctly held, given that the goods covered by the earlier mark may also be intended for children, the reference to that specific public in the application for a Community trade mark does not affect the identity of the goods in question. Furthermore, since no specific marketing method is stated in the wording of the registration document of the earlier mark, the goods covered by it may also be distributed by a mail order network, in particular by way of a catalogue, in the same way as the goods covered by the trade mark sought.
- 39 Accordingly, the Board of Appeal did not err in holding that the goods covered by the conflicting trade marks were identical.

The comparison of the signs

- 40 It is clear from established case-law that the global assessment of the likelihood of confusion, as far as concerns the visual, aural or conceptual similarity of the conflicting signs, must be based on the overall impression given by them, bearing in mind, inter alia, their distinctive and dominant components (see Case T-292/01 *Phillips-Van Heusen v OHIM — Pash Textilvertrieb und Einzelhandel (BASS)* [2003] ECR II-4335, paragraph 47, and the case-law cited).
- 41 The applicant takes the view that the signs at issue are not similar, whereas OHIM and the intervener submit that they are similar.
- 42 The signs to be compared are the following:

	ARTHUR ET FELICIE
earlier mark	trade mark sought

- 43 It should be noted that, in the contested decision, the Board of Appeal stated merely that there are 'significant resemblances between the trade marks'. The grounds for

the finding made by the Board of Appeal are set out in the decision of the Opposition Division as follows:

‘It is clear that the two trade marks have in common the word “Arthur”. That is the only word contained in the earlier mark and constitutes the initial visual and aural element of the Community trade mark application. Although specific calligraphy is used for the earlier mark, the effect of the figurative aspect of the earlier mark should not be overestimated. The word “Arthur” remains clearly legible in the earlier mark. In fact it constitutes the dominant and distinctive feature of the trade mark. The addition of the word “Félicie” to the Community trade mark application does constitute a distinguishing feature, but its impact is reduced because of its position at the end of the sign. The attention of the average and normally attentive consumer would firstly and essentially be caught by the initial element: the word “Arthur”. Conceptually, the Board of Appeal cannot rule out the notion that the Community trade mark application may suggest, in the mind of the public, an extension to the range of goods covered by the trade mark Arthur. The Community trade mark application might be perceived as a variant of the earlier mark to indicate that, from now on, the trade mark will include items of interest to a female clientele. Consequently, the Board of Appeal considers that there are significant resemblances between the trade marks.’

- 44 The applicant submits that the trade mark for which it seeks registration is a complex mark constituted by three words and lodged in an upright printed font of a simple ‘sans-serif’ type, whereas the earlier mark is composed of a single word, lodged in the form of a handwritten cursive signature showing a dot between the two stems of the letter ‘a’. The different presentation of the common word ‘Arthur’, being of a weak intrinsic distinctive character, and the presence of the word ‘Félicie’ within the trade mark applied for constitute essential elements of differentiation. Moreover, the initial position of the word ‘Arthur’ in the trade mark sought is largely attenuated by the strong presence of the words ‘et’ and ‘Félicie’, even if they are at the end of the sign.

- 45 Those arguments cannot be accepted.

46 The word element 'Arthur' must be considered the dominant element of the earlier mark, since the figurative elements remain secondary, the dot being negligible and the particular calligraphy giving no indication of the origin of the goods covered independently of the word 'Arthur'. With regard to the trade mark sought, it is made up of the coordinating conjunction 'et' and two words, 'Arthur' and 'Félicie', which, a priori, independently of their position are indistinguishable. Nevertheless, given that the trade mark begins with the word 'Arthur', that could be considered the dominant element of the trade mark sought.

47 At the visual level, given that the figurative elements of the earlier mark are secondary relative to its word element, the comparison of the signs may be carried out on the basis of the word element alone, whilst still adhering to the principle that an assessment of the likelihood of confusion, with regard to the similarity of the signs, must be based on the overall impression given by them. Accordingly, since the earlier mark Arthur is entirely included in the trade mark sought ARTHUR ET FELICIE, the difference linked to the addition of the words 'et' and 'Félicie' at the end of the trade mark sought is not sufficiently large to counter the similarity created by the coincidence of the dominant element of the trade mark applied for, namely the word 'Arthur'. Moreover, since registration of the trade mark ARTHUR ET FELICIE was sought as a word mark, nothing prevents its use in different scripts, such as, for example, a form comparable to that used by the earlier mark. As a result, the signs at issue must be considered visually similar.

48 At an aural level, the applicant submits that the pronunciation of the trade mark ARTHUR ET FELICIE, comprising six syllables, is 'much richer and more extended' than that of the trade mark Arthur, comprising two syllables. Consequently, the trade marks differ strongly with regard both to their respective sequences and rhythms and to the number of their word elements.

49 Those arguments cannot be accepted. The fact that the sign comprising the earlier mark is wholly incorporated in the dominant element of the trade mark applied for

justifies the conclusion that there is significant phonetic similarity (see, to that effect, Joined Cases T-117/03 to T-119/03 and T-171/03 *New Look v OHIM — Naulover (NLSPORT, NLJEANS, NLACTIVE and NLCollection)* [2004] ECR II-3471, paragraph 37).

- 50 At a conceptual level, the applicant submits that the trade mark ARTHUR ET FELICIE, unlike the trade mark Arthur, refers to a mixed couple.
- 51 It should be noted that the earlier mark comprises the masculine given name Arthur, whereas the trade mark applied for comprises the same masculine given name, a coordinating conjunction and a feminine given name. Since they include the same masculine given name, a certain degree of conceptual similarity cannot be excluded, even though the trade mark applied for appears to refer to a couple. The addition of a feminine given name to the given name Arthur may give the impression of an extension to or a variant of the trade mark comprising the given name Arthur alone.
- 52 Consequently, it must be held that the Board of Appeal did not err in considering that there were significant resemblances between the signs at issue.
- 53 It remains necessary to make an overall assessment of the signs in question to ascertain whether there is a likelihood of confusion between them.

The likelihood of confusion

- 54 It is settled case-law that the more distinctive the earlier mark, the greater will be the likelihood of confusion (see, by analogy, Case C-251/95 *SABEL* [1997] ECR I-6191, paragraph 24). Marks with a highly distinctive character, either per se or because of

the recognition they possess on the market, thus enjoy broader protection than marks with a less distinctive character (see, by analogy, *Canon*, paragraph 18, and Case C-342/97 *Lloyd Schuhfabrik Meyer* [1999] ECR I-3819, paragraph 20).

- 55 In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, an overall assessment must be made of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, by analogy, Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee* [1999] ECR I-2779, paragraph 49, and *Lloyd Schuhfabrik Meyer*, paragraph 22).
- 56 In making that assessment, account should be taken, in particular, of the inherent characteristics of the trade mark, including whether it does or does not contain an element descriptive of the goods or services for which it has been registered; the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant sections of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations (see, by analogy, *Windsurfing Chiemsee*, paragraph 51, and *Lloyd Schuhfabrik Meyer*, paragraph 23).
- 57 The distinctive character of the earlier mark, and in particular its reputation, is therefore one factor which must be taken into account when determining whether the similarity between the signs or between the goods and services is sufficient to give rise to a likelihood of confusion (see, to that effect, *Canon*, paragraph 24; Case T-311/01 *Éditions Albert René v OHIM — Trucco (Starix)* [2003] ECR II-4625, paragraph 61; and Case T-66/03 *'Drie Mollen sinds 1818' v OHIM — Manuel Nabeiro Silveira (Galáxia)* [2004] ECR II-1765, paragraph 30).

58 In the present case, the Board of Appeal took the view that the earlier mark Arthur was powerfully distinctive both in itself and by reason of its intensive usage. At the date when it was lodged, namely in 1983, there was no evidence to show that other marks existed in France consisting of the given name Arthur, alone or combined with another word, to cover goods in Class 25, since all the marks referred to by the applicant were lodged at a later date. Nor was it shown that that given name was in current use in the field of fashion. According to the Board of Appeal, since no conceptual connection could be established between the goods covered by the earlier mark and the given name Arthur, that mark cannot per se be regarded as having a weak distinctive character. Furthermore, the Board of Appeal held that, by reason of the use of the earlier mark since its registration, it had undeniably acquired certain renown with regard, inter alia, to underwear and indoor clothing for both adults and children.

59 The applicant disputes the high distinctive character of the earlier mark. However, it does not dispute, as such, the market awareness of the earlier mark, but merely the fact that that renown itself is sufficient to give rise to a likelihood of confusion.

60 A trade mark may have a high distinctive character either per se or because of its recognition on the market. Accordingly, given that the applicant has not disputed the renown of the earlier mark, accepted by OHIM after consideration of evidence thereof voluntarily produced by the intervener, that renown must be considered proven and the earlier mark therefore enjoys greater protection than marks having a weaker distinctive character, even if it does not have a high distinctive character per se. In those circumstances, there is no need to consider whether the earlier mark has an intrinsically weak distinctive character because of the alleged co-existence of several dozen trade marks for clothing including the word 'Arthur', as the applicant submitted.

- 61 In any event, although the distinctive character of the earlier mark must be taken into account when assessing the likelihood of confusion (see, by analogy *Canon*, paragraph 24), it is only one factor among others involved in that assessment. Thus, even in a case involving an earlier mark of weak distinctive character, there may be a likelihood of confusion on account, in particular, of a similarity between the signs and between the goods or services covered (see, to that effect, Case T-112/03 *L'Oréal v OHIM — Revlon (FLEXI AIR)* [2005] ECR II-949, paragraph 61).
- 62 It remains necessary to consider the applicant's submission that the alleged co-existence of the earlier mark with the applicant's French mark ARTHUR ET FELICIE removes any likelihood of confusion in the present case.
- 63 It is true that it is not impossible that such co-existence may possibly reduce the likelihood of confusion found by OHIM between two conflicting marks. Nevertheless, such a situation can be taken into consideration only if, at the very least, during the procedure concerning the relative grounds of refusal before OHIM the applicant for the Community trade mark has duly shown that that co-existence was based on an absence of likelihood of confusion in the mind of the relevant public between the French trade mark ARTHUR ET FELICIE and the intervener's earlier mark on which the opposition is based and unless the French mark ARTHUR ET FELICIE and the conflicting marks are identical (see, to that effect, Case T-31/03 *Grupo Sada v OHIM — Sadia (GRUPO SADA)* [2005] ECR II-1667, paragraph 86).
- 64 In the present case, it is sufficient to state that the applicant's French trade mark and the intervener's earlier mark are not identical. Furthermore, the applicant has not shown that their co-existence was based on an absence of likelihood of confusion. It is apparent from the file that the French mark was registered in 1994 and that the intervener brought an action for counterfeiting before the Tribunal de grande instance de Paris in 1988 against the French mark ARTHUR ET FELICIE. By its judgment of 23 January 2004, the Tribunal de grande instance annulled that trade mark. That judgment was confirmed by the judgment of the Cour d'appel de Paris

(Paris Court of Appeal) of 11 May 2005. That clearly shows that the alleged co-existence is not peaceful. That consideration is not called into question by the fact that the action for counterfeiting was brought only four years after the registration of the French mark ARTHUR ET FELICIE, in that the applicant has failed to show that the intervener was actually aware of that mark before 1998, from the time it was lodged.

65 Furthermore, the applicant's arguments with regard to the renown of the mark sought and the fact that since the mark ARTHUR ET FELICIE was lodged in France and clothing was marketed under that mark in its catalogue from 1994 the applicant has made peaceful use of its mark without incident and, more particularly, without any claim from any other company to disturb that use are not sufficient. Between 1994 and 1998 more than 11 million catalogues were distributed in France, generating a turnover of more than EUR 35 million for the trade mark ARTHUR ET FELICIE, which has therefore become a truly recognised mark, associated by the public with the Vertbaudet catalogue and with the applicant, thus demonstrating the lack of likelihood of confusion.

66 In that regard, the applicant relies on the Ipsos survey, from which it is apparent that there was no likelihood of confusion in the mind of the public between the conflicting trade marks. Furthermore, that is confirmed by an internet search, since no linked occurrence of the two marks has been found. As has been stated above, those documents were produced for the first time before the Court and must, therefore, be disregarded.

67 With regard to the conditions under which the goods at issue are marketed, the applicant's argument that the goods covered by the earlier mark are sold almost exclusively in shops and supermarkets, whereas the mark applied for refers solely to goods sold by mail order, is without foundation. As has already been held, on a comparison of the goods, nothing prevents the goods covered by the earlier mark

from also being sold by mail order. In addition, it is apparent from the file that the intervener makes almost 5% of its sales by mail order. Furthermore, it is important to reiterate that the comparison between the goods in question is to be made on the basis of the description of the goods set out in the registration of the earlier mark. That description in no way limits the methods by which the goods covered by the earlier mark are likely to be marketed.

- 68 In addition, it is common in the clothing sector for the same mark to be configured in various ways according to the type of product which it designates. It is also common for a single clothing manufacturer to use sub-brands (signs that derive from a principal mark and which share with it a common dominant element) in order to distinguish its various lines from one another (feminine, masculine, young) (*Fifties*, paragraph 49; Case T-129/01 *Alejandro v OHIM — Anheuser-Busch (BUDMEN)* [2003] ECR II-2251, paragraph 57; and *NLSPORT, NLJEANS, NLACTIVE and NLCollection*, paragraph 51). In such circumstances it is conceivable that the relevant public may regard the clothing designated by the conflicting marks as belonging, admittedly, to two distinct ranges of products but as coming, none the less, from the same undertaking (see, to this effect, *Fifties*, paragraph 49). Accordingly, the Board of Appeal was right to find that the public might believe that the products designated by the mark ARTHUR ET FELICIE formed part of a new range of products and were marketed by the proprietor of the Arthur mark or by an economically-linked undertaking (see, to that effect, *BUDMEN*, paragraph 57). It is common ground that the intervener varied its mark as a figurative mark including the word element 'La fiancée d'Arthur' for certain lingerie goods for women.

- 69 In those circumstances, given the identity of the goods at issue, a certain similarity of the corresponding signs and the high distinctive character of the earlier mark, at least by reason of its recognition on the market, the Board of Appeal did not err in concluding that there was a likelihood of confusion between the conflicting marks. Furthermore, contrary to the applicant's submissions at the hearing and as is clear

from Article 8(1)(b) of Regulation No 40/94 and established case-law, it is not necessary to establish the existence of actual confusion, but the existence of a likelihood of confusion.

- 70 With regard to the national decisions and judgments to which the parties refer, it is sufficient to note that the Community trade mark regime is an autonomous system with its own set of objectives and rules peculiar to it; it applies independently of any national system (Case T-32/00 *Messe München v OHIM (electronica)* [2000] ECR II-3829, paragraph 47). Accordingly, the registrability of a sign as a Community trade mark is to be assessed on the basis of the relevant Community legislation alone.
- 71 So far as concerns OHIM's practice, it is apparent from the case-law 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 solely on the basis of that regulation, as interpreted by the Community judicature, and not on the basis of a previous practice of the Boards of Appeal (Case T-106/00 *Streamserve v OHIM (STREAMSERVE)* [2002] ECR II-723, paragraph 66; Joined Cases T-79/01 and T-86/01 *Bosch v OHIM (Kit Pro and Kit Super Pro)* [2002] ECR II-4881, paragraph 32; and Case T-33/03 *Osotspa v OHIM — Distribution & Marketing (Hai)* [2005] ECR II-763, paragraph 69).
- 72 Consequently, the applicant's sole plea in law must be rejected without it being necessary for the Court to rule on the admissibility of the applications for annulment and confirmation of the decision of the Opposition Division.

Costs

- 73 Under Article 87(2) of the Rules of Procedure, the unsuccessful party is to be ordered to pay the costs if they have been asked for in the successful party's pleadings. Since the applicant has been unsuccessful, it must be ordered to pay the costs incurred by OHIM as asked for by it. The intervener made submissions as to the allocation of costs only with regard to those incurred before OHIM. Accordingly, the intervener must bear its own costs.

On those grounds,

THE COURT OF FIRST INSTANCE (Third Chamber)

hereby:

- 1. Dismisses the action;**
- 2. Orders the applicant to pay the costs, with the exception of those incurred by the intervener;**

3. Orders the intervener to bear its own costs.

Jaeger

Tiili

Czúcz

Delivered in open court in Luxembourg on 24 November 2005.

E. Coulon

M. Jaeger

Registrar

President