

# Bird & Bird & Reports of Trade Mark Cases for CIPA Journal


September 2019



# Trade mark decisions

## Decisions of the General Court (GC) and Court of Justice (CJ)

Ref no.	Application (and where applicable, earlier mark)	Comment
GC <b>T-366/18</b> <i>Pet King Brands, Inc. v EUIPO; Virbac SA</i>	<b>SUIMOX</b> - preparations, vaccines, health care products, nutritional substances and dietetic substances for veterinary use; preparations for killing weeds and destroying vermin (5)	The GC partially annulled the decision of the BoA, finding that there was a likelihood of confusion under article 8(1)(b) in respect of some of the goods covered by the application.  The GC found that BoA had failed to consider the similar pronunciation in several languages of the letters 'y' and 'i'. The phonetic similarity between the marks was therefore high, not low.  The GC further held that the BoA had relied on an incomplete dictionary definition of 'vermin' that excluded 'parasitic worms or insects.' These were among the objects intended for removal by 'medicated ear drops for domestic animals'. The BoA was therefore wrong to conclude that there was only an average degree of similarity to the goods covered by the earlier mark.  As a result, the GC found there was likelihood of confusion in respect of the goods with a high degree of similarity to those under the earlier mark, but not those with an average or low similarity.
13 June 2019 Reg 207/2009	<b>ZYMOX</b> - medicated ear drops for domestic animals (5)	
<b>Reported by:</b> <i>Matthew Vance</i>		

Ref no.	Application (and where applicable, earlier mark)	Comment
GC <b>T-276/17</b> <i>Tadeusz Ogrodnik v EUIPO; Aviário Tropical, SA</i>	 <b>Tropical</b> - Food in various forms for fauna, especially for fish, products and preparations for the cultivation of plants and aquarium plants and for the breeding of fish; excluding birdfeed and bird treats (31)  - Veterinary, therapeutic, disinfecting and sanitary products and preparations for use in aquaristics, terraristics, fauna breeding and flora cultivation (5)	The GC annulled the decision of the BoA insofar as the BoA upheld the declaration of invalidity of the applicant's mark, finding that there was no likelihood of confusion under article 8(1)(b) in relation to certain goods.  The action had previously been appealed to the GC, but due to the BoA's initial failure to adjudicate on the applicant's arguments relating to peaceful coexistence of the marks, the court could not provide a final ruling. The GC in the previous appeal did find however, that 'food for fish' was identical to 'food in various forms for fauna' and by virtue of res judicata the applicant's mark was held invalid for such goods.  The GC in their final ruling noted that the mere fact that relevant goods come within the same market segment and use the same distribution channels cannot lead to an inference that those goods are similar.
12 July 2019 Reg 207/2009	<b>TROPICAL</b> - food for fish (31)	
<b>Reported by:</b> <i>Daniel Anti</i>		

Accordingly the GC held the BoA erred in finding 'products and preparations for the breeding of birds, reptiles and amphibians' in class 31 and 'veterinary, therapeutic, disinfecting and sanitary products and preparations for use in terraristics' in class 5 were similar to 'food for fish' to an average degree.

Ref no.	Application (and where applicable, earlier mark)	Comment
<p>GC  <b>T-698/17</b>  <b>T-792/17</b>  <i>MAN Truck &amp; Bus AG v EUIPO; Halla Holdings Corp.</i></p> <p>12 July 2019            Reg 207/2009</p> <p><b>Reported by:</b>  <i>Matthew Vance</i></p>	<p><b>MANDO</b></p>  <ul style="list-style-type: none"> <li>- Vehicle parts (7), (12)</li> <li>- Electrical apparatus (9)</li> <li>- HVAC apparatus (11)</li> <li>- Wholesale services for vehicles and vehicle parts (35)</li> <li>- Vehicle repair and maintenance services (37)</li> <li>- Vehicle rental and freight services (39) [<i>sought only for the word mark</i>]</li> </ul>  <ul style="list-style-type: none"> <li>- Engines for boats, stationary use and parts thereof (7)</li> <li>- Heavy-duty vehicles and parts thereof, motors and engines for land vehicles (12)</li> <li>- Repair and maintenance of motor vehicles, motors and engines (37)</li> </ul>  <ul style="list-style-type: none"> <li>- Advertising for clothing (35)</li> </ul> <p><b>(International marks)</b></p> <p><b>MAN</b></p> <ul style="list-style-type: none"> <li>- Engines and related mechanical devices, parts for motor vehicles (7)</li> <li>- Technical apparatus (9)</li> <li>- Apparatus for industrial use (11)</li> </ul> <p><b>(German mark)</b></p>	<p>The GC partially upheld the BoA's decision that there was no likelihood of confusion between the marks under article 8(1)(b).</p> <p>The BoA was correct in finding the relevant public was made up of specialists and professionals as well as the general public. The relevant public for class 7 and 12 goods excluded the general public, who despite using buses or boats for transport on a daily basis, did not select them on the basis of their marks.</p> <p>Visual similarity was held to be low as the public would perceive 'mando' as an indivisible whole and not as 'man' and 'do'. For the same reason, and since 'mando' had no meaning (save to the Spanish-speaking public), the marks were conceptually dissimilar or beyond comparison, even to the portion of the public who understood 'man' to mean 'male human being'.</p> <p>The GC further affirmed the BoA's assessment that the highly distinctive character of the earlier marks did not offset the marks' differences.</p> <p>The GC annulled the BoA's decision in respect of the earlier mark registered in class 35. The BoA had failed to adequately state reasons for extending its finding of confusion in respect of the earlier international marks in classes 7, 12 and 37 to that mark.</p>

## "Retail Services" need not be further specified where a mark pre-dates *Praktiker*

***Tulliallan Burlington Ltd ("Tulliallan") v EUIPO, Burlington Fashion GmbH ("Burlington Fashion") (Opinion of AG Hogan; Joined cases C-155/18 P to C-158/18 P; 26 June 2019)***

*The AG recommended that the CJEU should allow the appeal in an opposition where the opponent's marks for shopping arcade services in class 35 pre-dated the Praktiker decision and that the GC should reconsider its decision to reject the opposition. Tom Hooper reports.*

Tulliallan is the proprietor of a well-known shopping arcade in London which specialises in luxury goods such as jewellery and fashion boutiques. Tulliallan opposed four international registrations designating the EU filed by Burlington for the word mark BURLINGTON and three figurative marks containing that term (see below). The contested marks were filed in classes 3, 14, 18 and 25. All classes, other than 25, were opposed.



Tulliallan's oppositions were based on articles 8(1)(b), 8(4) and 8(5) of Regulation No. 207/2009 and their earlier registered rights and reputation in the word mark BURLINGTON and also a number of figurative marks incorporating the term BURLINGTON ARCADE. These registrations covered shopping arcade services, real estate services and the leasing or management of property in classes 35 and 36. Some of them also covered entertainment services in class 41.

The BoA annulled the EUIPO's decision to reject the applications on the basis that, whilst Tulliallan had shown a broad reputation in relation to class 35 and 36 services, they had not shown reputation for retail services. Accordingly, the goods and services were found to be dissimilar such that a likelihood of confusion did not exist, despite the identity and close similarity in the marks.

The GC dismissed the appeal. Nevertheless, the GC held that the BoA's conclusion that reputation had not been established in relation to retail services was wrong. This was because the leading case of *Praktiker Bau- und Heimwerkermarkte* (Case C-418/02) did not support the BoA's conclusion that shopping arcades or centres should be excluded from the definition of retail services. Instead, the GC found that the concept of retail services in class 35 would encompass shopping arcade services in relation to sales.

The GC therefore held that Tulliallan had a reputation in relation to retail services. Even so, they were unsuccessful under article 8(5) as they failed to submit consistent evidence showing that use of Burlington Fashion's marks took unfair advantage of the distinctive character or repute of the earlier marks. Similarly, in relation to article 8(4), Tulliallan had simply not provided the factual or legal material necessary to succeed under that heading.

The article 8(1)(b) ground failed due to the lack of similarities between the goods and services. However, this finding was also impacted by *Praktiker* since the GC found that, for the term "retail services" in class 35, it was necessary for the goods being sold to be precisely specified. According to the GC, the absence of any precise statement of the goods which may be sold in the various shops comprising a shopping arcade such as Burlington Arcade precluded any association between those shops and the goods covered by the contested trade marks. In the absence of such a statement, the GC held that no similarity or complementarity could be established between the services covered by the earlier marks and the goods covered by the marks applied for.

The AG largely agreed with the GC that Tulliallan failed to meet the criteria to succeed under the grounds in articles 8(4) and 8(5). The main reason for this was that the reputation of the BURLINGTON shopping arcade was closely linked to the shops trading from the arcade, and also to nearby places such as Burlington

Gardens. As a result, whilst BURLINGTON was closely associated with Tulliallan's arcade, it was not an invented word solely used by them and so consumers would not be deterred from visiting the arcade, and thus changing their economic behaviour, simply because another retail premises had the BURLINGTON name.

In relation to article 8(1)(b), the AG took the view that the GC had incorrectly applied *Praktiker* in finding that retail services needed to specify the goods being offered for sale. In the case of *EUIPO v Cactus* (C-501/15 P) it was found that the need to specify the exact goods being retailed did not apply to trade marks registered before the *Praktiker* decision, i.e. before 7 July 2005 because the decision did not have retrospective effect. As a result, in relation to Tulliallan's three marks which pre-dated the *Praktiker* decision, it was not necessary for Tulliallan to specify the exact goods being sold under their "shopping arcade services" in class 35 for there to be similarity between the goods and services. Therefore, the AG was of the opinion that the appeal should be allowed in relation to these three marks and recommended that the CJ pass the case back to the GC for reconsideration. In relation to the other marks, the appeal should be dismissed.

## Accepted principles of morality

### ***Constantin Film Produktion GmbH ("CFP") v EUIPO (Opinion of AG Bobek; C-240/18 P; 2 July 2019)***

*AG Bobek concluded that the GC had failed to fully consider the prevailing perception of the relevant public in deciding that the sign 'Fack Ju Göhte' did not comply with the accepted principles of morality under article 7(1)(f) of Council Regulation (EC) No 207/2009. The AG therefore recommended that the CJEU set aside the GC's judgment (T-69/17; 24.01.2018) and annul the decision of the Fifth Board of Appeal. Ciara Hughes reports.*

CFP produced a successful German comedy called 'Fack Ju Göhte' and applied to register this title as a word mark at the EUIPO for various goods and services in classes 3, 9, 14, 16, 18, 21, 25, 28, 30, 32, 33, 38 and 41. CFP's EUTM application was refused as the EUIPO considered the word sign applied for to be contrary to 'accepted principles of morality' under article 7(1)(f).

The BoA rejected CFP's appeal. Assessing the application from the perspective of the general consumer in Germany or Austria, the BoA found the pronunciation, and consequently the meaning, of the words 'Fack Ju' to be identical to that of the English expression 'Fuck you'; an expression which the BoA considered to be "an insult in bad taste, shocking and vulgar". The addition of the word 'Göhte', a deliberately misspelt reference to the writer Johann Wolfgang von Goethe, if anything, aggravated rather than tempered the character of the insult in the BoA's view. Likewise it held that the fact that there was a successful film titled 'Fack Ju Göhte' did not mean that the relevant public would not be shocked by the mark.

The GC upheld the BoA's decision. CFP appealed to the CJEU.

The AG considered the key issue on appeal to be the test to be applied in the assessment of the absolute ground for refusal under article 7(1)(f).

In addressing the balance between CFP's interest in having the mark registered and the public interest in not being shocked or upset by the mark, the AG noted that although freedom of expression must be taken into account in the overall balance of rights and interests, the protection of freedom of expression was not the primary aim of trade mark law.

The AG also observed that although the EUIPO did have a role to play in the protection of public policy and morality by virtue of article 7(1)(f), this was not its predominant purpose. The AG emphasised that the protection of public policy and morality was not an independent aim of trade mark law, and indicated that the absolute ground for refusal in article 7(1)(f) was better viewed as a "safety net", setting limits to the pursuit of other aims.

Whilst acknowledging the overlap between the concepts of public policy and morality, the AG highlighted a key difference being that public policy was set out by a public authority and could be objectively ascertained, whereas 'accepted principles of morality' could not be identified without some empirical assessment of what the relevant public at the time considered to be acceptable based on the prevailing social consensus.

Therefore, when refusing a mark on the basis that it was contrary to the accepted principles of morality, the EUIPO had to establish with reference to the specific social context, why it considered that a particular sign would offend those principles.

Whilst it was not conclusive that the film 'Fack Ju Göhte' had been authorised to be screened under that name and released for screening to younger audiences, it was indicative that the mark applied for would not offend the accepted principles of morality. As the social context had not been properly considered in the present case, the AG was of the view that the GC had erred in law by incorrectly interpreting article 7(1)(f) and its judgment should be set aside.

The AG further held that if the CJEU reached a different conclusion on article 7(1)(f), then the appeal should be allowed on the grounds that the EUIPO failed to adequately explain its departure from previous decision-making practice or provide a plausible reason why the application for the sign at issue had to be decided differently from the *Die Wanderhure* case (R 2889/2014-4) which concerned similar facts.

## Mark not put to genuine use where used descriptively

***Georgios Pandalis v EUIPO, LR Health & Beauty Systems GmbH (CJ; C-194/17 P; 31 January 2019)***

*A mark was not put to genuine use where it was used as a descriptive indication of the main ingredient of certain food supplements since it was not being used in accordance with its essential function which is to guarantee the identity of the origin of the goods. Katharine Stephens reports.*

In an action to revoke the mark CYSTUS registered in class 30 for 'food supplements not for medical purposes' for non-use under article 51(1)(a) of Regulation No 207/2009, the CJ dismissed the appeal from the GC which had in turn had dismissed the appeal from the BoA.

It was not disputed by the parties that the goods in issue contained plant extracts - the scientific name of the plant being *Cistus Incanus L.*, the Latin name being *cistus* – as their main essential active ingredient.

The GC found that the term CYSTUS on the packaging of the products Pilots Friend Immunizer®, Immun44® Saft and Immun44® Kapseln would be perceived by the public as descriptive of the main ingredient and not as an identification of the commercial origin, pointing by way of example to the expression 'extract of cystus®' on the packaging and the term 'cystus® 052' in the product ingredient list. The word 'cystus' was therefore not designating a 'food supplement not for medical purposes'. The GC added that the spelling of the word 'cystus' with a 'y' and not an 'i' was insufficient to show use as a trade mark. As a consequence, the mark had not been put to genuine use within the meaning of article 51(1)(a). In so finding, the GC stated that 'cystus' had a weak distinctive character, but it did not find that the mark was descriptive within the meaning of article 7(1)(c), neither did the BoA.

The GC also upheld the BoA's finding that Mr Pandalis had not shown to the requisite legal standard that lozenges, throat pastilles, stock, gargling solution and infection blocker tablets were 'food supplements not for medical purposes'. A mere assertion was insufficient.

The CJ dismissed the appeal. In large part Mr Pandalis was merely challenging the factual assessment made by the GC in reaching its conclusion and had not claimed that the GC had distorted either the facts or the evidence. Consequently, much of the complaint was rejected by the CJ as inadmissible. The other grounds of appeal, including the submission that the GC had erred in its reading of the decision of the BoA in relation to article 7(1)(c), could not succeed and the appeal was dismissed.

## Boards of Appeal can revoke their own decisions

***Repower AG v EUIPO (Opinion of AG Campos Sánchez-Bordona; C-281/18 P; 16 May 2019)***

*The AG was of the opinion that the Boards of Appeal have the power to revoke their own decisions regarding the status of trade marks on the register when there is a clear procedural error. Further, such*

power is compatible with the principles of sound administration, of legal certainty and *res judicata*. Justin Bukspan reports.

### Facts

repowermap.org ("Repowermap") sought a declaration of invalidity of the mark REPOWER covering, among other goods and services, electrical energy and its production on the basis of descriptiveness. This was partly successful and Repowermap appealed to have the remaining terms cancelled. The BoA dismissed the appeal and Repowermap appealed to the GC. Before the GC could issue its decision, the BoA decided *ex officio* to revoke its decision because of the "inadequate statement of reasons" in its earlier decision, which was "an obvious procedural error for the purposes of article 80 of Regulation 207/2009". Repower appealed this decision to the GC which dismissed the appeal. On appeal to the CJ, the Court asked the AG to review the following:

1. Had the BoA applied article 80 and 83 of Regulation 207/2009 correctly?
2. Had the BoA infringed article 83 by reversing the burden of proof against Repower?

### Preliminary consideration

Article 80 provides: "*Where the Office has made an entry in the Register or taken a decision which contains an obvious procedural error attributable to the Office, it shall ensure that the entry is cancelled or the decision is revoked.*"

The AG was of the opinion that article 80 did not differentiate between decisions given by the different departments of the EUIPO, which include the BoAs (despite their theoretical quasi-judicial role).

### The first ground

Since Repower had not identified which paragraphs of the judgment under appeal were contested, the AG was of the opinion that this ground should be deemed inadmissible.

In the event that he was wrong, he went on to consider the substance of appeal. He was of opinion that article 80 was a "self-sufficient provision", and that the only issue was to consider whether the act in question was a procedural error. Each case had to be determined on its own facts, but in the present matter, the (first) decision of the BoA had not contained a single sentence reviewing why the sign in question was not descriptive of the relevant goods and services. Contrary to the decision of the GC, the BoA had been right to classify this inadequate statement of reasons as a procedural error. Despite this, the AG was of the opinion that, in the event he was wrong, the appeal should be dismissed since the operative part of the GC's decision was well founded on other legal grounds.

### The second ground

This ground of appeal reflected the earlier claim by Repower that the gap in article 80 needed to be interpreted with reference to article 83 which states that, in the absence of procedural provisions "*the Office shall take into account the principles of procedural law generally recognised in the Member States.*" The AG stated that the reference to article 83 was not part of the *ratio decidendi* of the GC's decision and therefore the appeal should be considered ineffective.

As before, he considered the substance of the appeal in the event that he was wrong. The second ground of appeal depended, contrary to the AG's opinion on the first ground, upon article 80 having a gap making it necessary to rely on article 83. In such an event, the BoA would have to assess the law of the Member States to establish whether the principle that unlawful acts may be revoked applied to the decisions of their national trade mark offices. The GC had criticised Repower for not providing a single example of such a principle being applied in any Member State. However, as the AG pointed out, it was not for Repower to provide such examples, but the EUIPO. Thus, in the event he was wrong, the AG was of the opinion that this ground of appeal should be upheld and the case referred back to the GC.

The reported cases marked \* can be found at <http://www.bailii.org> and the CJ and GC decisions can be found at [http://curia.euro.pa.eu/jcms/jcms/j\\_6/hom](http://curia.euro.pa.eu/jcms/jcms/j_6/hom)

# Editorial team

**Katharine Stephens**

Partner, IP

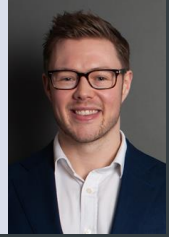
Tel: +44 020 7415 6104  
katharine.stephens@twobirds.com



**Thomas Pugh**

Associate, IP

Tel: +44 020 3017 6873  
thomas.pugh@twobirds.com



## Reporters

*Matthew Vance; Daniel Anti; Tom Hooper; Ciara Hughes; Justin Bukspan*

*This report was first published in the [CIPA Journal](#), September 2019*