Reports of Cases

JUDGMENT OF THE COURT (Sixth Chamber)

23 January 2014*

(Appeal — Community trade mark — Word mark WESTERN GOLD — Opposition by the proprietor of the national, international and Community word marks WeserGold, Wesergold and WESERGOLD)

In Case C-558/12 P,

APPEAL under Article 56 of the Statute of the Court of Justice of the European Union, brought on 4 December 2012,

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

appellant,

the other parties to the proceedings being:

riha WeserGold Getränke GmbH & Co. KG, formerly Wesergold Getränkeindustrie GmbH & Co. KG, established in Rinteln (Germany), represented by T. Melchert, Rechtsanwalt,

applicant at first instance,

Lidl Stiftung & Co. KG, established in Neckarsulm (Germany), represented by M. Wolter and A.K. Marx, Rechtsanwälte,

intervener at first instance,

THE COURT (Sixth Chamber),

composed of A. Borg Barthet (Rapporteur), President of the Chamber, E. Levits and M. Berger, Judges,

Advocate General: E. Sharpston,

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

* Language of the case: German.

Judgment

1 By its appeal, the Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM) claims that the Court should set aside the judgment of 21 September 2012 in Case T-278/10 *Wesergold Getränkeindustrie* v *OHIM – Lidl Stiftung (WESTERN GOLD)* [2012] ECR ('the judgment under appeal'), by which the General Court of the European Union annulled the decision of the First Board of Appeal of OHIM of 24 March 2010 (Case R 770/2009-1) concerning opposition proceedings between Wesergold Getränkeindustrie GmbH & Co. KG and Lidl Stiftung & Co. KG ('the contested decision').

Legal context

2 Paragraph 1 of Article 8 of Council Regulation (EC) No 207/2009 of 26 February 2009 on the Community trade mark (OJ 2009 L 78, p. 1), which is entitled 'Relative grounds for refusal', provides:

'Upon opposition by the proprietor of an earlier trade mark, the trade mark applied for shall not be registered:

…

(b) 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.'

Background to the dispute

3 On 23 August 2006, Lidl Stiftung & Co. KG ('Lidl Stiftung') filed an application for registration of a Community trade mark at OHIM, under Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark (OJ 1994 L 11, p. 1), now replaced by Regulation No 207/2009.

4 The mark in respect of which registration was sought is the word sign 'WESTERN GOLD'.

5 The goods in respect of which registration was sought are in Class 33 of the Nice Agreement of 15 June 1957 concerning the International Classification of Goods and Services for the Purpose of the Registration of Marks, as revised and amended, and correspond to the following description: 'Spirits, in particular whisky'.

6 The application for registration of a Community trade mark was published in *Community Trade Marks Bulletin* No 3/2007 of 22 January 2007.

7 On 14 March 2007, Wesergold Getränkeindustrie GmbH & Co. KG ('Wesergold Getränkeindustrie') – whose rights and obligations have been transferred to riha WeserGold Getränke GmbH & Co. KG ('riha WeserGold Getränke') – filed a notice of opposition, pursuant to Article 42 of Regulation No 40/94, now Article 41 of Regulation No 207/2009, to registration of the mark in question in respect of the goods referred to in paragraph 5 above.

8 The opposition was based on various earlier marks.

9 The first earlier trade mark relied upon was the Community word mark WeserGold, filed on 3 January 2003 and registered on 2 March 2005 under No 2994739, in respect of goods in Classes 29, 31 and 32 and corresponding, for each of those classes, to the following description:

— Class 29: 'Preserved, dried and cooked fruits and vegetables; jellies, jams, compotes; milk products, namely yoghurt drinks, consisting mainly of yoghurt, fruit juices or vegetable juices';

— Class 31: 'Fresh fruits'; and

— Class 32: 'Mineral and aerated waters; other non-alcoholic beverages, namely lemonades, carbonated drinks and cola drinks; fruit juices, fruit drinks, vegetable juices and vegetable drinks; syrups and other preparations for making beverages'.

10 The second earlier trade mark relied upon was the German word mark WeserGold, filed on 26 November 2002 and registered on 27 February 2003 under No 30257995, in respect of goods in Classes 29, 31 and 32 and corresponding, for each of those classes, to the following description:

— Class 29: 'Preserved, dried and cooked fruits and vegetables; jellies, jams, compotes; milk products, namely yoghurt drinks, consisting mainly of yoghurt, fruit juices or vegetable juices';

— Class 31: 'Fresh fruits'; and

— Class 32: 'Mineral and aerated waters; other non-alcoholic beverages, namely lemonades, carbonated drinks and cola drinks; fruit juices, fruit drinks, vegetable juices and vegetable drinks; syrups and other preparations for making beverages'.

11 The third earlier trade mark relied upon was the international word mark No 801149 Wesergold, filed on 13 March 2003, and producing its effects in the Czech Republic, Denmark, Spain, France, Italy, Hungary, Austria, Poland, Portugal, Slovenia, Sweden, the United Kingdom and the Benelux countries, in respect of goods in Classes 29, 31 and 32 and corresponding to the description set out in paragraph 10 above.

12 The fourth earlier trade mark relied upon was the German word mark WESERGOLD, filed on 12 June 1970, registered on 16 February 1973 under No 902472 and renewed on 13 June 2000, in respect of goods in Class 32 and corresponding to the following description: 'Ciders, lemonades, mineral water, vegetable juice beverages, fruit juice'.

13 The fifth earlier trade mark relied upon was the Polish word mark WESERGOLD, filed on 26 June 1996 and registered on 11 May 1999 under No 161413, in respect of goods in Class 32 and corresponding to the following description: 'Mineral water and eaux de source; table water; non-alcoholic beverages, fruit juices, fruit nectars, fruit syrups, vegetable juices, vegetable nectars, soft drinks, fruit-based beverages, mineral beverages, iced teas, aromatised water, mineral water with added fruit juice – all the abovementioned beverages as dietary preparations for non-medical purposes'.

14 The ground relied on by Wesergold Getränkeindustrie in support of its opposition was that referred to in Article 8(1)(b) of Regulation No 40/94, now Article 8(1)(b) of Regulation No 207/2009.

15 On 11 June 2009, the Opposition Division of OHIM ('the Opposition Division') upheld the opposition and rejected the application for the Community trade mark in question. For reasons of procedural economy, the Opposition Division limited its examination of the opposition to the earlier Community word mark for which proof of genuine use was not required.

16 On 13 July 2009, Lidl Stiftung filed notice of appeal with OHIM, under Articles 58 to 64 of Regulation No 207/2009, against the decision of the Opposition Division.

17 By the contested decision, the First Board of Appeal of OHIM ('the Board of Appeal') upheld the action and annulled the Opposition Division's decision. It found that the relevant public consisted of the general public of the European Union. In its view, the goods covered by the mark applied for, in Class 33 – namely, 'spirits and, in particular whisky' – were not similar to the goods covered by the earlier marks, in Classes 29 and 31. The Board of Appeal found that there was a low degree of similarity between the goods covered by the mark applied for in Class 33 and those covered by the earlier marks in Class 32. The signs at issue showed a medium degree of visual and phonetic similarity, but were conceptually different. As regards the distinctiveness of the earlier marks, the Board of Appeal considered, in essence, that this was slightly below average owing to the presence of the word 'gold', which has a low distinctiveness. Lastly, it stated that the evaluation of all the circumstances of the case, in the assessment of the likelihood of confusion, led to the conclusion that there was no likelihood of confusion between the signs at issue.

The procedure before the General Court and the judgment under appeal

18 By application lodged at the Court Registry on 21 June 2010, Wesergold Getränkeindustrie brought an action for annulment of the contested decision.

19 In support of its action, Wesergold Getränkeindustrie put forward four pleas in law, alleging infringement of Article 8(1)(b), Article 64, the second sentence of Article 75 of Regulation No 207/2009, respectively, and, in the alternative, infringement of the first sentence of Article 75 of Regulation No 207/2009.

20 The General Court considered only the first of those pleas in law.

21 In paragraphs 24 and 25 of the judgment under appeal, the General Court found, in essence, that the relevant public was the average European Union consumer.

22 As regards the comparison of the goods in question, the General Court found, in paragraph 41 of the judgment under appeal, that there was only a low degree of similarity between the spirits covered by the mark applied for and the non-alcoholic beverages covered by the earlier marks.

23 As regards the comparison of the signs at issue, the General Court found, in paragraphs 47 and 50 of the judgment under appeal respectively, that the visual and phonetic similarity between the signs was average but, in paragraph 56 of that judgment, that the signs were conceptually different.

24 In paragraph 58 of the judgment under appeal, the General Court concluded that, despite their visual and phonetic similarities, the signs at issue were dissimilar overall.

25 The General Court also examined the Board of Appeal's assessment of the distinctiveness of the earlier marks, which was disputed by Wesergold Getränkeindustrie.

26 As regards the enhanced distinctiveness of the earlier marks, acquired through use, the General Court examined, in paragraphs 65 to 68 of the judgment under appeal, the pleadings lodged by Wesergold Getränkeindustrie before the Opposition Division and before the Board of Appeal. The General Court found in paragraph 70 of its judgment that, in its defence before the Board of Appeal, Wesergold Getränkeindustrie had not expressly raised arguments regarding the enhanced distinctiveness of the earlier marks, acquired through use, and that it merely referred to its written submissions before the Opposition Division which contained a claim, supported by evidence, to the effect that the earlier marks had an enhanced distinctiveness acquired through use.

27 In paragraphs 71 and 72 of the judgment under appeal, the General Court held, in essence, on the basis of Article 64(1) of Regulation No 207/2009, that, by virtue of the effects of the appeal brought before it, the Board of Appeal was called upon to carry out a new, comprehensive examination of the merits of the opposition, in terms both of law and of fact and that, consequently, it was under a duty to examine all the arguments put forward by Wesergold Getränkeindustrie before the Opposition Division. Accordingly, in so far as Wesergold Getränkeindustrie raised the point regarding the enhanced distinctiveness of the earlier marks, acquired through use, in the proceedings before the Opposition Division, the Board of Appeal could not, in the view of the General Court, legitimately find that Wesergold Getränkeindustrie had not invoked an increase in the distinctiveness of the earlier marks resulting from their use.

28 In paragraph 73 of the judgment under appeal, the General Court therefore concluded that the Board of Appeal had erred in the application of Article 8(1)(b) of Regulation No 207/2009.

29 In paragraphs 82 and 83 of the judgment under appeal, the General Court held, in essence, that, by failing to consider the merits of the arguments and the evidence submitted by Wesergold Getränkeindustrie regarding the enhanced distinctiveness of the earlier marks, acquired through use, the Board of Appeal had failed to examine a potentially relevant factor in the global assessment as to whether there was a likelihood of confusion between the mark applied for and the earlier marks and, consequently, had acted in breach of essential procedural requirements, which meant that the contested decision had to be annulled.

30 The General Court therefore upheld the first plea in law put forward by Wesergold Getränkeindustrie and annulled the contested decision, it being unnecessary to rule on the other pleas in law raised by Wesergold Getränkeindustrie.

Forms of order sought by the parties before the Court of Justice

31 By its appeal, OHIM claims that the Court of Justice should:

— set aside the judgment under appeal; and

— order riha WeserGold Getränke to pay the costs of the proceedings at first instance and on appeal.

32 riha WeserGold Getränke contends that the appeal should be dismissed and that OHIM should be ordered to pay the costs.

33 Lidl Stiftung contends that the Court of Justice should set aside the judgment under appeal and order riha WeserGold Getränke to pay the costs of the proceedings at first instance and on appeal.

Appeal

34 OHIM puts forward three grounds of appeal, alleging: (i) infringement of Article 8(1)(b) of Regulation No 207/2009; (ii) infringement of Article 76(1) of Regulation No 207/2009, read in conjunction with Article 64(1) of that regulation; and (iii) failure to observe settled case-law to the effect that an error cannot result in the annulment of a decision if that error clearly has no effects on the decision.

Arguments of the parties

35 By its first ground of appeal, OHIM – supported by Lidl Stiftung – alleges that the General Court misinterpreted Article 8(1)(b) of Regulation No 207/2009, in so far as it held, notwithstanding a prior finding in the judgment under appeal that the marks in question were dissimilar overall, that the

Board of Appeal should have examined the enhanced distinctiveness of the earlier marks, acquired through use. Similarity of the signs is a prerequisite for there to be a likelihood of confusion for the purposes of Article 8(1)(b) of Regulation No 207/2009. According to OHIM, it follows that, if the signs at issue are dissimilar overall, a specific examination of the potential enhanced distinctiveness, acquired through intensive use, of the mark on which the opposition is based is not necessary. Referring, in particular, to Case C-106/03 P *Vedial* v *OHIM* [2004] ECR I-9573, paragraph 51, OHIM claims that its interpretation is consistent, moreover, with settled case-law.

36 Relying on the order of 14 March 2011 in Case C-370/10 P *Ravensburger* v *OHIM*, paragraph 50, Lidl Stiftung adds that, in the examination of the likelihood of confusion, each criterion must first be examined on its own, irrespective of the existence or the intensity of other factors and that the enhanced distinctiveness acquired by the earlier mark cannot offset a lack of similarity between the marks at issue.

37 Consequently, OHIM and Lidl Stiftung submit that the General Court was wrong to annul the contested decision on the ground that the Board of Appeal had failed to examine the enhanced distinctiveness of the earlier marks, acquired through use, in so far as a *sine qua non* for the existence of a likelihood of confusion for the purposes of Article 8(1)(b) of Regulation No 207/2009 had not been met.

38 riha WeserGold Getränke contends that the first ground of appeal is unfounded, in so far as the General Court's finding that there is no similarity between the marks in question was an interim conclusion which had yet to take account of the distinctiveness of the earlier marks. According to riha WeserGold Getränke, the conceptual similarity of the marks cannot be assessed separately from the issue of whether or not they are distinctive. The perception of a mark by members of the public differs depending on whether some elements of the mark are at the forefront of their minds on account of the concept conveyed or the reputation acquired as marks.

39 riha WeserGold Getränke contends, moreover, that there is no settled case-law to support the argument put forward by OHIM.

Findings of the Court

40 By its first ground of appeal, OHIM complains in essence that, notwithstanding a prior finding in the judgment under appeal that the marks at issue were dissimilar, the General Court annulled the contested decision on the ground that the Board of Appeal had failed to examine the enhanced distinctiveness of the earlier marks, acquired through use.

41 It is settled law that, for the purposes of applying Article 8(1)(b) of Regulation No 207/2009, the likelihood of confusion presupposes both that the mark applied for and the earlier mark are identical or similar, and that the goods or services covered in the application for registration are identical or similar to those in respect of which the earlier mark was registered, and that those conditions are cumulative (*Vedial* v *OHIM*, paragraph 51, and Case C-234/06 P *Il Ponte Finanziaria* v *OHIM* [2007] ECR I-7333, paragraph 48).

42 Contrary to the assertions made by riha WeserGold Getränke, the case-law of the Court is well established in that regard. The Court has held on a number of occasions that, where there is no similarity between the earlier mark and the mark applied for, the enhanced distinctiveness of the earlier mark and the fact that the goods or services concerned are identical or similar are not sufficient for it to be found that there is a likelihood of confusion between the marks at issue (see, to that effect, Case C-254/09 P *Calvin Klein Trademark Trust* v *OHIM* [2010] ECR I-7989, paragraph 53 and the case-law cited).

43 Moreover, in its order of 4 March 2010 in Case C-193/09 P *Kaul* v *OHIM*, the Court dismissed as clearly unfounded the ground of appeal alleging that the General Court had erred in law in holding that an opposition based on Article 8(1)(b) of Regulation No 207/2009 could, in some cases, be rejected simply on the basis of an examination of the similarity of the marks and specifically, that is to say, without considering the possible high distinctiveness of the earlier mark. In paragraph 45 of that order, the Court of Justice held, in essence, that the General Court had not erred in law in holding that, when the Board of Appeal of OHIM had reached the conclusion that the marks in question could in no way be regarded as similar by the relevant public, the Board was entitled to infer that there was no likelihood of confusion, without having first, in the course of an overall assessment of the likelihood of confusion, to examine, in particular, the possible highly distinctive character of the earlier mark.

44 Similarity of the marks in question is thus a necessary condition for it to be found that there is a likelihood of confusion for the purposes of Article 8(1)(b) of Regulation No 207/2009. Accordingly, the lack of similarity between the marks at issue renders Article 8 of Regulation No 207/2009 inapplicable.

45 The enhanced distinctiveness of a mark, acquired through use, must therefore be taken into account when determining whether the similarity between the signs or between the goods or services covered is sufficient to give rise to a likelihood of confusion (see, to that effect, Case C-39/97 *Canon* [1998] ECR I-5507, paragraph 24).

46 However, in the present case, the reasoning followed by the General Court is based on a misinterpretation of Article 8(1)(b) of Regulation No 207/2009.

47 Although the General Court had found, in paragraph 58 of the judgment under appeal, that the signs at issue were dissimilar overall, despite the visual and phonetic similarities between them, it intended to draw legal inferences regarding the lawfulness of the contested decision from the fact that the Board of Appeal had not examined the distinctiveness of the earlier marks. Accordingly, it observed, in paragraphs 70 to 72 of the judgment under appeal, that the Board of Appeal was under a duty to examine the enhanced distinctiveness of the earlier marks, acquired through use, pursuant to Article 64(1) of Regulation No 207/2009, but had failed to do so. The General Court therefore held, in paragraph 82 of that judgment, that that error meant that the Board of Appeal had failed to examine a potentially relevant factor in the global assessment as to whether there was a likelihood of confusion and, in paragraph 83, that such an error constituted a breach of essential procedural requirements, which meant that the contested decision had to be annulled.

48 In that way, by holding that the Board of Appeal's failure to examine the enhanced distinctiveness of the earlier marks, acquired through use, meant that the contested decision was invalid, the General Court called for the Board of Appeal to examine a factor that was of no relevance to the assessment as to whether there was a likelihood of confusion, for the purposes of Article 8(1)(b) of Regulation No 207/2009, between the marks at issue. Since the General Court had already found that the marks at issue were dissimilar overall, any likelihood of confusion had to be ruled out and the possible enhanced distinctiveness of the earlier marks, acquired through use, could not offset the lack of similarity between the marks at issue.

49 In those circumstances, OHIM is right to claim that the judgment under appeal is vitiated by an error in law in the interpretation of Article 8(1)(b) of Regulation No 207/2009.

50 It follows from the foregoing that, without it being necessary to examine the other two grounds of appeal, the judgment under appeal must be set aside, in so far as, by that judgment, the General Court held that the Board of Appeal was required to examine the enhanced distinctiveness of the

earlier marks, acquired through use, and annulled the contested decision on the ground that the Board had failed to do so, notwithstanding a prior finding in the judgment under appeal that the marks at issue were dissimilar.

Claim seeking the substitution of grounds

Arguments of the parties

51 Without expressly seeking the substitution of the grounds of the judgment under appeal and while stating that the judgment under appeal does not adversely affect it, riha WeserGold Getränke challenges certain aspects of that judgment.

52 First, as regards the similarity of the goods, riha WeserGold Getränke complains that, in paragraph 35 of the judgment under appeal, the General Court rejected additional evidence that riha WeserGold Getränke had submitted with a view to proving that many manufacturers of spirits also manufacture non-alcoholic beverages and that many manufacturers of juices also manufacture alcoholic beverages. riha WeserGold Getränke submits that the General Court also disregarded the fact that mixed beverages are treated as spirits in accordance with Article 2 of Regulation (EC) No 110/2008 of the European Parliament and of the Council of 15 January 2008 on the definition, description, presentation, labelling and the protection of geographical indications of spirit drinks and repealing Council Regulation (EEC) No 1576/89 (OJ 2008 L 39, p. 16) and that, accordingly, those beverages should have been compared to the non-alcoholic beverages covered by the earlier marks.

53 Second, as regards the conceptual similarity of the marks at issue, riha WeserGold Getränke submits that the General Court did not state sufficient reasons for its finding that the conceptual differences between those marks counteracted the visual and phonetic similarities.

54 Third, riha WeserGold Getränke submits, in essence, that the General Court examined only one of the earlier marks and failed to examine the other marks put forward in support of its opposition.

Findings of the Court

55 It should be borne in mind that, according to the Court's settled case-law, in order for a claim seeking substitution of grounds to be admissible, the party submitting that claim must have an interest in doing so, in that the claim must be capable, if successful, of procuring an advantage for that party. That may be the case where the request for substitution of grounds amounts to a defence to one of the appellant's pleas (Case C-439/11 P *Ziegler* v *Commission* [2013] ECR, paragraph 42 and the case-law cited).

56 As regards the first claim, in respect of the grounds relating to the similarity of the goods covered by the marks at issue, it must be noted that it does not constitute a defence to the ground of appeal put forward by OHIM, in so far as it concerns the General Court's finding relating to the obligation on the Board of Appeal to examine the enhanced distinctiveness of the earlier marks, acquired through use. Such a claim cannot therefore call into question the setting aside of the judgment under appeal. Consequently, riha WeserGold Getränke has no interest in submitting that claim, which is therefore inadmissible.

57 As regards the second claim, in respect of the grounds relating to the conceptual similarity of the marks at issue, it must again be noted that it does not constitute a defence to the ground of appeal put forward by OHIM, since it seeks to challenge the General Court's finding relating to the obligation on the Board of Appeal to examine the enhanced distinctiveness of the earlier marks,

acquired through use. Such a claim cannot therefore call into question the setting aside of the judgment under appeal. Consequently, riha WeserGold Getränke has no interest in submitting that claim, which is therefore inadmissible.

58 As regards the third claim, even if the General Court had erred in law by examining only one of the earlier marks (a point, moreover, which was not raised by riha WeserGold Getränke), that claim is not capable of invalidating the setting aside of the judgment under appeal, in so far as the error of law allegedly made by the General Court would, in any event, relate to that earlier mark, which, according to riha WeserGold Getränke, was assessed by the General Court. Such a claim for substitution of grounds cannot therefore be a defence to the grounds of appeal put forward by OHIM; nor can it procure an advantage capable of establishing a legal interest in submitting that claim. That claim is therefore inadmissible.

59 Consequently, the claim seeking substitution of grounds submitted by riha WeserGold Getränke must be dismissed as inadmissible.

Referral of the case back to the General Court

60 Under the first paragraph of Article 61 of the Statute of the Court of Justice, if the appeal is well founded, the Court of Justice is to quash 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.

61 Since the General Court examined only one of the four pleas in law relied on by riha WeserGold Getränke in support of its action, the Court of Justice considers that the state of the proceedings in the present case does not permit judgment to be given. The case must therefore be referred back to the General Court.

Costs

62 Since the case is to be referred back to the General Court, the costs relating to the present appeal proceedings must be reserved.

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

1. **Sets aside the judgment of the General Court of the European Union of 21 September 2012 in Case T-278/10 *Wesergold Getränkeindustrie* v *OHIM – Lidl Stiftung (WESTERN GOLD);***

2. **Refers the case back to the General Court of the European Union;**

3. **Reserves the costs.**

[Signatures]