

JUDGMENT OF THE GENERAL COURT (Sixth Chamber)

10 February 2010*

In Case T-344/07,

O2 (Germany) GmbH & Co. OHG, established in Munich (Germany), represented by A. Fottner and M. Müller, lawyers,

applicant,

v

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

defendant,

ACTION brought against the decision of the Fourth Board of Appeal of OHIM of 5 July 2007 (Case R 1583/2006-4), concerning an application to register the word sign Homezone as a Community trade mark,

* Language of the case: German.

THE GENERAL COURT (Sixth Chamber),

composed of A.W.H. Meij, President, V. Vadapalas and L. Truchot (Rapporteur),
Judges,

Registrar: J. Palacio González, Principal Administrator,

having regard to the application lodged at the Court Registry on 10 September 2007,

having regard to the response lodged at the Registry on 21 December 2007,

further to the hearing on 18 December 2008,

gives the following

Judgment

Background to the dispute

- ¹ On 10 October 2005, the applicant, O2 (Germany) GmbH & Co. OHG, filed an application for a Community trade mark at the Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM), pursuant to Council Regulation (EC)

No 40/94 of 20 December 1993 on the Community trade mark (OJ 1994 L 11, p. 1), as amended (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 in respect of which registration was sought is the word sign Homezone.

- 3 The goods and services in respect of which registration was sought are in Classes 9, 38 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.

- 4 By decision of 7 November 2006, the examiner rejected the application for registration pursuant to Article 7(1)(b) and (c) and Article 7(2) of Regulation No 40/94 (now Article 7(1)(b) and (c) and Article 7(2) of Regulation No 207/2009) for the following goods and services:
 - Class 9: ‘Apparatus for recording, transmission or reproduction of sound or images; magnetic data carriers; data processing equipment and computers’;

 - Class 38: ‘Telecommunications; rental of telecommunication equipment; providing services in connection with online services, namely the transmission of messages and information of all kinds; telephone information services, in particular direct connection to the required connection, communication of telephone numbers, addresses, fax numbers; network operator services, information broker services and provider services, namely arranging and leasing access time to data

networks and computer databases, in particular on the internet; providing access to databases on computer networks’;

- Class 42: ‘Engineering services; computer programming; computer programming services; providing of expert opinion; technical consultancy and providing of expertise; rental of data processing equipment and computers; technical design and planning of telecommunications equipment; network operator, information broker and provider services, namely arranging and leasing access time to computer databases; research in the field of telecommunications engineering; updating of database software; storage of data in computer databases; installation and maintenance of database software; leasing of access times to data bases.’

- 5 On 1 December 2006, the applicant brought an appeal against that decision.

- 6 By decision of 5 July 2007 (‘the contested decision’), the Fourth Board of Appeal dismissed the appeal and confirmed the decision of the examiner. The Board of Appeal, first, considered that Article 7(1)(c) of Regulation No 40/94 prevented the word mark Homezone from being registered. It found that that mark consisted exclusively of indications which could serve, in trade, to designate the characteristics of the goods and services in question. The Board of Appeal then stated that the mark applied for was not capable of distinguishing the goods and services concerned according to their commercial origin and that a word mark which designates the characteristics of those goods or services, in a directly perceptible manner, was inevitably devoid of any distinctive character on that basis. Finally, it pointed out that the grounds for refusal laid down in Article 7(1)(b) and (c) could not be overridden on the basis of Article 7(3) of Regulation 40/94 (now Article 7(3) of Regulation No 207/2009). Since the applicant had failed to provide evidence of trade acceptance of the mark in Great Britain or Ireland, the grounds for refusal existed not only in German-speaking regions but also in English-speaking regions.

Forms of order sought by the parties

7 The applicant claims that the Court should:

— annul the contested decision;

— order OHIM to pay the costs, including those incurred in the proceedings before OHIM.

8 OHIM contends that the Court should:

— dismiss the action;

— order the applicant to pay the costs.

Law

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

- 9 At the hearing, the applicant produced various documents in support of its answer to one of the written questions put by the Court.
- 10 OHIM pointed out that those documents were produced out of time.
- 11 Since the answer to the questions put by the Court did not require the submission of any documents, those documents, produced for the first time before the Court, cannot be taken into consideration. The purpose of actions before the Court 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 (now Article 65 of Regulation No 207/2009), 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 (see, to that effect, Case T-346/04 *Sadas v OHIM - LTJ Diffusion (ARTHUR ET FELICIE)* [2005] ECR II-4891, paragraph 19, and the judgment of 12 November 2008 in Case T-210/05 *Nalocebar v OHIM — Limiñana y Botella (Limoncello di Capri)* [2008], not published in the ECR, paragraph 16 and the case-law cited).

Substance

- 12 The applicant raises three pleas in support of its action. By its first plea, alleging infringement of Article 7(1)(c) of Regulation No 40/94, it submits that, contrary to what was found by the Board of Appeal, the word sign Homezone does not designate the

goods and services in respect of which registration was sought. By its second plea, alleging infringement of Article 7(1)(b) of Regulation No 40/94, it asserts that, in finding that the sign was devoid of any distinctive character, the Board of Appeal based its decision solely on the descriptive character of that sign, without actually showing that it lacked distinctive character. Finally, by its third plea, alleging infringement of Article 7(3) of Regulation No 40/94, it claims that the sign Homezone has distinctive character by reason of the use made of it.

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

— Arguments of the parties

- 13 The applicant submits that the ground for refusal laid down in Article 7(1)(c) of Regulation No 40/94 applies only to marks and indications which directly designate goods and services. To be able to claim that a mark designates goods or services, that designation must be so clear and certain that the relevant public is immediately able to establish a specific and direct link between the goods and services concerned and the meaning of the mark applied for, without further thought. It needs to be borne in mind that the relevant public, including specialists, perceive the distinctive signs of goods and services as they appear to them and that, normally, they are not likely to analyse the terms which make up those signs to identify a designation therein.
- 14 In the applicant's view, the Board of Appeal did not establish that the mark applied for met those conditions. It submits that the Board of Appeal did not indicate how, in everyday English or German, the term 'homezone', which does not play any designating role, is descriptive. The applicant adds that the Board of Appeal incorrectly found that the German-speaking public would perceive 'homezone' or 'home zone' as meaning 'Heimbereich' (home area) or 'Nahzone' (local area). Finally, it claims that

the Board of Appeal failed to establish the existence of a direct link between the term ‘homezone’ and the goods and services concerned or their characteristics.

- 15 OHIM contends that the word element ‘homezone’ can describe characteristics of the goods and services in question. In OHIM’s view, ‘homezone’ may designate a zone to which a reduced tariff applies, comparable to landline tariffs, which constitutes one of the characteristics of the telecommunications services included in Class 38. That tariff advantage is also a factor relevant to the other services in Class 38 which are usually offered with telecommunications services. Moreover, the goods in Class 9, as well as the services in Class 42 in respect of which registration was sought, are indispensable for the provision of telecommunications services. The fact that those goods and services may be used outside the telecommunications sector does not preclude that technical functionality, namely their use for the purposes of the telecommunications services included in Class 38, from being the characteristic which makes the sign Homezone descriptive of those goods. Furthermore, the sign Homezone could inform consumers of the fact that the goods and services at issue are intended to be used at home or that special home area tariffs are applicable to those services.
- 16 OHIM considers that the requirement that the word sign at issue be interpreted as a whole has been complied with. In addition, it is not relevant to raise questions in relation to other possible meanings of the sign Homezone, since it is sufficient that one of its possible meanings is descriptive of the goods and services in respect of which registration is sought.
- 17 It submits that the assessment of the descriptive character of a sign must be based on the point of view of the average consumer and that of professionals who are confronted with the goods in question in Class 9 and the services in question in Classes 38 and 42. Moreover, reliable information was used as the basis of the finding that the sign had been used descriptively in the German-speaking world.

— Findings of the Court

- 18 Under Article 7(1)(c) of Regulation No 40/94, trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin or the time of production of the goods or of rendering of the service, or other characteristics of the goods or service, are not to be registered.
- 19 In addition, it is clear from the wording of Article 7(2) of Regulation No 40/94 that a sign is to be refused registration where it is descriptive or is not distinctive in the language of one Member State, even if it is registrable in another Member State (Case C-104/00 P *DKV v OHIM* [2002] ECR I-7561, paragraph 40).
- 20 By prohibiting the registration as Community trade marks of such signs and indications, Article 7(1)(c) of Regulation No 40/94 pursues an aim which is in the public interest, namely that descriptive signs or indications relating to the characteristics of goods or services in respect of which registration is sought may be freely used by all. That provision accordingly prevents such signs and indications from being reserved to one undertaking alone because they have been registered as trade marks (Case C-191/01 P *OHIM v Wrigley* [2003] ECR I-12447, paragraph 31, and Case T-207/06 *Europig v OHIM (EUROPIG)* [2007] ECR II-1961, paragraph 24).
- 21 In order to be caught by Article 7(1)(c) of Regulation No 40/94, it is sufficient that at least one of the possible meanings of a word sign designates a characteristic of the goods or services concerned (Case C-363/99 *Koninklijke KPN Nederland* [2004] ECR I-1619, paragraph 97, and the order of 13 February 2008 in Case C-212/07 P *Indorata-Serviços e Gestão v OHIM* [2008], not published in the ECR, paragraph 35; see also, by analogy, *OHIM v Wrigley*, paragraph 32).

- 22 Therefore, for the purposes of the application of Article 7(1)(c) of Regulation No 40/94, it needs to be examined whether, in at least one of its possible meanings, the sign at issue designates a characteristic of the goods and services concerned.
- 23 According to settled case-law, a sign's distinctiveness must be assessed, first, by reference to the goods or services in respect of which registration is applied for and, second, by reference to the perception which the relevant public has of it (Case T-356/00 *DaimlerChrysler v OHIM (CARCARD)* [2002] ECR II-1963, paragraph 25, and Case T-260/03 *Celltech v OHIM (CELLTECH)* [2005] ECR II-1215, paragraph 28).
- 24 In the present case, as pointed out by the Board of Appeal in point 16 of the contested decision and not disputed by the applicant, the term 'homezone', which is made up of English words, will be understood not only by English-speaking consumers, but also, and in particular, by most German-speaking consumers since the word 'zone' also exists in German and the word 'home' is part of basic English vocabulary. It can therefore be considered that the relevant public is English-speaking and German-speaking.
- 25 Since the goods and services at issue are intended not only for final consumers but also, in so far as concerns some of those goods and services, at a specialised public, the relevant public is made up of both professionals and final consumers, who are reasonably well informed and reasonably observant and circumspect.
- 26 As regards the meaning of the mark applied for, it is settled case-law that, for a trade mark which consists of a word or a neologism produced by a combination of elements to be regarded as descriptive within the meaning of Article 7(1)(c) of Regulation No 40/94, it is not sufficient that each of those components may be found to be descriptive, but the word or neologism itself must also be found to be so (judgment of 12 June 2007 in Case T-339/05 *MacLean-Fogg v OHIM (LOKTHREAD)*, not published in the ECR, paragraph 30 and the case-law cited).

- 27 A trade mark consisting of a neologism or a word composed of elements each of which is descriptive of characteristics of the goods or services in respect of which registration is sought is itself descriptive of the characteristics of those goods or services for the purposes of Article 7(1)(c) of Regulation No 40/94, unless there is a perceptible difference between the neologism or the word and the mere sum of its parts. That assumes that, because of the unusual nature of the combination in relation to the goods or services, the neologism or word creates an impression which is sufficiently far removed from that produced by the mere combination of meanings lent by the elements of which it is composed, with the result that the word is more than the sum of its parts. In that connection, an analysis of the term in question in the light of the relevant lexical and grammatical rules is also useful (see *LOKTHREAD*, paragraph 31 and the case-law cited).
- 28 In the present case, the sign Homezone is made up of two words, 'home' and 'zone', placed together to form a single word.
- 29 The English word 'home' corresponds to the German word 'Heim.' The second word, 'zone', which also exists in German, designates, in both languages, a delineated territory or space. Each of those elements is thus capable of being descriptive since they both have a precise meaning.
- 30 In addition, the structure of the term 'homezone', which is the juxtaposition of the words 'home' and 'zone', is not unusual. On the contrary, that type of combination complies with English and German grammar rules. Consequently, the meaning which may be given to the sign at issue does not differ from that which results from the combination of the two words of which it is composed, with the result that the sign is not likely to create an impression different from that produced by the mere combination of meanings lent by those two words.
- 31 The applicant concedes that, as noted by the Board of Appeal in point 16 of the contested decision, the words 'home' and 'zone' have a meaning in English. However, it

considers that the expression ‘homezone’ designates the streets of a residential zone within which, by the adoption of various measures, the emphasis is on a high standard of living and security. In German, that expression could be translated as ‘*verkehrsberuhigter Bereich*’ (reduced traffic area), ‘*Spielstrasse*’ (street forming a designated playing area) or even ‘*Wohngebiet*’ (residential zone). In its view, the Board of Appeal failed to show that that sign reflected the idea of ‘*Heimbereich*’ (home area) or ‘*Nahzone*’ (local area) or as a term which, for an English and German-speaking public, designates telecommunications goods or services.

- 32 In that regard, it is worth pointing out that, in accordance with settled case-law (see paragraph 21 above), in order to be caught by Article 7(1)(c) of Regulation No 40/94, it is sufficient that at least one of the possible meanings of the sign designates a characteristic of the goods or services concerned. In addition, it follows from the case-law cited in paragraphs 26 and 27 above that the application to register a trade mark consisting of a neologism may be refused if that mark appears to be descriptive. The applicant cannot therefore complain that the Board of Appeal based its assessment on an incorrect translation of the sign at issue and disregarded the only meaning which should be attributed to that sign.
- 33 The Board of Appeal thus did not err in inferring from the meaning of each of its components that one of the possible meanings of the word element ‘homezone’ is ‘*Heimbereich*’ (home area) or ‘*Nahzone*’ (local area).
- 34 Since the Board of Appeal rightly recognised one of the possible meanings of the sign at issue, it should be noted that, for such a sign to be caught by the prohibition in Article 7(1)(c) of Regulation No 40/94, there must be a sufficiently direct and specific link to the goods or services in question to enable the public concerned immediately to perceive, without further thought, a description of the goods or services in question or of one of their characteristics (order in Case C-150/02 P *Streamserve v OHIM* [2004] ECR I-1461, paragraph 31; Case T-106/00 *Streamserve v OHIM (STREAMSERVE)* [2002] ECR II-723, paragraph 40; Case T-458/05 *Tegometall International v OHIM - Wuppermann (TEK)* [2007] ECR II-4721, paragraph 80; and Case T-304/06 *Reber v OHIM - Schokoladefabriken Lindt & Sprüngli (Mozart)* [2008] ECR II-1927, paragraph 90).

35 It must be examined whether that is the case here in respect of the goods and services covered in the trade mark application.

The telecommunications services in Class 38

36 As regards those services, the Board of Appeal deduced that the term ‘homezone’ is descriptive from two sets of findings.

37 First, it stated, in points 17 and 18 of the contested decision, that mobile telephone service providers offered some of those services at tariffs comparable to those of landlines when the user is inside a zone which he himself has defined, and that, as demonstrated by the examples from the internet referred to by the examiner, the term ‘homezone’ was used by certain providers, not as a trade mark, but descriptively to designate those services.

38 Second, the Board of Appeal considered, in point 19 of the contested decision, that the question whether the sign applied for was already used to designate the mobile telephone service described above was of no importance since, for an application for registration to be rejected on the basis of Article 7(1)(c) of Regulation No 40/94, it was not essential for the sign actually to be in use on the day the application for registration was filed. It added that, in the present case, the sign, as such, was capable of designating the essential characteristic of such a service, namely the zone in which the reduced tariff, comparable to landline tariffs, was applicable.

39 The applicant submits that the Board of Appeal did not state how the term ‘homezone’ was used to designate the services in question.

40 It should be noted that, for the reasons set out in paragraph 37 above, the Board of Appeal, after describing the mobile telephone services designated, in its view, by the term ‘homezone’, referred to the examples given by the examiner and concluded that the word was used descriptively by certain providers.

41 Since the Board of Appeal made its decision on the basis of the characteristics of certain specific mobile telephone services present on the market and not on the basis of characteristics common to telecommunications services considered independently of their presence on the market, it was required, in order to decide as it did, to establish that the mark applied for was descriptive of those mobile telephone services.

42 However, since the Board of Appeal merely referred to the examples from the mobile telephone market given by the examiner, without describing them, even in summary form, the contested decision does not justify the conclusion that the trade mark Homezone is descriptive of telecommunications services in Class 38.

43 Those examples were given by the examiner in support of his reasoning that was intended to show that the sign at issue was devoid of any distinctive character since it was already being used on the market concerned to introduce goods and services. Those examples cannot therefore be relied on to support reasoning based on Article 7(1)(c) of Regulation No 40/94 relating to the descriptiveness of a mark.

44 It should be added that the Board of Appeal does not explain how those examples could justify a finding that the trade mark Homezone is descriptive.

- 45 In addition, even supposing that they were mentioned in the context of examination of a plea alleging infringement of Article 7(1)(c) of Regulation No 40/94, the examples referred to in the contested decision are made up of internet articles which are presented by the examiner in the form of a list. The examiner merely mentioned their titles, the addresses of the sites from which they came and quoted a few sentences without giving their precise origin. Those titles and sentences, which probably derive from those articles, refer to the word 'homezone' without specifying how that term is capable of designating the services in question.
- 46 Furthermore, the finding made by the examiner on the basis of information from Wikipedia must also be disregarded since, as it is based on an article from a collective encyclopaedia established on the internet, whose content may be amended at any time and, in certain cases, by any visitor, even anonymously, such a finding is based on information lacking certainty.
- 47 The Board of Appeal added that action taken by the applicant against use of the term 'homezone' by its competitors, as shown by an injunction of 5 September 2005, was not successful in preventing that term from being used as the obvious name for the services in question. The Board of Appeal did not, however, give any details regarding the terms of that injunction on which it based its assessment, nor the link between the injunction and its assessment. Furthermore, that assessment was expressed in the form of a mere assertion.
- 48 It should be added that the Board of Appeal based its reasoning on the correct premise that the descriptiveness of a sign did not depend on its actual use (see paragraph 38 above). However, it confined itself to stating that the sign Homezone was capable of designating the reduced tariff of the mobile telephone service described without specifying how that sign, which it had found could designate a 'Heimbereich' (home area) or 'Nahzone' (local area), involved a reference to the idea of a tariff and, as a result, was capable of designating a telecommunications service characterised by a specific tariff system.

49 Consequently, the Board of Appeal, which referred exclusively in its decision to certain mobile telephone services present on the market, did not establish the correctness of the facts on which it based its reasoning. It thereby failed to establish that the trade mark Homezone could designate a telecommunications service in Class 38 or one of its characteristics. The first plea must therefore be upheld in so far as concerns those services.

— Other services in Class 38

50 As regards those services, the Board of Appeal justified its refusal to register the sign Homezone in point 20 of the contested decision, in the following terms:

‘Other services in Class 38 in respect of which registration of the mark is sought accompany and support the use of the telephone service with the reduced tariff option as described. Thus, on conclusion of a telephone contract, the service provider often makes certain equipment available to rent. These days, a mobile telephone contract often provides access to online services. Telephone information and other services provided by network operators, information brokers and access providers also form part of the typical overall package which is generally offered with a mobile telephone contract. The tariff structure, including the “Homezone” option, is directly relevant for those services as well.’

51 Therefore, in making its decision on the descriptiveness of the Homezone trademark as regards other services in Class 38, the Board of Appeal referred specifically to the telephone information and other services provided by network operators, information brokers and access providers, some of which are online services, that are generally offered by those operators as part of overall mobile telephone packages.

- 52 Consequently, it inferred the descriptiveness of the mark Homezone from the finding that those services are associated with mobile telephone services which involve the so-called 'homezone' tariff option, in so far as they are offered at the same time as the mobile telephone package, which they thus make more attractive.
- 53 As stated in paragraphs 40 to 49 above, the Board of Appeal did not establish that the mark Homezone could designate a telecommunications service in Class 38 or one of the characteristics thereof. Consequently, the Board of Appeal could not consider that mark also to be descriptive of the other services in Class 38 on the sole ground that those services are associated with the mobile telephone service which involves the 'homezone' tariff option.
- 54 Moreover, the Board of Appeal did not characterise the existence of a direct and specific link which the relevant public could establish between the mark Homezone, which may be associated with the idea of geographical location and does not include any reference to the notion of tariffs, and the provision of services relating to online or telephone information services. Furthermore, it cannot be inferred from the contested decision that such services might be offered or provided on conditions determined on the basis of geographical considerations.
- 55 Consequently, the Board of Appeal did not establish that the mark Homezone could designate services in Class 38 other than telecommunications services or one of their characteristics. The first plea must therefore be upheld as regards those services.

— Goods and services in Classes 9 and 42

- 56 As regards 'apparatus for recording, transmission or reproduction of sound or images; magnetic data carriers, data processing equipment and computers' in Class 9, the

Board of Appeal stated, in point 21 of the contested decision, that the application for registration of the mark Homezone had to be rejected in relation to those goods since they ‘enable the mobile telephone service which [the mark] describes to be provided.’

57 Thus, in the view of the Board of Appeal, the reason why the sign at issue must be regarded as being capable of designating the goods in question in Class 9 is that those goods make it possible for the mobile telephone service described by that sign to operate.

58 It must be pointed out that, in arriving at that conclusion, the Board of Appeal did not satisfy the requirements laid down in the case-law set out in paragraph 34 above, pursuant to which, for a sign to be classed as descriptive, it must be shown that there is a sufficiently direct and specific link to the goods or services in question to enable the public concerned immediately to perceive, without further thought, a description of the goods or services in question or of one of their characteristics.

59 In stating that the goods in question in Class 9 ‘enable’ the mobile telephone service to be provided, the Board of Appeal described a functional relationship between those goods and one of the services in Class 38, whereas it should have pointed to the existence of a direct and specific link which the relevant public could establish between the term ‘homezone’, which may be associated with the idea of geographical location, and the goods in question, which are intended for recording, transmission and reproduction of sound or images and for data processing.

60 Even had it been established, the capacity of those goods to make possible the operation of a mobile telephone service characterised by tariffs calculated on the basis of the location of the beneficiary of that service does not establish the descriptiveness of the sign Homezone, the meaning of which as regards such goods or some of their characteristics is, furthermore, unrelated to any notion of tariffs.

- 61 Consequently, the Board of Appeal has not established that the mark Homezone could designate the goods in question in Class 9 or one of their characteristics. The first plea must therefore be upheld in so far as concerns those goods.
- 62 The Board of Appeal stated that the finding that the goods in question in Class 9 enabled the mobile telephone service to be provided was also valid for the services in Class 42, in respect of which objections were raised.
- 63 It added that ‘engineering services; computer programming; computer programming services; providing of expert opinion; technical consultancy and providing of expertise; rental of data processing equipment and computers; technical design and planning of telecommunications equipment’ in Class 42 ‘serv[ed] to make the necessary technology available’.
- 64 Finally, the Board of Appeal considered that ‘network operator, information broker and provider services, namely arranging and leasing access time to computer databases; research in the field of telecommunications engineering; updating of database software; storage of data in computer databases; installation and maintenance of database software; leasing of access times to data bases’ were ‘necessary to collect and process the parameters of the service (for example, the localisation and boundaries of the homezone determined by the user) and the customer data required for billing purposes’.
- 65 It should be noted that those grounds do not point to the existence of a direct and concrete link which the relevant public could establish between the term ‘homezone’, in the sense of ‘home area’ or ‘local area’ and the services at issue.

- 66 First, the ground, to the effect that the services in Class 42 ‘enable the mobile telephone service which [the mark] describes to be provided’ has the same shortcomings as the grounds set out in paragraphs 58 and 59 above in relation to the goods at issue in Class 9. Thus, even had it been established, the capacity of the services in question in Class 42 to make possible the operation of a mobile telephone service characterised by tariffs calculated on the basis of the location of the beneficiary of that service does not establish the descriptiveness of the sign Homezone as regards such services or some of their characteristics.
- 67 The technology particular to each of the categories of service in question in Class 42 is made available to the mobile telephone service described in paragraph 59 above and the general and abstract reference to the making available of such non-identifiable technology does not enable it to be established, in the absence of information making it possible to point to the existence of a link between the sign Homezone and the services in question, that the sign is descriptive of those services or of some of their characteristics.
- 68 Finally, apart from the fact that the ground to the effect that the other services at issue are ‘necessary to collect and process the parameters of the service (for example, the localisation and boundaries of the homezone determined by the user) and the customer data required for billing purposes’ does not make it possible to determine, for each of the categories of service in question, how those services are necessary for the collection and processing of the parameters of the mobile telephone service and the data required for billing purposes, from the point of view of geographical localisation and the boundaries of the homezone of the user, it also does not establish that the sign Homezone is descriptive of such services or of some of their characteristics. It is not apparent from that reasoning that the relevant public will perceive, immediately, and without further thought, the sign Homezone as being descriptive of one of the characteristics of those services.
- 69 Accordingly, the Board of Appeal did not establish that the mark Homezone could designate the services at issue in Class 42 or one of their characteristics. The first plea

must therefore be upheld in so far as concerns those services and, consequently, in respect of all the goods and services in respect of which registration was sought.

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

— Arguments of the parties

⁷⁰ The applicant submits that the Board of Appeal inferred that the sign Homezone lacked distinctiveness solely from its supposed descriptiveness and that, since it was not established that the sign was descriptive, the absolute ground for refusal of registration laid down in Article 7(1)(b) of Regulation No 40/94 was also not established.

⁷¹ In addition, it submits that the Board of Appeal did not address several of its arguments.

⁷² OHIM contends that the lack of distinctiveness of the sign at issue results from the finding that it is descriptive. Accordingly, the Board of Appeal was not required to state the other grounds on which it considered that the sign at issue was devoid of any distinctive character. It adds that that sign has no originality either visually or

phonetically that would render it capable of distinguishing the applicant's goods and services from those of other undertakings as far as the relevant public is concerned.

— Findings of the Court

⁷³ Under Article 7(1)(b) of Regulation No 40/94, trade marks which are devoid of any distinctive character are not to be registered.

⁷⁴ First of all, it is settled case-law that each of the grounds for refusal to register listed in Article 7(1) of Regulation No 40/94 is independent of the others and calls for separate examination (Joined Cases C-456/01 P and C-457/01 P *Henkel v OHIM* [2004] ECR I-5089, paragraph 45 and the case-law cited).

⁷⁵ The Court has also stated that the various grounds for refusal must be interpreted in the light of the public interest underlying each of them. The public interest taken into account in the examination of each of those grounds for refusal may, indeed must, reflect different considerations, depending upon which ground for refusal is at issue (*Henkel v OHIM*, paragraphs 45 and 46).

- 76 In that regard, it should be noted that the notion of public interest underlying Article 7(1)(b) of Regulation No 40/94 is, manifestly, indissociable from the essential function of a trade mark, which is to guarantee the identity of origin of the marked goods or services to the consumer or end-user by enabling him, without any possibility of confusion, to distinguish the goods or services from others which have another origin (Case C-329/02P *SAT.1 v OHIM* [2004] ECR I-8317, paragraphs 23 and 27; Case C-37/03 P *BioID v OHIM* [2005] I-79757, paragraph 60; and Case C 304/06 P *Eurohypo v OHIM* [2008] ECR I-3297, paragraph 56).
- 77 In the present case, the Board of Appeal considered, in point 24 of the contested decision, that the application for registration of the mark at issue should be rejected on the ground that the mark was not capable of distinguishing the goods and services in question according to their commercial origin, since it designated the characteristics of those goods or services in a directly perceptible manner.
- 78 In assessing the distinctive character of the term ‘homezone’, the Board of Appeal thus confined itself to an analysis of its descriptiveness for the purposes of Article 7(1)(c) of Regulation No 40/94, since the contested decision does not contain any specific examination of the ground for refusal laid down in Article 7(1)(b) of that regulation.
- 79 In analysing the mark Homezone, the Board of Appeal omitted, in particular, to take account of the public interest which Article 7(1)(b) of Regulation No 40/94 specifically seeks to protect, namely to guarantee the identity of origin of the goods or services designated by the mark.

80 In addition, since the Board of Appeal did not establish that the term ‘homezone’ was descriptive of any of the goods or services in question in Classes 9, 38 and 42, it could not, in any event, infer a lack of distinctive character from such a finding.

81 Accordingly, the Board of Appeal did not establish that the mark Homezone was devoid of any distinctive character in relation to the goods and services in question in Classes 9, 38 and 42. The second plea must therefore be upheld.

82 Since the Board of Appeal did not establish the descriptiveness and lack of distinctive character of the mark Homezone in relation to the goods and services in respect of which registration was sought, the contested decision must be annulled, without it being necessary to examine the third plea, alleging infringement of Article 7(3) of Regulation No 40/94, relating to whether a descriptive mark has become distinctive in consequence of the use which has been made of it.

Costs

83 Under Article 87(2) of the Rules of Procedure of the Court, the unsuccessful party is to be ordered to pay the costs if they have been applied for in the successful party’s pleadings. In this case, the applicant asked that OHIM be ordered to pay the costs of these proceedings. Since OHIM has been unsuccessful, the form of order sought by the applicant must therefore be granted and OHIM ordered to pay the costs incurred by the applicant in the proceedings before the Court.

- 84 The applicant also applied for OHIM to be ordered to pay the costs incurred by it in the administrative proceedings before OHIM. In that regard, under Article 136(2) of the Rules of Procedure, costs necessarily incurred by the parties for the purposes of the proceedings before the Board of Appeal are to be regarded as recoverable costs. However, that does not apply to costs incurred for the purposes of the proceedings before the examiner. Accordingly, the applicant's request that OHIM, having been unsuccessful, be ordered to pay the costs of the administrative proceedings before OHIM can be allowed only as regards the costs necessarily incurred by the applicant for the purposes of the proceedings before the Board of Appeal.

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 5 July 2007 (Case R 1583/2006-4);**

2. Orders OHIM to pay the costs.

Meij

Vadapalas

Truchot

Delivered in open court in Luxembourg on 10 February 2010.

[Signatures]