

**JUDGMENT OF THE COURT (Seventh Chamber)**

**6 March 2014 (\*)**

**(Appeal – Community trade mark – Registration of signs consisting of a surface with black dots – Declaration of invalidity – Regulation (EC) No 40/94 – Article 7(1)(e)(ii) – Distortion of the evidence)**

In Joined Cases C-337/12 P to C-340/12 P,

FOUR APPEALS under Article 56 of the Statute of the Court of Justice of the European Union, brought on 11 and 16 July 2012,

**Pi-Design AG**, established in Triengen (Switzerland),

**Bodum France SAS**, established in Neuilly-sur-Seine (France),

**Bodum Logistics A/S**, established in Billund (Denmark),

represented by H. Pernez, avocat,

appellants,

the other parties to the proceedings being:

**Yoshida Metal Industry Co. Ltd**, established in Tsubame-shi (Japan), represented by S. Vereá, K. Muraro and M. Balestrieri, avvocati,

applicant at first instance,

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

defendant at first instance (C-337/12 P and C-339/12 P),

and

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

appellant,

the other parties to the proceedings being:

**Yoshida Metal Industry Co. Ltd**, represented by S. Vereá, K. Muraro and M. Balestrieri, avvocati,

applicant at first instance,

**Pi-Design AG,**

**Bodum France SAS,**

**Bodum Logistics A/S,**

represented by H. Pernez, avocat,

interveners at first instance (C-338/12 P and C-340/12 P),

THE COURT (Seventh Chamber),

composed of J.L. da Cruz Vilaça (Rapporteur), President of the Chamber, J.C. Bonichot and A. Arabadjiev, Judges,

Advocate General: P. Mengozzi,

Registrar: A. Calot Escobar,

having regard to the written procedure,

having decided, after hearing the Advocate General, to proceed to judgment without an Opinion,

gives the following

## **Judgment**

1 By their appeals, Pi-Design AG, Bodum France SAS and Bodum Logistics A/S (together ‘Pi-Design and Bodum’) on the one hand, and the Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM) on the other, ask the Court to set aside the judgments of the General Court of the European Union of 8 May 2012 in Case T-331/10 *Yoshida Metal Industry v OHIM – Pi-Design and Others (Representation of a triangular surface with black dots)* and Case T-416/10 *Yoshida Metal Industry v OHIM – Pi-Design and Others (Representation of a surface with black dots)* (together ‘the judgments under appeal’) annulling the decisions of the First Board of Appeal of OHIM of 20 May 2010 (Cases R 1235/2008-1 and R 1237/2008-1, ‘the contested decisions’) relating to invalidity proceedings brought by Pi-Design and Bodum against two Community trade marks registered by Yoshida Metal Industry Co. Ltd (‘Yoshida’).

## Legal context

2 Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark (OJ 1994 L 11, p. 1) was repealed and replaced by Council Regulation (EC) No 207/2009 of 26 February 2009 on the Community trade mark (OJ 2009 L 78, p. 1), which came into force on 13 April 2009. However, given the date of the facts, the present disputes continue to be governed by Regulation No 40/94, at least as regards provisions which are not strictly procedural (see, *inter alia*, order of 13 June 2013 in Case C-346/12 P *DMK v OHIM*, paragraph 2).

3 Article 4 of Regulation No 40/94, ‘Signs of which a Community trade mark may consist’, stated:

‘A Community trade mark may consist of any signs capable of being represented graphically, particularly words, including personal names, designs, letters, numerals, the shape of goods or of their packaging, provided that such signs are capable of distinguishing the goods or services of one undertaking from those of other undertakings.’

4 Article 7 of that regulation, ‘Absolute grounds for refusal’, provided:

‘1. The following shall not be registered:

(a) signs which do not conform to the requirements of Article 4;

...

(e) signs which consist exclusively of:

...

(ii) the shape of goods which is necessary to obtain a technical result ...

...’

5 Article 51(1)(a) of that regulation, ‘Absolute grounds for invalidity’, laid down:

‘1. A Community trade mark shall be declared invalid on application to [OHIM] or on the basis of a counterclaim in infringement proceedings,

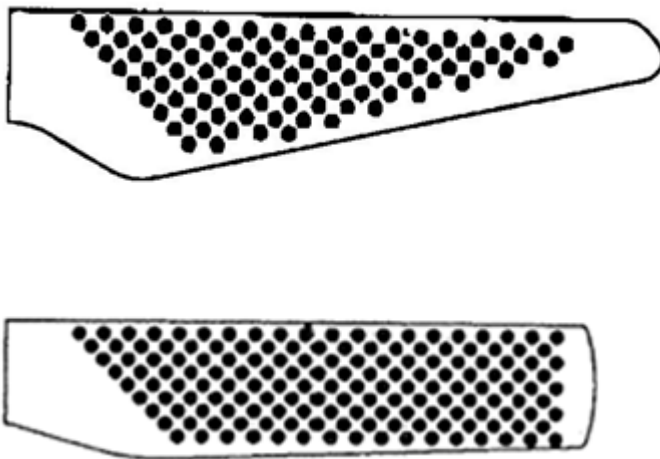
(a) where the Community trade mark has been registered in breach of the provisions ... of Article 7 ...

...’

### Background to the dispute

6 On 3 and 5 November 1999, Yoshida filed applications for registration of Community trade marks with OHIM in respect of goods corresponding to the description ‘cutlery, scissors, knives, forks, spoons, whetstones, whetstone holders, knife steels, fish bone tweezers’ and ‘household or kitchen utensils and containers (not of precious metal or coated therewith), turners, spatulas for kitchen use, knife blocks for holding knives, tart scoops, pie scoops’, in Classes 8 and 21 respectively of the Nice Agreement concerning the International Classification of Goods and Services for the Purpose of the Registration of Marks of 15 June 1957, as revised and amended.

7 The trade marks for which registration was sought are the signs reproduced below:



8 By decisions of 14 September and 23 November 2000, the examiner rejected those applications for registration on the ground that the signs at issue were devoid of any distinctive character within the meaning of Article 7(1)(b) of Regulation No 40/94.

9 Following the annulment on 31 October 2001 by the Second Board of Appeal of OHIM of one of the abovementioned rejection decisions, the examiner on 11 July 2002 withdrew the objection concerning the other application for registration. The trade marks at issue were registered on 25 September 2002 and 16 April 2003.

10 On 10 July 2007, Pi-Design and Bodum applied for those trade marks to be declared invalid pursuant to Article 51(1)(a) of Regulation No 40/94, on the ground that they had been registered in breach of Article 7(1)(e)(ii) of that regulation. In their observations of 17 December 2007, Pi-Design and Bodum added that the registrations should also be declared invalid on the ground that the trade marks lacked distinctive character.

11 By decisions of 15 and 21 July 2008, the Cancellation Division of OHIM rejected, in their entirety, the applications for a declaration of invalidity.

12 On 25 August 2008, Pi-Design and Bodum filed a notice of appeal against each of those decisions of the Cancellation Division.

13 By the contested decisions, the First Board of Appeal of OHIM, on the basis of the absolute ground for refusal set out in Article 7(1)(e)(ii) of Regulation No 40/94, upheld the appeals and annulled the decisions of the Cancellation Division.

14 In paragraphs 24 to 28 of the contested decisions, the First Board of Appeal observed, first, that, at the time the applications for registration were filed, the signs were simply classified as ‘figurative’, and no description was provided. Following the objections raised by the examiner, Yoshida stated that the sign was a two-dimensional representation of the ‘shape of a product’, namely the handle of a knife (Case R 1235/2008-1), or that it represented the ‘design of knife handles’ (Case R 1237/2008-1). In correspondence subsequent to the application for a declaration of invalidity filed by Pi-Design and Bodum, the sign was, however, described by Yoshida as ‘an arbitrary geometrical figure’ or a ‘pattern of dots’ (Case R 1235/2008-1).

15 According to the Board of Appeal, that latter description was made with the specific aim of avoiding the application of Article 7(1)(e)(ii) of Regulation No 40/94, the photographs of the knives marketed by the proprietor confirming that the frame surrounding the black dots represented the outline of a knife handle and that those dots represented dents.

16 The Board stated in that context, in paragraph 29 of the contested decisions, that ‘a trade mark must be examined in accordance with the circumstances of the case. Among these circumstances are, of course, the information and the documents voluntarily submitted by the trade mark owner in support of its application’.

17 Next, in paragraphs 30 and 31 of the decisions, the First Board of Appeal stated that ‘the sign is a figurative mark consisting of the two-dimensional representation of the handle of the products for which registration is sought.’ Nevertheless, according to the Board of Appeal, the classification of a mark as figurative did not always preclude the application of Article 7(1)(e)(ii) of Regulation No 40/94.

18 Lastly, in paragraphs 33 to 41 of the contested decisions, the First Board of Appeal considered whether the black dots representing dents performed a technical function. Based on the information relating to existing patents, it concluded that the dents were necessary to obtain a non-skid effect and that the fact that the same result could be obtained by other shapes did not preclude the application of the ground for refusal in question.

19 Having declared the registrations invalid on the basis of Article 7(1)(e)(ii) of Regulation No 40/94, the Board of Appeal did not consider it necessary to rule on the

other ground for invalidity relied on by Pi-Design and Bodum, the admissibility of which was disputed by Yoshida.

### **Procedure before the General Court and the judgments under appeal**

20 By applications lodged at the General Court Registry on 12 August and 15 September 2010, Yoshida brought actions for annulment of each of the contested decisions.

21 In support of its actions, Yoshida relied on a single plea in law, alleging breach of Article 7(1)(e)(ii) of Regulation No 40/94. That plea was broken down into three parts, the first alleging that the scope of that provision had been misinterpreted; the second, that the subject-matter of the trade marks at issue had been incorrectly assessed; and the third, that the ground for refusal in question had been misapplied.

22 By the judgments under appeal, the General Court upheld the second part of the single plea in law relied on by Yoshida, the applicant in those cases, and annulled the contested decisions.

### **Forms of order sought by the parties and the procedure before the Court of Justice**

23 Pi-Design and Bodum claim that the Court should:

- set aside the judgments under appeal and declare the contested trade marks invalid;
- in the alternative, refer the cases back to the General Court with the obligation, in the event of annulment of the contested decisions, to remit them to the Board of Appeal of OHIM with a view to the consideration of the ground for invalidity not examined by it; and
- in any event, order Yoshida to pay the costs.

24 OHIM claims that the Court should:

- set aside the judgments under appeal, and
- order Yoshida to pay the costs.

25 Yoshida contends that the appeals should be dismissed and that Pi-Design and Bodum and OHIM should be ordered to pay the costs.

26 By order of the President of the Court of 18 September 2012, Cases C-337/12 P to C-340/12 P were joined for the purposes of the written and oral procedure and the judgment.

### **The appeals**

27 Pi-Design and Bodum put forward a single ground of appeal in support of their appeals, alleging breach of Article 7(1)(e)(ii) of Regulation No 40/94.

28 OHIM puts forward two grounds of appeal in support of its appeals, the first alleging a breach by the General Court of its obligation under Articles 36 and 53 of the Statute of the Court of Justice of the European Union to state reasons, and the second, as Pi-Design and Bodum [have alleged], breach of Article 7(1)(e)(ii) of Regulation No 40/94.

### *Arguments of the parties*

29 The single ground of appeal put forward by Pi-Design and Bodum, alleging breach of Article 7(1)(e)(ii) of Regulation No 40/94, consists, in essence, of two parts.

30 By the first part of that ground of appeal, Pi-Design and Bodum claim that the General Court erred in law in holding that the essential characteristics of the signs at issue were to be assessed solely by a visual analysis of those signs as filed.

31 In the second part of that ground of appeal, Pi-Design and Bodum submit that the General Court distorted the evidence, in the first place, by not taking into account information relating to existing European and American patents, a copy of which had been submitted to the General Court, and which clearly showed that the dots appearing on the signs were dents.

32 In the second place, the General Court failed to have regard to the fact that the signs at issue had been used in the European Union for a period of 10 years prior to the applications for registration at issue, even though this was clear from the file submitted to the General Court.

33 The ground of appeal relating to breach of Article 7(1)(e)(ii) of Regulation No 40/94 put forward by OHIM is divided into three parts.

34 By the first part of that ground of appeal, OHIM claims that, by failing to draw the legal inferences flowing from the various meanings of the black dots, which meanings the General Court acknowledged in paragraph 30 of the judgments under appeal, the General Court applied that provision incorrectly.

35 By the second part of that ground of appeal, OHIM alleges that the General Court distorted the facts by taking the view, in paragraphs 30 and 35 of the judgments under



appeal, that the Board of Appeal had interpreted the graphic representation of the signs at issue by reference only to the representations of the goods actually marketed.

36 Moreover, OHIM takes the view that the General Court erred in law in holding, in paragraph 34 of the judgments under appeal, that the graphic representation of a sign may not be interpreted in the light of evidence submitted by the parties.

37 By the third part of that ground of appeal, OHIM submits that, in paragraphs 30 to 32 of the judgments under appeal, the General Court erred in law, first, by stating that the requirement of legal certainty precludes examination on the basis of elements other than the applications for registration and, secondly, by determining that the scope of protection was limited to the two-dimensional representation of the black dots.

38 In this connection, OHIM observes that Yoshida claimed before the Tribunal de grande instance de Paris (Regional Court, Paris, France) that the two marks ‘were three-dimensional marks [which] consist of an ensemble of circular and curving inwards patterns that are displayed crosswise following a quadrilateral’. On the basis of that claim, Yoshida obtained an order prohibiting the use by competitors of knives the handles of which had dents.

39 Yoshida, for its part, contends that, contrary to the conclusion of the General Court in paragraph 28 of the judgments under appeal, Article 7(1)(e)(ii) of Regulation No 40/94 is not applicable to the cases before the Court. It argues that that provision applies only to the shape of goods and that, by its applications for registration, which concerned purely figurative and two-dimensional designs of staggered black dots, it had not sought protection for a shape within the meaning of that provision.

40 Yoshida contends, in addition, that the appellants’ grounds of appeal should be dismissed as unfounded.

41 In that regard, Yoshida argues, *inter alia*, that in Case C-299/99 *Philips* [2002] ECR I-5475 and Case C-48/09 P *Lego Juris v OHIM* [2010] ECR I-8403 three-dimensional shapes and signs were at issue, and therefore the situations described in those cases cannot be applied to the present cases. According to Yoshida, the analysis of purely figurative and two-dimensional signs must be based only on the visual impression produced by those signs.

#### *Findings of the Court*

42 It should be borne in mind at the outset that, according to settled case-law, trade mark law constitutes an essential element in the system of competition in the European Union. In that system, each undertaking must, in order to attract and retain customers by the quality of its goods or services, be able to have registered as trade marks signs enabling the consumer, without any possibility of confusion, to distinguish those goods or services from others which have another origin (*Lego Juris v OHIM*, paragraph 38 and the case-law cited).



43 A sign representing the shape of a product falls among the signs which may constitute a trade mark provided that it is capable of being represented graphically and capable of distinguishing the products or services of one undertaking from those of other undertakings. That follows, so far as Community trade marks are concerned, from Article 4 of Regulation No 40/94 (see, to that effect, Joined Cases C-456/01 P and C-457/01 P *Henkel v OHIM* [2004] ECR I-5089, paragraphs 30 and 31, and *Lego Juris v OHIM*, paragraph 39).

44 It is also apparent from the case-law of the Court that each of the grounds for refusal of registration listed in Article 7(1) of Regulation No 40/94 must be interpreted in the light of the public interest underlying that ground (see, inter alia, *Henkel v OHIM*, paragraph 45, and *Lego Juris v OHIM*, paragraph 43).

45 In that context, the Court has had occasion to point out that Article 7(1)(e)(ii) of Regulation No 40/94 is intended to prevent trade mark law granting an undertaking a monopoly on technical solutions or functional characteristics of a product (*Lego Juris v OHIM*, paragraph 43).

46 The Court has also had occasion to make clear that a correct application of that provision requires that the essential characteristics of a sign for which registration as a trade mark is sought be properly identified by the authority deciding on that application (*Lego Juris v OHIM*, paragraph 68).

47 The identification of those essential characteristics must be carried out on a case-by-case basis, there being no hierarchy that applies systematically between the various types of elements of which a sign may consist. In determining the essential characteristics of a sign, the competent authority may either base its assessment directly on the overall impression produced by the sign, or first examine in turn each of the components of the sign concerned (*Lego Juris v OHIM*, paragraph 70 and the case-law cited).

48 In particular, as the Court observed in paragraph 71 in *Lego Juris v OHIM*, the identification of the essential characteristics of a sign with a view to a possible application of the ground for refusal of registration set out in Article 7(1)(e)(ii) of Regulation No 40/94 may, depending on the case, and in particular in view of the degree of difficulty of that sign, be carried out by means of a simple visual analysis of the sign or, on the contrary, be based on a detailed examination in which material relevant to the assessment is taken into account, such as surveys or expert opinions, or data relating to intellectual property rights conferred previously in respect of the goods concerned.

49 Having thus recalled the subject-matter and scope of Article 7(1)(e)(ii) of Regulation No 40/94, it should be examined whether, as the appellants claim, the General Court applied that provision incorrectly.

50 In the first place, it is not apparent from the judgments under appeal that the General Court took the view that the signs at issue did not consist of the shape of goods within the meaning of that provision.

51 First, the General Court rejected, in paragraphs 22 to 28 of the judgments under appeal, the first part of the single plea in law relied on by Yoshida, by ruling, in paragraph 27 of the judgments under appeal, that ‘[r]egard being had to the wording of Article 7(1)(e)(ii) of Regulation No [40/94] and to the public-policy interest which it pursues, it must be concluded that it applies to any sign, whether two- or three-dimensional, where all the essential characteristics of the sign perform a technical function’.

52 Next, the General Court stated, in paragraph 30 of the judgments under appeal, that ‘the concave character of the black dots is not part of the contested trade mark as filed and registered. There is nothing in the graphic representation of the contested mark to suggest that the black dots in question represent dents rather than a figurative pattern. Likewise, the registration of the contested mark was not accompanied by any description to that effect. Therefore, in concluding that the dots were concave in character, the Board of Appeal did not refer to the sign as filed, but to representations of the goods actually marketed by the applicant’.

53 Lastly, the General Court summarised, in paragraph 31 of the judgments under appeal, the criterion for the scope of the examination to be carried out by the competent authority when assessing the characteristics of the signs at issue, by ruling that ‘only the shape as reproduced in the registration application may be the subject-matter of the examination of the trade mark’.

54 However, it follows from *Lego Juris v OHIM* that the competent authority may carry out a detailed examination that takes into account material relevant to identifying appropriately the essential characteristics of a sign, in addition to the graphic representation and any descriptions filed at the time of the application for registration.

55 The possibility afforded in *Lego Juris v OHIM* to the competent authority when examining a three-dimensional sign can be extended to the examination of any sign constituted by the shape of goods within the meaning of Article 7(1)(e)(ii) of Regulation No 40/94 (see by analogy, as regards Article 7(1)(b) of the regulation, *inter alia*, *Henkel v OHIM*, paragraph 38, and Case C-96/11 P *Storck v OHIM* [2012] ECR, paragraph 33).

56 It is important to ensure that economic operators cannot improperly appropriate for themselves certain signs which only incorporate a technical solution, registration of which as a trade mark would impede the use of that technical solution by other undertakings (see, to that effect, *Lego Juris v OHIM*, paragraph 48).

57 It is true, according to the case-law of the Court referred to in paragraphs 31 and 32 of the judgments under appeal, first, that the graphic representation of a mark must

be self-contained, easily accessible and intelligible, in order that a sign may always be perceived unambiguously and in the same way so that the mark is guaranteed as an indication of origin. Secondly, it is apparent from the case-law of the Court that the function of the graphic representability requirement is, in particular, to define the mark itself in order to determine the precise subject of the protection afforded by the registered mark to its proprietor (see, to that effect, Case C-273/00 *Sieckmann* [2002] ECR I-11737, paragraphs 48 to 52, and Case C-307/10 *Chartered Institute of Patent Attorneys* [2012] ECR, paragraph 37).

58 Nevertheless, the requirements which must be satisfied by the graphic representation in order to fulfil its function, which concern a sign's general aptness to constitute a trade mark within the meaning of Article 4 of Regulation No 40/94, cannot restrict the competent authority's examination under Article 7(1)(e)(ii) of the regulation in such a way as might undermine the public interest underlying the latter provision.

59 In the second place, as the General Court stated in paragraph 33 of the judgments under appeal, the date of filing the application for registration of the Community trade mark is the material date for the examination of the ground for invalidity invoked (see order in Case C-192/03 P *Alcon v OHIM* [2004] ECR I-8993, paragraph 40, and order of 16 May 2011 in Case C-5/10 P *Torresan v OHIM*, paragraph 84).

60 None the less, as OHIM has stated in the second part of its second ground of appeal, the Court has held on a number of occasions that material which, although subsequent to the date of filing the application, enables conclusions to be drawn with regard to the situation as it was on that date can, without error of law, be taken into consideration (see orders in *Alcon v OHIM*, paragraph 41, and *Torresan v OHIM*, paragraph 84).

61 It follows that, in holding that the provisions at issue preclude consideration of the actual use made of the trade mark following its registration, the General Court erred in law.

62 Further, it should be noted that, by the second part of their single ground of appeal, Pi-Design and Bodum claim that the General Court distorted the evidence in the files submitted to it, inasmuch as the evidence shows that OHIM did in fact take into account the actual use made of the signs at the date of filing of the applications for registration.

63 It is apparent from a reading of the documents in the files submitted to the General Court, in particular, Annexes 2 and 4 to the responses of Pi-Design and Bodum at first instance, that, at the date of filing of the applications for registration, Yoshida was already marketing goods bearing the signs at issue, including in the European Union market.

64 It follows that, contrary to what the General Court held, the taking into account by OHIM of representations of the goods actually marketed by Yoshida did not

necessarily entail an analysis based on the use of the signs at issue subsequent to the date of the registrations.

65 In the light of all those considerations, the ground of appeal alleging breach of Article 7(1)(e)(ii) of Regulation No 40/64 must be upheld and the appeals must be allowed.

66 Accordingly, the judgments under appeal must be set aside, without it being necessary to examine the other arguments of the parties, or the first ground of appeal put forward by OHIM concerning breach of the General Court's obligation to state reasons in its judgments.

67 In accordance with the first paragraph of Article 61 of the Statute of the Court, where the Court quashes the decision of the General Court, it may itself give final judgment in the matter, where the state of the proceedings so permits, or refer the case back to the General Court for judgment.

68 In the circumstances of these cases, in order to assess the single plea in law raised by Yoshida, that the First Board of Appeal of OHIM misapplied Article 7(1)(e)(ii) of Regulation No 40/94, it is necessary, *inter alia*, to assess the essential characteristics of the signs at issue and their technical function (see, to that effect, *Lego Juris v OHIM*, paragraph 72).

69 In these cases, therefore, the conditions under which the Court may itself give final judgment are not met, so that Yoshida's actions must be referred back to the General Court for judgment on that plea and the costs reserved.

70 Pi-Design and Bodum have claimed, in the alternative, that the cases should be referred back to the General Court with the obligation, in the event of annulment of the contested decisions, to remit them to the Board of Appeal of OHIM.

71 In this connection, suffice it to note that, in accordance with Article 61 of the Statute of the Court, it is not for the Court of Justice to issue orders to the General Court; it is for the General Court, where a case is referred back, to give judgment in the matter without, however, calling in question the decision of the Court of Justice on points of law.

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

1. **Sets aside the judgments of the General Court of the European Union of 8 May 2012 in Case T-331/10 *Yoshida Metal Industry v OHIM – PiDesign and Others (Representation of a triangular surface with black dots)* and Case T-416/10 *Yoshida Metal Industry v OHIM – Pi-Design and Others (Representation of a surface with black dots)*;**
2. **Refers the cases back to the General Court of the European Union;**

**3. Reserves the costs.**

[Signatures]