JUDGMENT OF THE COURT OF FIRST INSTANCE (Fifth Chamber)

18 October 2007 *

In Case T-425/03,

AMS Advanced Medical Services GmbH, established in Mannheim (Germany), represented initially by G. Lindhofer, and subsequently by G. Lindhofer and S. Schäffler, lawyers,

applicant,

v

Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM), represented by G. Schneider, acting as Agent,

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: German.

American Medical Systems, Inc., established in Minnetonka, Minnesota (United States), represented by H. Kunz-Hallstein and R. Kunz-Hallstein, lawyers,

ACTION brought against the decision of the Fourth Board of Appeal of OHIM of 12 September 2003 (Case R 671/2002-4) relating to the opposition proceedings between AMS Advanced Medical Services GmbH and American Medical Systems, Inc.,

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

composed of M. Vilaras, President, M.E. Martins Ribeiro and K. Jürimäe, Judges,

Registrar: J. Plingers, Administrator,

having regard to the application lodged at the Registry of the Court of First Instance on 17 December 2003,

having regard to the response of OHIM lodged at the Court Registry on 23 April 2004,

having regard to the response of the intervener lodged at the Court Registry on 22 April 2004,

further to the hearing on 7 November 2006,

gives the following

Judgment

Background to the dispute

1 On 25 October 1999 AMS Advanced Medical Services GmbH filed a trade mark application at the Office for Harmonization 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 mark in respect of which registration was sought is the figurative sign 'AMS Advanced Medical Services', reproduced below:



3 The goods and services in respect of which registration was sought are in Classes 5, 10 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, and correspond to the following description for each of the classes:

— Class 5: 'pharmaceutical, veterinary and sanitary preparations; dietetic substances adapted for medical use, food for babies; plasters, materials for dressings; material for stopping teeth, dental wax; disinfectants; preparations for destroying vermin; fungicides, herbicides';

— Class 10: 'surgical, medical, dental and veterinary apparatus and instruments; artificial limbs, eyes and teeth; orthopaedic articles; suture materials;

— Class 42: 'accommodation and catering for guests; chemistry services; engineering services; hospitals, convalescent homes, sanatoriums; medical, hygienic and beauty care; medical research, bacteriology and chemical research; development of medicines, foodstuffs with pharmaceutical properties and other health care products, and conducting medical and clinical examinations, consultancy and support for others for these activities; scientific and industrial research, in particular medical, bacteriological or chemical research; opticians' services; physics (research); interpretation; computer programming, in particular for medical purposes; providing of expert opinion; research (technical and legal) into industrial property matters; technical consultancy and providing of expertise; consultancy for health care professionals in the development, establishing and conducting of therapy programmes and the testing of the aforesaid therapy programmes by means of studies; animal breeding; translations; leasing of data-processing installations; leasing of vending machines; administration and exploitation of copyright; exploitation of industrial property rights; material testing; accommodation reservations'.

4 That application was published in *Community Trade Marks Bulletin* No 43/00 of 29 May 2000.

5 On 28 August 2000 American Medical Systems, Inc. filed a notice of opposition against the mark applied for, claiming that there was a likelihood of confusion within the meaning of Article 8(1)(b) of Regulation No 40/94. That opposition was based, inter alia, on the existence of a number of national marks registered in Germany, Spain, France, Italy, the United Kingdom and the Benelux countries and, in particular, on the existence of the word mark AMS, which had been registered on 20 March 1996 as number 2061585 in the United Kingdom in respect of the following goods in Class 10 of the Nice Agreement:

'surgical, medical and veterinary apparatus and instruments; suture materials; medical devices for the control of urological disorders and impotence; prosthetic articles; penile prostheses; urinary prostheses; artificial sphincters; parts and fittings for all the aforesaid goods, all included in Class 10'.

6 By decision of 31 May 2002 and basing its findings exclusively on the existence of the word mark AMS registered in the United Kingdom ('the earlier mark'), the Opposition Division upheld the opposition in respect of the goods in Class 10 on the ground that there was a likelihood of confusion in the territory of the United Kingdom. The Opposition Division considered that the goods in Class 10, covered by the mark applied for and the earlier mark, were identical and that the conflicting signs were similar by reason of the letter combination 'a', 'm' and 's' which they had in common, since the figurative element and the word element 'advanced medical services' were of limited distinctive character and should be given little importance within the mark applied for. By contrast, the Opposition Division rejected the opposition in respect of the goods in Class 5 and the services in Class 42.

7 On 30 September 2002 the intervener filed an appeal with OHIM against the decision of the Opposition Division on the ground that it had rejected its opposition in respect of the following goods and services covered by the mark applied for:

— Class 5: 'pharmaceutical, veterinary and sanitary preparations; dietetic substances adapted for medical use, food for babies; plasters, materials for dressings; material for stopping teeth, dental wax; disinfectants; preparations for destroying vermin; fungicides, herbicides';

— Class 42: 'hospitals, convalescent homes, sanatoriums; medical, hygienic and beauty care; medical research, bacteriology and chemical research; development of medicines, foodstuffs with pharmaceutical properties and other health care products, and conducting medical and clinical examinations, consultancy and support for others for these activities; scientific and industrial research, in particular medical, bacteriological or chemical research; opticians' services; consultancy for health care professionals in the development, establishing and conducting of therapy programmes and the testing of the aforesaid therapy programmes by means of studies'.

8 The intervener submitted that the goods in Class 5 and those in Class 10 were closely related in so far as they are used as applicators when medical preparations are administered or, at least, in the context of their administration. As regards the services in Class 42, it was necessary, in its view, to take account of the fact that all pharmaceutical undertakings carry out research and are required to do so.

9 In the written pleading which it lodged before the Fourth Board of Appeal of OHIM the applicant stated, first, that 'there [was] no likelihood of confusion between the trade marks AMS AMBICOR, AMS SECURO-T, AMS and AMERICAN MEDICAL SYSTEMS on the one hand and AMS Advanced Medical Services on the other hand with respect to the current list of goods and services, as the ... Community trade mark AMS Advanced Medical Services was limited during the opposition proceedings (see Decision No 1697/2002 of 31/05/2002)'. The applicant then stated that it '[agreed] with the conclusions [reached] with respect to the similarity of goods and the weight the [Opposition Division had] given to the interdependence [of] the similarity between the trade marks and [that] between the goods and services'. Finally, the applicant denied that, in the five years preceding the opposition, the intervener's trade marks had been put to genuine use in the European Community in connection with the goods in Class 10 and it thus requested the intervener to furnish proof of use of its various marks.

10 By decision of 12 September 2003 ('the contested decision') the Board of Appeal annulled the decision of the Opposition Division and upheld the intervener's opposition except in respect of the following goods for which it allowed the registration of the mark applied for by the applicant, namely 'food for babies; preparations for destroying vermin, fungicides [and] herbicides', since they could be regarded as sufficiently remotely connected with the goods protected by the earlier mark. However, as regards the goods and services in respect of which it upheld the opposition, the Board of Appeal found essentially that, like the goods protected by the earlier mark, those goods and services all concerned the medical field and were intended to cure physical ailments with the result that there was a likelihood of confusion in the light of their purpose and the similarity of the signs at issue. The Board of Appeal finally rejected the plea raised by the applicant in the proceedings before it, alleging that the intervener's mark had not been used in the Community, on the ground that it had not been raised in due time before the Opposition Division.

Forms of order sought by the parties

11 The applicant claims that the Court should:

— annul the contested decision;

— allow the Community trade mark application;

— in the alternative, remit the case to the Board of Appeal;

— order OHIM to pay the costs.

12 At the hearing, the applicant declared that it was withdrawing its second head of claim, formal note of which was taken in the minutes of the hearing.

13 OHIM and the intervener contend that the Court should:

— dismiss the action;

— order the applicant to pay the costs.

The admissibility of the applicant's third head of claim

14 By its third head of claim the applicant requests the Court to remit the case to the Board of Appeal for it to give a decision on its application for registration.

15 In that regard, it should be recalled that, under Article 63(6) of Regulation No 40/94, OHIM is to take the measures necessary to comply with the judgment of the Community judicature. Accordingly, the Court is not entitled to issue directions to OHIM. It is for the latter to draw the consequences of the operative part of the judgment given by the Court and the grounds on which it is based. According to the case-law, that principle applies, in particular, where the head of claim concerns an application to remit the case to OHIM for it to give a decision on the application for registration (Case T-331/99 *Mitsubishi HiTec Paper Bielefeld* v *OHIM (Giroform)* [2001] ECR II-433, paragraph 33; Case T-34/00 *Eurocool Logistik* v *OHIM (EUROCOOL)* [2002] ECR II-683, paragraphs 11 and 12; and Case T-216/02 *Fieldturf* v *OHIM (LOOKS LIKE GRASS ... FEELS LIKE GRASS ... PLAYS LIKE GRASS)* [2004] ECR II-1023, paragraph 15).

16 The applicant's third head of claim is therefore inadmissible.

The application for annulment of the contested decision

17 The applicant raises essentially two pleas in law alleging, first, infringement of Article 8(1) and (2) of Regulation No 40/94 and, second, an absence of genuine use of the intervener's marks.

1. *The first plea, alleging infringement of Article 8(1) and (2) of Regulation No 40/94*

Admissibility of the matters of law put forward before the Court

Arguments of the parties

18 OHIM points out that Article 135(4) of the Rules of Procedure of the Court of First Instance states that the parties' pleadings may not change the subject-matter of the proceedings before the Board of Appeal, which is determined by the notice of appeal and the appellant's heads of claim.

19 According to OHIM, it has not been definitively determined to what extent the respondent before the Board of Appeal may codetermine the subject-matter of the proceedings before that board by spontaneously challenging in its response findings made in the previous decision which have not been challenged by the appellant and, in particular, without having brought an appeal itself. Nor has it been definitively established whether the Board of Appeal must review the contested decision in its entirety or whether it can restrict itself to aspects of the decision which were explicitly referred to the reviewing body in the written statement setting out the grounds of appeal. OHIM refers, in that regard, to the contradictory findings set out in Case T-308/01 *Henkel* v *OHIM — LHS* (*UK*) (*KLEENCARE*) [2003] ECR II-3253, paragraph 29, and Joined Cases T-183/02 and T-184/02 *El Corte Inglés* v *OHIM González Cabello and Iberia Líneas Aéreas de España* (*MUNDICOR*) [2004] ECR II-965, paragraph 76.

20 OHIM points out that findings made by the Opposition Division which were not contested by the defendant before the Board of Appeal cannot form part of the subject-matter of the proceedings for the first time before the Court.

21 OHIM states that, in the present case, the applicant, which was the defendant before the Board of Appeal, had explicitly acknowledged in the appeal proceedings that the findings of the Opposition Division were correct, since it had stated that it '[agreed] with the conclusions [reached] with respect to the similarity of goods and the weight the [Opposition Division had] given to the interdependence [of] the similarity between the trade marks and [that] between the goods and services'. The applicant merely contested an alteration of the Opposition Division's decision by the Board of Appeal in the sense of an increase in the range of goods and services which have to be regarded as similar to those of the intervener. Thus, OHIM considers that the question whether goods and services other than those identified at the outset by the Opposition Division were covered by the similarity of the earlier mark was the only subject-matter of the proceedings before the Board of Appeal. In so far as the applicant disputes, in the context of the present action, the similarity of the signs as found by the Opposition Division and confirmed by the Board of Appeal, that plea is inadmissible in that it changes the subject-matter of the proceedings within the meaning of Article 135(4) of the Rules of Procedure. In addition, the plea is inadmissible on the ground that it infringes the principle that no one may dispute what he previously acknowledged (*venire contra factum proprium*).

Findings of the Court

22 It should be determined at the outset whether, as claimed by OHIM, the applicant expressly acknowledged, before the Board of Appeal, the similarity of the conflicting marks, with the effect that it is no longer entitled to dispute it before the Court.

23 In that regard, it must be recalled that the applicant stated, in the second paragraph of its statement of grounds of 13 February 2003 lodged before the Board of Appeal, that it '[agreed] with the conclusions [reached] with respect to the similarity of goods and the weight the [Opposition Division had] given to the interdependence [of] the similarity between the trade marks and [that] between the goods and services'.

24 It must be stated that, contrary to OHIM's submission, it cannot be maintained that, in that paragraph, the applicant expressly acknowledged the similarity of the conflicting marks. The applicant does not state in that paragraph in clear and precise terms that it does not dispute the similarity of those marks, but merely does not dispute the weight which the Opposition Division attached to the interdependence of the similarity between the conflicting marks and that between the goods and services concerned.

25 That absence of express acknowledgement on the part of the applicant of the similarity of the conflicting marks is confirmed by the first paragraph of that statement of grounds in which it asserted that 'there [was] no likelihood of confusion between the trade marks AMS AMBICOR, AMS SECURO-T, AMS and AMERICAN MEDICAL SYSTEMS on the one hand and AMS Advanced Medical Services on the other hand with respect to the current list of goods and services, as the ... Community trade mark AMS Advanced Medical Services was limited during the opposition proceedings'. It follows from that statement that the applicant intended to dispute the similarity of those marks with respect to the goods in Class 5 and the services in Class 42 before the Board of Appeal, which it confirmed, furthermore, in its answer to a question put by the Court on the scope and wording of the two paragraphs of its statement of grounds of 13 February 2003. In the first paragraph, the applicant thus merely claims that the likelihood of confusion exists only in relation to the goods in Class 10, in respect of which it has not, moreover, contested the decision of the Opposition Division.

26 Finally, the Board of Appeal itself in no way interpreted the applicant's statement of grounds of 13 February 2003 as being an express acknowledgement of the findings of the Opposition Division in relation to the absence of similarity between the

conflicting marks since, as regards that similarity, it stated that '[t]he marks [presented] a substantial degree of similarity since they contain[ed] the identical acronym AMS', without making any reference whatsoever to an alleged express acknowledgement by the applicant in that respect.

27 In any event, even assuming that the applicant did expressly acknowledge, in its statement of grounds of 13 February 2003, the similarity of the conflicting marks, it should be pointed out that according to settled case-law the purpose of actions before the Court under Article 63(2) of Regulation No 40/94 is to obtain a review of the legality of decisions of the Boards of Appeal (see Case T-247/01 *eCopy* v *OHIM* (*ECOPY*) [2002] ECR II-5301, paragraph 46, and Case T-311/01 *Éditions Albert René* v *OHIM — Trucco* (*Starix*) [2003] ECR II-4625, paragraph 70). In the context of Regulation No 40/94, under Article 74 thereof, the review must be carried out in the light of the factual and legal context of the dispute as it was brought before the Board of Appeal (Case T-194/01 *Unilever* v *OHIM* (*ovoid tablet*) [2003] ECR II-383, paragraph 16, and Case T-57/03 *SPAG* v *OHIM — Dann and Backer* (*HOOLIGAN*) [2005] ECR II-287, paragraph 17). In addition, under Article 135(4) of the Rules of Procedure, the parties' pleadings may not change the subject-matter of the proceedings before the Board of Appeal.

28 It is clear, in that regard, that, where it is based on Article 8(1)(b) of Regulation No 40/94, opposition to the registration of a Community trade mark requires OHIM to adjudicate on whether the goods and services covered by the conflicting marks are identical or similar and whether those marks are similar or not (see, to that effect, *HOOLIGAN*, cited in paragraph 27 above, paragraphs 24 and 25).

29 Consequently, the fact that the applicant did not dispute, before the Board of Appeal, the similarity of the conflicting marks cannot in any way divest OHIM of the power to adjudicate on whether those marks were similar or identical. Likewise,

therefore, that fact cannot deprive the applicant of the right to challenge, in the factual and legal context of the dispute before the Board of Appeal, the findings of that body on this point (see, to that effect, *HOOLIGAN*, cited in paragraph 27 above, paragraphs 24 and 25).

30 It must be stated that the applicant's claims before the Court relating to the similarity of the conflicting marks do not depart from the context of the dispute brought before the Board of Appeal, which adjudicated, in particular, on the question of the similarity of the conflicting marks. The applicant merely questions that body's findings and its reasoning on this point. It follows that the applicant has not changed the subject-matter of the proceedings with those claims, which are therefore admissible before the Court.

31 In those circumstances the complaint of inadmissibility raised by OHIM must be rejected.

Substance

Arguments of the parties

32 The applicant submits that there is no similarity and, consequently, no likelihood of confusion between, on the one hand, the intervener's marks AMS AMBICOR, AMS SECURO-T and AMERICAN MEDICAL SYSTEMS and, on the other, the mark applied for, AMS Advanced Medical Services. That statement, which was also made by the Board of Appeal, is not disputed.

33 The applicant claims, in addition, that, contrary to what is stated in the contested decision, there is also no likelihood of confusion between the earlier mark and the mark applied for by reason of the lack of similarity between both the conflicting signs and the goods and services concerned.

34 As regards, first, the similarity of the signs, the applicant considers that the overall impression given by the two signs at issue should be taken as a basis each time. By contrast, the Board of Appeal's approach of examining in isolation one single element of the sign is not permitted. The registration of a figurative Community trade mark grants protection only for the mark applied for as a whole and not for certain parts made up of names or letters.

35 In that regard, the applicant states that the mark applied for was submitted for registration as a figurative mark and contains a circle made up of arrows, which is represented graphically, and the word elements 'ams' and 'advanced medical services' situated to the right of that circle. It adds that the circle made up of arrows, represented graphically, and the word elements are linked together by a line which runs through the circle, it being specified that 'AMS' is placed above the line while 'Advanced Medical Services' is placed directly below it. The applicant states that the acronym 'AMS' designates the three initials of 'Advanced Medical Services', which is also its company name, and that the mark applied for is always pronounced as 'ams advanced medical services' as a whole, and never as the acronym AMS alone, which is not meaningful. The element 'ams', which has weak distinctive character in itself, can thus not be deemed to characterise the mark to such an extent that all the other elements are relegated to the background.

36 As regards, second, the similarity of the goods, the applicant claims that there is no similarity between the very specialised goods in Class 10, which are claimed by the intervener, and those in Classes 5 and 42, which are covered by the application for

registration. Even if medical sectors are concerned in both cases, that cannot suffice for a finding that those goods are similar. The medical sector is extremely broad and can cover a whole range of goods in other classes, with the result that the scope of the protection conferred on a product name registered in a specific, highly specialised medical field would extend to goods which are remotely connected from the point of view of trade mark law.

37 Third, the applicant considers that the earlier mark, which consists only of the three letters 'a', 'm' and 's' forming an acronym, has weak distinctive character and thus enjoys at most limited protection. It adds that, in the examination of the likelihood of confusion between two signs, there is an interdependence between the similarity of the signs on the one hand and that of the goods and services on the other, in that, in respect of marks which have a lesser degree of distinctive character, the difference between the goods and services at issue may be smaller to support the finding that there is no likelihood of confusion. That is true in this case where the earlier mark has limited distinctiveness and the differences both between the conflicting signs and between the goods and services concerned are sufficiently significant to support the finding that there is no likelihood of confusion.

38 OHIM claims that, among the factors relevant to the case which need to be taken into account for the global assessment of likelihood of confusion (Case C-251/95 *SABEL* [1997] ECR I-6191, paragraph 22; Case C-342/97 *Lloyd Schuhfabrik Meyer* [1999] ECR I-3819, paragraph 18; and Case C-425/98 *Marca Mode* [2000] ECR I-4861, paragraph 40), whether goods are in competition with each other or are complementary is an important element, and that, although it is possible to claim that, from the consumer's point of view, certain goods are in competition with each other or are complementary, they can normally be regarded as prima facie similar for the purposes of trade mark law.

39 The approach of justifying the similarity of goods on the basis of the complementary relationship between the goods and services in view of the relevant market can also be found in the Court's case-law (see, in that regard, Case T-388/00 *Institut für Lernsysteme* v *OHIM — Educational Services* (*ELS*) [2002] ECR II-4301, paragraphs 55 and 56).

40 OHIM states that it agrees with the position adopted by the Board of Appeal and claims that the goods in Class 5 and those in Class 10 covered by the conflicting marks are similar in so far as they are used simultaneously and to the same end, namely for therapeutic treatment. As regards the services in Class 42 in respect of which registration of the mark applied for is contested in the present case, they are similar to the goods in Class 10 in so far as those goods are normally used in providing the services mentioned. As regards the services in the field of research, account should also be taken of the fact that the pharmaceutical undertakings which manufacture the medical instruments in Class 10 usually operate in the fields of research and development and that it must be assumed that that situation is known by the specialist section of the public using those instruments.

41 The intervener essentially concurs with the arguments developed by OHIM and concludes that the goods and services in respect of which registration of the mark is sought are similar to the goods and services covered by the earlier mark.

Findings of the Court

42 Under Article 8(1)(b) of Regulation No 40/94, upon opposition by the proprietor of an earlier trade mark, the trade mark applied for is not to be registered 'if because of its identity with or similarity to the earlier trade 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 trade mark is protected; the likelihood of confusion includes the likelihood of association with the earlier trade mark'.

43 In addition, under Article 8(2)(a)(i) and (ii) of Regulation No 40/94, earlier trade marks is to mean Community trade marks and trade marks registered in a Member State with a date of application for registration which is earlier than the date of application for registration of the Community trade mark.

44 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 (Case C-39/97 *Canon* [1998] ECR I-5507, paragraph 29; *Lloyd Schuhfabrik Meyer*, cited in paragraph 38 above, paragraph 17; Case T-104/01 *Oberhauser* v *OHIM — Petit Liberto (Fifties)* [2002] ECR II-4359, paragraph 25; Case T-186/02 *BMI Bertollo* v *OHIM — Diesel (DIESELIT)* [2004] ECR II-1887, paragraph 34; and judgment of 15 March 2006 in Case T-31/04 *Eurodrive Services and Distribution* v *OHIM — Gómez Frías (euroMASTER)*, not published in the ECR, paragraph 28).

45 Furthermore, it is not disputed that the likelihood of confusion on the part of the public must be appreciated globally, taking into account all factors relevant to the circumstances of the case (*SABEL*, cited in paragraph 38 above, paragraph 22; *Canon*, cited in paragraph 44 above, paragraph 16; *Lloyd Schuhfabrik Meyer*, cited in paragraph 38 above, paragraph 18; *Marca Mode*, paragraph 38 above, paragraph 40; *Fifties*, cited in paragraph 44 above, paragraph 26; and *DIESELIT*, cited in paragraph 44 above, paragraph 35).

46 That global assessment implies some interdependence between the relevant factors and, in particular, the similarity of the trade marks and the similarity of the goods or services identified. Accordingly, a lesser degree of similarity between these goods or

services may be offset by a greater degree of similarity between the marks, and vice versa (*Canon*, cited in paragraph 44 above, paragraph 17; *Lloyd Schuhfabrik Meyer*, cited in paragraph 38 above, paragraph 19; *Marca Mode*, cited in paragraph 38 above, paragraph 40; Case T-6/01 *Matratzen Concord* v *OHIM — Hukla Germany* (*MATRATZEN*) [2002] ECR II-4335, paragraph 25, upheld on appeal by order in Case C-3/03 P *Matratzen Concord* v *OHIM* [2004] ECR I-3657). The interdependence of these factors is expressly referred to in the seventh recital in the preamble to Regulation No 40/94, according to which the concept of similarity is to be interpreted in relation to the likelihood of confusion, the assessment of which depends on numerous elements and, in particular, on the recognition of the trade mark on the market, the association which can be made with the used or registered sign, the degree of similarity between the mark and the sign and between the goods or services identified (see *DIESELIT*, cited in paragraph 44 above, paragraph 36, and the case-law cited).

47 Moreover, the global appreciation of the visual, aural or conceptual similarity of the conflicting signs must be based on the overall impression given by the signs, bearing in mind, in particular, their distinctive and dominant components. The wording of Article 8(1)(b) of Regulation No 40/94 — '... there exists a likelihood of confusion on the part of the public ...' — shows that the perception of marks in the mind of the average consumer of the type of goods or services in question plays a decisive role in the global appreciation of the likelihood of confusion. The average consumer normally perceives a mark as a whole and does not proceed to analyse its various details (see, to that effect, *SABEL*, cited in paragraph 38 above, paragraph 23; *Lloyd Schuhfabrik Meyer*, cited in paragraph 38 above, paragraph 25; the order in *Matratzen Concord* v *OHIM*, cited in paragraph 46 above, paragraph 29; *DIESELIT*, cited in paragraph 44 above, paragraph 38).

48 For the purposes of the global assessment of the likelihood of confusion, the average consumer of the goods concerned is deemed to be reasonably well-informed and reasonably observant and circumspect. In addition, account should be taken of the fact that the average consumer only rarely has the chance to make a direct comparison between the different marks but must place his trust in the imperfect picture of them that he has kept in his mind. It should also be remembered that the

average consumer's level of attention is likely to vary according to the category of goods or services in question (*Lloyd Schuhfabrik Meyer*, cited in paragraph 38 above, paragraph 26; *Fifties*, cited in paragraph 44 above, paragraph 28; and *DIESELIT*, cited in paragraph 44 above, paragraph 38).

49 Finally, it follows from the unitary character of the Community trade mark, laid down in Article 1(2) of Regulation No 40/94, that an earlier Community trade mark is protected in the same way in all Member States. Earlier Community trade marks may therefore be pleaded in opposition to any subsequent application to register a trade mark which infringes their protection, even if it does so only in relation to the perception of the consumers of part of the Community. It follows that the principle laid down in Article 7(2) of Regulation No 40/94, that it suffices, in refusing to register a trade mark, that an absolute ground for refusal exists only in part of the Community, also applies by analogy to a relative ground for refusal under Article 8(1)(b) of Regulation No 40/94 (*MATRATZEN*, cited in paragraph 46 above, paragraph 59; 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 34; and Case T-185/03 *Fusco* v *OHIM — Fusco International* (*ENZO FUSCO*) [2005] ECR II-715, paragraph 33).

50 In the present case, the marks on which the opposition was based are national marks registered in Germany, Spain, France, Italy, the United Kingdom and the Benelux countries. The decision of the Opposition Division and the contested decision were based solely on the earlier mark, registered in the United Kingdom, a matter which is not contested by the parties. Therefore, the examination must be restricted to the territory of the United Kingdom.

51 The relevant public is, as found by the Board of Appeal in point 12 of the contested decision, average consumers in the United Kingdom, who are deemed to be reasonably well-informed and reasonably observant and circumspect, and professionals and specialists of the medical sector in the United Kingdom.

52 It is in the light of the above findings that the assessment made by the Board of Appeal of the likelihood of confusion between the conflicting signs must be examined.

— The similarity of the goods and services

53 According to settled case-law, in order to assess the similarity of goods or services, all the relevant features of the relationship which could exist between them should be taken into account. Those factors include, in particular, their nature, their intended purpose, their method of use and whether they are in competition with each other or are complementary (Case C-416/04 P *Sunrider* v *OHIM* [2006] ECR I-4237, paragraph 85; see Case T-99/01 *Mystery Drinks* v *OHIM — Karlsberg Brauerei* (*MYSTERY*) [2003] ECR II-43, paragraph 39 and the case-law cited; Case T-385/03 *Miles International* v *OHIM — Biker Miles* (*Biker Miles*) [2005] ECR II-2665, paragraph 31; and *euroMASTER*, cited in paragraph 44 above, paragraph 31).

54 As regards the assessment of the similarity of the goods in question, the Board of Appeal did not call into question, in points 8 and 13 of the contested decision, the Opposition Division's assessment in respect of 'food for babies; preparations for destroying vermin; fungicides, herbicides', on the ground that they could be regarded as having a connection with the medical, surgical and other such products covered by the earlier mark which was sufficiently remote to preclude any likelihood of confusion.

55 It should be noted that that conclusion has not been contested by the intervener in the context of this action.

56 The Board of Appeal did, however, annul the Opposition Division's decision in respect of the other goods in Class 5 and all the services referred to in Class 42.

57 The Board of Appeal considered, in point 8 of the contested decision, that '"[p]harmaceutical, veterinary and sanitary preparations; dietetic substances adapted for medical use, plasters, materials for dressings; material for stopping teeth, dental wax; disinfectants" (Class 5)' and all the services in Class 42 covered by the appeal before the Board of Appeal, 'like the earlier mark's goods, ... all concern the medical field and are intended to cure physical ailments which, in relation to the similarity between the signs, involves a likelihood of confusion'.

58 In that regard, the Board of Appeal stated, in points 9 to 11 of the contested decision, that the goods in question concern the medical field and that the services covered by the mark applied for are similar to the goods protected by the earlier mark because they concern similar areas, such as bacteriology, pharmacy and other such fields, and are closely linked due to their high degree of specialisation.

59 Those findings must be upheld.

60 In that regard, it should be observed that the goods protected by the earlier mark and those covered by the mark applied for all concern the medical field and are thus intended for use in the context of therapeutic treatment.

61 In addition, all the goods covered by the mark applied for are in either a complementary or a competitive relationship with those protected by the earlier mark. Thus, pharmaceutical and sanitary preparations, dietetic substances adapted for medical use, plasters, materials for dressings and disinfectants are complementary to the goods protected by the earlier mark since they are generally used in the context of surgical operations to fit prostheses or artificial sphincters.

62 As rightly pointed out by the intervener, when fitting prostheses the doctor, first of all, disinfects the prosthesis with a disinfectant product and then fits the prosthesis before closing up the wound using dressings and, finally, holds that dressing in place with a plaster. He may also prescribe a sanitary preparation and pharmaceutical products.

63 In relation to veterinary preparations, it must be stated that they also complement the veterinary apparatus covered by the earlier mark. As regards the material for stopping teeth and dental wax, they are in competition with the medical devices covered by the earlier mark and are complementary to the surgical and medical apparatus also protected by the earlier mark.

64 As regards the assessment of the similarity of the disputed services, first, as rightly found by the Board of Appeal, medical, bacteriology and chemical research and tests, in particular those listed in the Community trade mark application, have close links with medical drugs, devices or articles such as those covered by the earlier mark. Next, the medical apparatus and articles protected by the earlier mark, in particular prostheses, are normally provided within the framework of medical services such as hospitals or private clinics in the same way as those mentioned in the Community trade mark application. Finally, scientific and industrial research of various kinds can be carried out in the same field as that of the goods covered by the earlier mark.

65 Consequently, given the close link between the goods and services in question in respect of their intended use, and the complementary nature of the goods in relation to the services, the Board of Appeal rightly found that those goods and services were similar.

66 It follows that the Board of Appeal was right in finding that the contested goods and services were similar to the goods protected by the earlier mark (see, to that effect, *ELS*, cited in paragraph 39 above, paragraph 56).

— The similarity of the signs

67 As already stated in paragraph 47 above, the global assessment of the likelihood of confusion, as far as concerns the visual, aural or conceptual similarity of the marks in question, must be based on the overall impression given by the marks, bearing in mind, in particular, their distinctive and dominant components (see *SABEL*, cited in paragraph 38 above, paragraph 23; *Lloyd Schuhfabrik Meyer*, cited in paragraph 38 above, paragraph 25; 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; and Case T-135/04 *GfK* v *OHIM — BUS* (*Online Bus*) [2005] ECR II-4865, paragraph 57 and the case-law cited).

68 According to that same case-law, a compound trade mark cannot be regarded as similar to another trade mark which is identical or similar to one of the components of the compound mark, unless that component forms the dominant element within the overall impression created by the compound mark. That is the case where that component is likely to dominate, by itself, the image of that mark which the relevant public keeps in mind, with the result that all the other components of the mark are

negligible within the overall impression created by it (*MATRATZEN*, cited in paragraph 46 above, paragraph 33, and Case T-40/03 *Murúa Entrena* v *OHIM — Bodegas Murúa (Julián Murúa Entrena)* [2005] ECR II-2831, paragraph 52).

69 It is stated in the case-law that that approach does not amount to taking into consideration only one component of a compound trade mark and comparing it with another mark. On the contrary, such a comparison must be made by examining the marks in question, each considered as a whole. However, that does not mean that the overall impression created in the mind of the relevant public by a compound trade mark may not, in certain circumstances, be dominated by one or more of its components (see Case T-31/03 *Grupo Sada* v *OHIM — Sadia (GRUPO SADA)* [2005] ECR II-1667, paragraph 49 and the case-law cited).

70 In the assessment of the dominant character of one or more given components of a compound trade mark, account should be taken, in particular, of the intrinsic qualities of each of those components by comparing them with those of the other components. In addition and accessorily, account may be taken of the relative position of the various components within the arrangement of the compound mark (*MATRATZEN*, cited in paragraph 46 above, paragraph 35; *GRUPO SADA*, cited in paragraph 69 above, paragraph 49; and *Julián Murúa Entrena*, cited in paragraph 68 above, paragraph 54).

71 The Board of Appeal considered, in point 9 of the contested decision, that the earlier mark and the mark applied for presented a substantial degree of similarity since they contained the identical acronym AMS.

72 The applicant complains that the Board of Appeal examined in isolation one single element of the sign whereas the registration of a figurative Community trade mark grants protection only for the mark applied for as a whole and not for certain parts made up of names or letters.

73 It is apparent from point 9 of the contested decision, and also point 3, that the Board of Appeal confirmed the position adopted by the Opposition Division which had specifically found, in essence, that the signs at issue were similar since they shared the same dominant element, namely 'ams'.

74 In that regard, it must be stated that, in actual fact, one of the components of the conflicting signs, namely the element 'ams', is identical.

75 The signs to be compared are the following:

AMS



76 As regards, in the first place, the visual comparison, it should be noted, first, that the acronym AMS is included in its entirety in the mark applied for, AMS Advanced Medical Services.

77 Second, the mark applied for is a figurative mark which contains the letters 'a', 'm' and 's' in bold, italic capitals which are preceded by seven arrows forming a circle. That figure is cut through by a black line which underlines the element 'ams' under which appears, in smaller characters, which are lower case with the exception of the first letter of each word, the expression 'Advanced Medical Services', written entirely in italics.

78 Thus, the acronym AMS is represented in a similar way in the earlier mark and the mark applied for, namely in upper case letters. The fact that the mark applied for is represented in italics does not make it possible to draw a distinction since the difference is practically imperceptible to the consumer.

79 The fact that there is a figurative element in the mark applied for also does not make it possible to distinguish it from the earlier mark in so far as the target public could regard those arrows as a simple ornamentation of the word element. The element 'ams' prevails over the figurative element of the mark applied for and is in fact the most visible part of that mark as a result of its large size and its position, which is unlike the arrows forming a circle, which has a merely decorative function and can thus not be regarded as being the dominant element of the mark applied for. It follows that the Board of Appeal did not err in finding that the dominant element of the mark applied for was 'ams'.

80 Admittedly, the mark applied for also comprises the expression 'advanced medical services'.

81 However, the element 'ams' does not describe the goods and services covered by the mark applied for, with the result that that combination has a certain distinctive character. By contrast, the expression 'advanced medical services' has very limited distinctive character as regards goods in the medical field. The word 'advanced' merely informs the public of the fact that the company concerned is 'ahead', whether that be in terms of research, knowledge or experience; the word 'medical' is, in the medical field, descriptive of the goods or services concerned; the word 'services' cannot have distinctive character in that context.

82 In this connection, it must be stated that the public will not generally regard a descriptive element forming part of a compound mark as the distinctive and dominant element of the overall impression conveyed by that mark (see *Biker Miles*, cited in paragraph 53 above, paragraph 44 and the case-law cited).

83 It results from all of the above that the mark applied for has visual similarities with the earlier mark.

84 As regards the aural comparison of the signs, the two conflicting signs have the acronym AMS in common, which constitutes the core of those marks. Although the mark applied for also contains the expression 'advanced medical services', it cannot be ruled out that the average consumer would refer to the two marks solely by the acronym AMS, since that combination of letters corresponds to the abbreviation of the expression 'advanced medical services'. That is all the more true given that that impression is reinforced by the fact that all the letters of that expression appear in smaller characters.

85 Therefore, the conflicting signs are also similar aurally.

86 As regards the conceptual comparison, it must be noted that 'ams' does not have a specific meaning but is an arbitrary construction and lacks meaning, and that the expression 'advanced medical services' will be perceived by an average consumer as being the name of the company concerned or as being an expression which has laudatory character in the medical field. In addition, consumers who have seen the earlier mark could attribute the same meaning to the acronym AMS. It follows that, conceptually, the conflicting signs are also similar.

87 The Board of Appeal was therefore correct in finding that the conflicting signs were similar because the dominant element of the word sign of the trade mark applied for and the only element of the earlier trade mark were identical (see, to that effect, *Biker Miles*, cited in paragraph 53 above, paragraph 45, and *Julián Murúa Entrena*, cited in paragraph 68 above, paragraph 76).

— The likelihood of confusion

88 As stated in paragraphs 53 to 66 above, the goods and services at issue are similar to the goods covered by the earlier mark. In addition, the overall impression conveyed by the conflicting signs is, in the light of their distinctive and dominant elements, likely to create, between them, a similarity which is sufficient to give rise to a likelihood of confusion in the mind of the consumer.

89 Therefore, the Board of Appeal was correct in finding that there was such a likelihood of confusion and in rejecting the application for registration of the sign AMS in respect of the goods and services at issue.

90 That conclusion cannot be undermined by the applicant's argument that the comparison of the signs should have been made by taking account of the earlier mark as it was used and not as it had been registered.

91 In that regard, the comparison must be made between the signs as they were registered or as they appear in the trade mark application, regardless of whether they are used alone or together with other marks or indications. Therefore, the signs to be compared were precisely those examined by the Board of Appeal (see, to that

effect, Case T-29/04 *Castellblanch* v *OHIM — Champagne Roederer* (*CRISTAL CASTELLBLANCH*) [2005] ECR II-5309, paragraph 57).

92 It follows from all of the foregoing that the first plea must be rejected.

2. *The second plea, alleging an absence of genuine use of the intervener's marks*

Arguments of the parties

93 The applicant claims that the intervener's marks are not put to use in the territory of the Community in a way such as to maintain the rights acquired. It states that the intervener has its registered office in the United States and that its centre of activity concerns urological apparatus. The urological products which are distributed under complex names containing the element 'ams' (namely AMS 700 CX™/CXM™ Penile Prostheses, AMS 700 Ultrex™/Ultrex™ Plus Penile Prostheses, AMS Ambicor® Penile Prostheses, AMS Malleable 600M™/650M™ Penile Prostheses, AMS Sphincter 800™ Urinary Control System) are extremely specialised goods in Class 10, namely a penile prosthesis and a urinary control system. None of the products is simply named AMS. The applicant infers that no acquired right can be maintained when use is made of a form which is modified to such an extent in relation to the registered mark that the distinctive character of the sign is thereby changed.

94 In addition, the applicant claims that the intervener does not put its marks to any use in the Community since its products are offered solely to American consumers.

95 OHIM states that the applicant raised the plea alleging absence of genuine use of the intervener's marks for the first time before the Board of Appeal with the result that, in accordance with Article 74 of Regulation No 40/94, the Board of Appeal rightly rejected the request which was submitted for the first time before it.

96 In that regard, OHIM points out that, under Article 43 of Regulation No 40/94, the proprietor of an earlier Community trade mark is to furnish, if the applicant so requests, proof that, during the period of five years preceding the date of publication of the Community trade mark application, the earlier Community trade mark has been put to genuine use in the Community in connection with the goods and services in respect of which it is registered and which he cites as justification for his opposition upon pain of having his opposition rejected, and that proof may be provided within the period specified by OHIM in accordance with Rule 22 of Commission Regulation (EC) No 2868/95 of 13 December 1995 implementing Regulation No 40/94 (OJ 1995 L 303, p. 1). According to OHIM, for that to occur, the request must be made expressly and timeously. The lack of proof of genuine use can be penalised by rejecting the opposition only where the applicant expressly and timeously requested such proof before OHIM (*MUNDICOR*, cited in paragraph 19 above, paragraphs 36 to 39).

97 The intervener essentially agrees with OHIM and states that it is strongly established on the European market where it distributes all of its products.

Findings of the Court

98 It should be pointed out at the outset that, in its application, the applicant does not criticise specifically the contested decision in so far as it rejected its request for proof of genuine use on the ground that the request had not been lodged in good time

before the Opposition Division, but contests rather the genuine use of the intervener's marks. Its arguments should nevertheless be regarded as directed at the analysis made by the Board of Appeal in relation to the moment at which proof of genuine use may be provided. Moreover, it was to that effect that both OHIM and the intervener examined the applicant's second plea in their written pleadings and that the applicant made observations at the hearing.

99 In those circumstances, it must be determined whether the Board of Appeal infringed Community law in deciding that the request for proof of genuine use should have been lodged in due time before the Opposition Division.

100 Article 43 of Regulation No 40/94, entitled 'Examination of opposition', provides in paragraph 1 that, in the examination of the opposition OHIM is to invite the parties, as often as necessary, to file observations, within a period set them by OHIM, on communications from the other parties or issued by itself. Article 43(2) states that, if the applicant so requests, the proprietor of an earlier Community trade mark who has given notice of opposition is to furnish proof that, during the period of five years preceding the date of publication of the Community trade mark application, the earlier Community trade mark has been put to genuine use in the Community. Article 43(3) of the Regulation states that paragraph 2 is to apply to earlier national trade marks referred to in Article 8(2)(a), by substituting use in the Member State in which the earlier national trade mark is protected for use in the Community.

101 First, it is common ground in the present case that the earlier mark is a national mark, in this case a mark registered in the United Kingdom (see paragraphs 5 and 6 above), and that the Opposition Division found, moreover, in its decision that there was a likelihood of confusion in the territory of the United Kingdom as regards the goods in Class 10.

102 In those circumstances, it is necessary to correct the reference made by the Board of Appeal to Article 43(2) of Regulation No 40/94, in so far as that paragraph concerns only the consequences of non-use of an earlier Community trade mark, whereas in the present case the earlier mark is a national trade mark. The relevant provisions are thus in fact paragraphs 2 and 3 of that article combined, since paragraph 3 states that paragraph 2 is to apply to earlier national trade marks referred to in Article 8(2)(a), by substituting use in the Member State in which the national trade mark is protected for use in the Community (see, to that effect, *MUNDICOR*, cited in paragraph 19 above, paragraph 33, and Case T-194/03 *Ponte Finanziaria* v *OHIM — Marine Enterprise Projects* (*BAINBRIDGE*) [2006] ECR II-445, paragraph 31).

103 Second, the applicant raised, for the first time before the Board of Appeal, the absence of proof of genuine use of the earlier mark and, on the basis of Article 43(2) of Regulation No 40/94, the Board of Appeal rejected that request on the ground that it should and could have been made in due time before the Opposition Division.

104 In that connection, it should be noted that, pursuant to Article 43 of Regulation No 40/94, it is only when the applicant so requests that the proprietor of an earlier trade mark who has given notice of opposition is called upon to furnish proof that, during the period of five years preceding the date of publication of the Community trade mark application, the earlier trade mark has been put to genuine use in the territory in which it is protected in connection with the goods or services in respect of which it is registered and which he cites as justification for his opposition, or that there are proper reasons for non-use (*MUNDICOR*, cited in paragraph 19 above, paragraph 37).

105 Essentially, pursuant to Article 43(2) and (3) of Regulation No 40/94, for the purposes of examining an opposition introduced under Article 42 of that regulation, the earlier mark is presumed to have been put to genuine use as long as the applicant does not request proof of that use. The presentation of such a request

therefore has the effect of shifting the burden of proof to the opponent to demonstrate genuine use (or the existence of proper reasons for non-use) upon pain of having his opposition rejected. For that to occur, the request must be made expressly and timeously to OHIM (*MUNDICOR*, cited in paragraph 19 above, paragraph 38; Case T-112/03 *L'Oréal* v *OHIM — Revlon* (*FLEXI AIR*) [2005] ECR II-949, paragraph 24, upheld by order of 27 April 2006 in Case C-235/05 P *L'Oréal* v *OHIM*, not published in the ECR; and Case T-303/03 *Lidl Stiftung* v *OHIM — REWE-Zentral* (*Salvita*) [2005] ECR II-1917, paragraph 77).

106 In order for such a request to be regarded as having been made timeously to OHIM it must be formulated before the Opposition Division since genuine use of the mark is a matter which, once raised by the applicant for the trade mark, must be settled before a decision is given on the opposition proper (*FLEXI AIR*, cited in paragraph 105 above, paragraph 26).

107 It is apparent from a reading of Article 43 of Regulation No 40/94 in conjunction with Rule 22 of Regulation No 2868/95 that, after OHIM has received notice of opposition to a Community trade mark application, it forwards that opposition to the applicant for that mark and sets it a period within which to file its observations in that regard. Given that the request for proof of genuine use of the mark constitutes, according to Article 43(2) of Regulation No 40/94, a request which can only be made by the applicant for the Community trade mark, it must be made expressly before the Opposition Division, since that request has the effect of changing the nature of the proceedings by imposing on the opponent an obligation to which he was not necessarily subject.

108 In the absence of such a request before the Opposition Division and if that division did not make a decision on whether the earlier mark had been put to genuine use, the Board of Appeal, which has had a request for proof of genuine use of that mark brought before it for the first time, would be led to re-examine a decision on the

basis of a new request which raises a matter which the Opposition Division was not able to examine and on which it did not rule in its decision.

109 It follows from the above that a request for proof of genuine use of the earlier mark can be made only before the Opposition Division.

110 Such an interpretation is not contrary to the principle, relied on by the applicant at the hearing, that there is continuity, in terms of their functions, between the different instances of OHIM, as stated in the case-law of the Court (*KLEENCARE*, cited in paragraph 19 above, paragraphs 25 and 26; *HOOLIGAN*, cited in paragraph 27 above, paragraph 18; and Case T-323/03 *La Baronia de Turis* v *OHIM — Baron Philippe de Rothschild* (*LA BARONNIE*) [2006] ECR II-2085, paragraphs 57 and 58).

111 In any event, the present case does not concern matters of fact or of law which were not relied on by the applicant before the Opposition Division but a request for proof of genuine use of the earlier mark, that is, a new procedural request which changes the content of the opposition and which is therefore a matter which needs to be addressed prior to examining the opposition, with the result that it should have been made in due time before the Opposition Division.

112 The request for proof of genuine use thus adds that preliminary matter to the opposition proceedings and in that sense changes their content. The submission of that request for the first time before the Board of Appeal would imply the examination by the Board of a new, specific request linked to factual and legal considerations which are separate from those which gave rise to opposition to the registration of a Community trade mark.

113 Although the continuity, in terms of their functions, between the Opposition Division and the Board of Appeal, referred to in the case-law mentioned in paragraph 110 above, implies a re-examination of the case by the Board, it cannot, in any event, justify the submission of such a request for the first time before the Board of Appeal, since that continuity in no way implies an examination by the Board of Appeal of a case which is different from the one submitted to the Opposition Division, namely a case whose scope would have been extended by the addition of the preliminary matter of the genuine use of the earlier mark.

114 In those circumstances, the Board of Appeal rightly decided, in point 14 of the contested decision, that '[AMS Advanced Medical Services GmbH]'s request for evidence of use [was] to be rejected because it [was] invoked for the first time in these proceedings, when it could and should have done it in due time before the Opposition Division'.

115 The second plea must therefore be rejected.

116 It follows from all of the foregoing that the action must be dismissed.

Costs

117 Under Article 87(2) of the Rules of Procedure, the unsuccessful party is to be ordered to pay the costs, if they have been applied for in the successful party's pleadings. As the applicant has been unsuccessful, it must be ordered to pay the costs incurred by OHIM and by the intervener, in accordance with their pleadings.

On those grounds,

THE COURT OF FIRST INSTANCE (Fifth Chamber)

hereby:

1. Dismisses the action;

2. Orders AMS Advanced Medical Services GmbH to pay the costs.

Vilaras Martins Ribeiro Jürimäe

Delivered in open court in Luxembourg on 18 October 2007.

E. Coulon M. Vilaras

Registrar President