Reports of Cases

OPINION OF ADVOCATE GENERAL
PITRUZZELLA
delivered on 18 September 2019[1]

Case C-622/18

AR
v
Cooper International Spirits LLC,
St Dalfour SAS,
Établissements Gabriel Boudier SA

(request for a preliminary ruling from the Cour de cassation
(Court of Cassation, France))

(Reference for a preliminary ruling – Approximation of the laws of the Member States relating to trade marks – Revocation of a trade mark for lack of genuine use – Right of the proprietor of the trade mark to oppose the use by a third party of an identical or similar sign during the period preceding the date on which the revocation took effect)

1. Can the proprietor of a trade mark who has never used it and whose rights in the trade mark have been revoked for lack of genuine use on expiry of the five-year period following publication of the registration bring infringement proceedings and claim compensation for the injury sustained owing to the use by a third party, before the date on which the revocation took effect, of a similar sign for identical or similar goods or services causing confusion with his trade mark?

2. That, in essence, is the question submitted by the Cour de cassation (Court of Cassation, France) in the request for a preliminary ruling that forms the subject matter of this Opinion, which concerns the interpretation of Article 5(1)(b) and Articles 10 and 12 of Directive 2008/95/EC of the European Parliament and of the Council of 22 October 2008 to approximate the laws of the Member States relating to trade marks.[2]

3. That request was submitted in proceedings between AR and Cooper International Spirits LLC ('Cooper International'), Établissements Gabriel Boudier SA ('Établissements Boudier') and St Dalfour SAS ('Dalfour') concerning alleged infringements of the registered French trade mark 'SAINT GERMAIN' committed before that trade mark was revoked.

1 Original language: French.

2 OJ 2008 L 299, p. 25. Directive 2008/95 was replaced, as from 15 January 2019, by Directive (EU) 2015/2436 of the European Parliament and of the Council of 16 December 2015 to approximate the laws of the Member States relating to trade marks (OJ 2015 L 336, p. 1), which recast Directive 2008/95.

I. Legal framework

A. European Union law

4. Article 5(1) of Directive 2008/95 states:

'The registered trade mark shall confer on the proprietor exclusive rights therein. The proprietor shall be entitled to prevent all third parties not having his consent from using in the course of trade:

(a) any sign which is identical with the trade mark in relation to goods or services which are identical with those for which the trade mark is registered;

(b) any sign where, because of its identity with, or similarity to, the trade mark and the identity or similarity of the goods or services covered by the trade mark and the sign, there exists a likelihood of confusion on the part of the public; the likelihood of confusion includes the likelihood of association between the sign and the trade mark.'

5. Article 10 of Directive 2008/95, entitled 'Use of trade marks', provides, in paragraph 1:

'If, within a period of five years following the date of the completion of the registration procedure, the proprietor has not put the trade mark to genuine use in the Member State in connection with the goods or services in respect of which it is registered, or if such use has been suspended during an uninterrupted period of five years, the trade mark shall be subject to the sanctions provided for in this Directive, unless there are proper reasons for non-use.'

6. Under the heading 'Grounds for revocation', Article 12 of Directive 2008/95 provides, in paragraph 1:

'A trade mark shall be liable to revocation if, within a continuous period of five years, it has not been put to genuine use in the Member State in connection with the goods or services in respect of which it is registered, and there are no proper reasons for non-use.'

B. French law

7. Article R. 712-23 of the code de la propriété intellectuelle (Intellectual Property Code) states that 'the date on which a trade mark is deemed to be registered, in particular for the application of Articles L. 712-4 and L. 712-5, shall be: (1) for French trade marks, the date of the *Bulletin officiel de la propriété industrielle* in which the registration is published'.

8. According to Article L. 713-1 of the Intellectual Property Code, 'registration of the trade mark shall confer on its proprietor a right of ownership over that trade mark for the goods and services which it has designated'.

9. Article L. 713-2 of that code, which prohibits acts designated, in French trade mark law, as 'infringement by reproduction', provides:

'The following shall be prohibited, unless authorised by the proprietor:

(a) the reproduction, use or affixing of a trade mark, even with the addition of words such as: "formula, style, system, imitation, type, method", and the use of a reproduced trade mark, for goods or services identical to those designated in the registration …'

10. Article L. 713-3(b) of that code, which, on the other hand, refers to acts falling within the category of 'infringement by imitation', provides that 'the following shall be prohibited, unless authorised by the proprietor, where they may result in a likelihood of confusion on the part of the public …, the imitation of a trade mark and the use of an imitated mark, for goods or services identical or similar to those designated in the registration'.

11. The first paragraph of Article L. 714-5 of the Intellectual Property Code provides:

'The rights of a trade mark proprietor who, without proper reason, has not made genuine use of those rights, for the goods and services referred to in the registration, during an uninterrupted period of five years, shall be revoked.'

12. The final paragraph of that article provides that 'revocation shall take effect on the date of expiry of the five-year period laid down in the first paragraph of this article. It shall have absolute effect'.

II. The dispute in the main proceedings, the question referred for a preliminary ruling and the procedure before the Court

13. AR, the applicant in the main proceedings, was the proprietor of the French semi-figurative mark 'SAINT GERMAIN', filed on 5 December 2005 and the registration of which was published on 12 May 2006, to designate, in particular, the goods 'alcoholic beverages (with the exception of beers), ciders, digestives, wines and spirits and alcoholic extracts and essences' ('the goods at issue in the main proceedings').

14. Having learnt that Cooper International, established in the United States, was distributing an elderflower liqueur under the name 'St-Germain', manufactured by Dalfour and a subcontractor of the latter, Établissements Boudier, AR brought proceedings on 8 June 2012 against those three companies (together, 'the defendants in the main proceedings') before the tribunal de grande instance de Paris (Regional Court, Paris, France) for trade mark infringement by reproduction or, in the alternative, by imitation.

15. In parallel proceedings, brought by the United States-registered company Osez vous? International Spirits LLC,[3] the tribunal de grande instance de Nanterre (Regional Court, Nanterre, France), by judgment of 28 February 2013, having found that AR had not demonstrated genuine use of the French trade mark 'SAINT GERMAIN' since it had been filed, made an order revoking his rights in that trade mark for the goods at issue in the main proceedings with effect from 13 May 2011, that is to say, from the expiry of the five-year period that had run from the date of publication of the registration of the mark. That judgment was upheld by judgment of the cour d'appel de Versailles (Court of Appeal, Versailles, France) of 11 February 2014, which, not having been the subject of an appeal, has become irrevocable.

16. Before the tribunal de grande instance de Paris (Regional Court, Paris), AR maintained his claims of infringement for the period not covered by limitation and prior to the revocation, that is to say, from 8 June 2009 to 13 May 2011.

17. By judgment of 16 January 2015, that court, after finding that the trade mark in question had not been exploited since it had been filed, dismissed AR's claims in their entirety ('the judgment of the tribunal de grande instance de Paris (Regional Court, Paris)').

3 It is apparent from the documents relating to those proceedings that Osez vous? International Spirits LLC is the proprietor of the EU trade mark 'SAINT GERMAIN', filed on 17 April 2007 to designate wines and other alcoholic beverages, with the exception of beers.

18. The cour d'appel de Paris (Court of Appeal, Paris, France), by judgment of 13 September 2016, upheld that judgment ('the judgment of the cour d'appel de Paris (Court of Appeal, Paris)'). After considering, in the light of the dissimilarities between the signs at issue, that the infringement alleged by AR could be examined only under Article L. 713-3 of the Intellectual Property Code, that is to say, as an infringement by imitation, the cour d'appel de Paris (Court of Appeal, Paris) considered that the assessment of the likelihood of confusion on the part of the public assumes that the mark relied on has been exploited in such a way that it has been brought into contact with consumers. In that regard, it first of all observed that the tribunal de grande instance de Nanterre (Regional Court, Nanterre), endorsed by the cour d'appel de Versailles (Court of Appeal, Versailles), had ordered the revocation in part of AR's rights in the mark at issue in the main proceedings on the ground of lack of genuine use. Next, after examining the documents submitted by AR, it found that AR had failed to demonstrate that his mark had actually been exploited. It therefore concluded that AR could not claim either an infringement of the trade mark's function as a guarantee of origin, as it had not been brought into contact with the public,[4] or infringement of the monopoly on exploitation conferred by the mark.[5]

19. On 21 December 2016, AR appealed on a point of law against the judgment of the cour d'appel de Paris (Court of Appeal, Paris). In support of his appeal, he claims infringement of Articles L. 713-3 and L. 714-5 of the Intellectual Property Code. He takes issue with the cour d'appel de Paris (Court of Appeal, Paris) for having dismissed his claims of infringement when, during the five-year period following registration of his mark, he was entitled to prohibit third parties from using, in the course of trade, a sign identical or similar to his mark and liable to have an adverse effect on the functions of the mark, without having to demonstrate genuine use of the mark and therefore without showing that it was actually exploited. AR claims that, since it is registration that determines the subject matter of the exclusive right in the mark, the likelihood of confusion within the meaning of Article L. 713-3 of the Intellectual Property Code must be assessed *in abstracto*, by reference to the subject matter of the registration of the mark relied on, which may not have been exploited, and not by reference to an actual situation on the market, and that a likelihood of confusion may thus exist and, consequently, the infringement may be established, in the case of a mark which has not been exploited and is therefore unknown to consumers. AR claims, moreover, that it is not necessary that the protected mark be actually exploited in order to ascertain whether it performs its functions, that it is sufficient for the sign at issue to infringe 'potential' functions and that the infringement has always been assessed by reference to the use of the infringing sign and not to the use of the registered sign.

20. For their part, the defendants in the main proceedings contend that the use of a sign can adversely affect the exclusive right of the trade mark proprietor only if it compromises one of its functions, that a mark performs its essential function only if it is actually exploited by its proprietor to indicate the commercial origin of the goods or services designated in its registration and that, if the proprietor does not exploit the mark in accordance with its essential function, he cannot claim that there has been any adverse effect or risk of an adverse effect on that function. They claim that, in practice, where a proprietor does not use his mark to distinguish his goods, there is no likelihood that the public will be led to make the slightest link between those goods and those of a third party that uses a similar sign or to be mistaken as to the origin of the goods in question. In their submission, trade mark law would be deflected from its purpose and would no longer perform its role as the key element in a system of undistorted competition if it were to be accepted that a person who has filed a mark but has never exploited it could reserve the right to claim damages from third parties who exploit similar signs. That would amount to conferring a wholly unwarranted competitive advantage on that proprietor.

4 According to the findings of the cour d'appel de Paris (Court of Appeal, Paris), the documents submitted by AR established only the reality of the preparations to launch a *crème de cognac* bearing the mark at issue in the main proceedings and the participation of the company owned by AR in trade fairs throughout 2007.

5 The cour d'appel de Paris (Court of Appeal, Paris) also held that there had been no infringement of the trade mark's investment function, claimed by AR with reference to the judgment of 22 September 2011, *Interflora and Interflora British Unit* (C-323/09, EU:C:2011:604).

21. The referring court infers that the ground of appeal alleges infringement of Article L. 713-3 of the Intellectual Property Code, that AR does not criticise the judgment of the cour d'appel de Paris (Court of Appeal, Paris) in that it examined the infringement only in the light of that article, which requires, in order for there to be an infringement, that the likelihood of confusion on the part of the public be established.[6] Referring to the judgment of 18 June 2009, *L'Oréal and Others* (C-487/07, EU:C:2009:378, paragraphs 58 and 59), the referring court considers that, when it is a matter of assessing infringement by imitation, it is necessary to ascertain only the adverse effect caused to the essential function of the mark, owing to such a likelihood of confusion.

22. The referring court observes that, in the judgment of 21 December 2016, *Länsförsäkringar* (C-654/15, EU:C:2016:998, 'the judgment in *Länsförsäkringar*'), the Court, ruling on the interpretation of Article 9(1)(b) of Regulation No 207/2009,[7] held that, during the period of five years following registration of an EU trade mark, its proprietor may, if there is a likelihood of confusion, prevent third parties from using in the course of trade a sign identical or similar to his mark in respect of all goods and services identical or similar to those for which that mark has been registered without having to demonstrate genuine use of that mark in respect of those goods or services. While emphasising that the interpretation applied in that judgment can be transposed to Article 5(1)(b) of Directive 2008/95, since the wording of the two provisions is similar, the referring court emphasises that the situation which the Court was called upon to examine in that judgment, in which the five-year period had not yet expired and in which no application for revocation on the ground of lack of genuine use could, by definition, have been made, is not the same as the situation in the main proceedings. The main proceedings pose the question whether a person who has never exploited his trade mark and whose rights in the mark were revoked on expiry of the five-year period may claim that there has been an infringement of the essential function of his trade mark and to have sustained injury owing to the use made by a third party of an identical or similar sign during the five-year period following the registration of the mark and may claim damages.

23. It was in that context that, by decision of 26 September 2018, the Cour de cassation (Court of Cassation) stayed the proceedings before it and submitted the following question for a preliminary ruling:

'Must Article 5(1)(b) and Articles 10 and 12 of Directive [2008/95] be interpreted as meaning that a proprietor who has never exploited his trade mark and whose rights in it were revoked on expiry of the period of five years following publication of its registration can obtain compensation for injury caused by infringement, claiming an adverse effect on the essential function of its trade mark, caused by use by a third party, before the effective date of the revocation, of a sign similar to that trade mark to designate goods or services identical or similar to those for which that trade mark was registered?'

24. The case forming the subject matter of this Opinion has had the advantage of written observations submitted by AR, Cooper International (jointly with Dalfour), Établissements Boudier, the French Government and the European Commission. Those parties presented their oral observations at the hearing held before the Court on 12 June 2019.

6 As I stated in point 14 of this Opinion, before the tribunal de grande instance de Paris (Regional Court, Paris), AR had also claimed infringement of Article L. 713-2, which prohibits 'infringement by reproduction' of the mark.

7 Council Regulation of 26 February 2009 on the European Union trade mark (OJ 2009 L 78, p. 1). That regulation was replaced, with effect from 1 October 2017, by Regulation (EU) 2017/1001 of the European Parliament and of the Council of 14 June 2017 on the European Union trade mark (OJ 2017 L 154, p. 1).

III. Analysis

A. The revocation system and its rationale

25. The harmonised trade mark law of the Member States, like the EU trade mark system, is based on recognition of exclusive rights only to the proprietors of distinctive signs intended to be used in the course of trade and therefore to be present on the market.

26. As the Court made clear in the judgment of 19 December 2012, *Leno Merken* (C-149/11, EU:C:2012:816, paragraph 32), it follows from recital 9 of Directive 2008/95[8] that the EU legislature intended to make the preservation of the rights connected to the national trade mark condition on its actually being used.

27. That condition of use, first, is designed to ensure that the registered trade mark performs its distinctive function in a concrete sense and not just potentially and, secondly, pursues pro-competitive objectives.

28. A trade mark which is not used is liable to obstruct competition 'by limiting the range of signs which can be registered as trade marks by others and by denying competitors the opportunity to use that trade mark or a similar one when putting onto the internal market goods or services which are identical or similar to those covered by the mark in question'.[9]

29. For the same reasons, non-use of a trade mark (whether national or EU) also risks restricting the free movement of goods and services.[10] The condition that the trade mark must be used therefore also serves the objectives of the completion of the internal market.

30. Both the successive directives on the harmonisation of the trade mark legislation of the Member States and the successive regulations governing the EU trade mark have therefore provided that, while the rights over the (national and EU) trade mark are acquired merely with the formality of registration,[11] the preservation of those rights is possible only if the sign is put to 'genuine use' in the course of business.[12]

31. In providing that the rights in the mark are to be lost in the absence of genuine use of the mark in connection with the goods or services in respect of which it is registered, Article 12(1) of Directive 2008/95[13] is intended to ensure that the exclusive right linked with registration can be exercised only in respect of signs which actually perform their distinctive function, and to ensure that only trade marks that are actually exploited are maintained in the national trade mark registers.

32. The revocation provided for in Article 12(1) of Directive 2008/95 takes effect where the mark is not used in a five-year period.

8 See, to the same effect, recital 10 of Regulation No 207/2009 and, as regards the provisions currently in force, recital 31 of Directive 2015/2436 and recital 24 of Regulation 2017/1001.

9 Judgment of 19 December 2012, *Leno Merken* (C-149/11, EU:C:2012:816, paragraph 32 (concerning the EU trade mark)); to the same effect, see Opinion of Advocate General Sharpston in that case (EU:C:2012:422, points 30 and 32). See also the judgment in *Länsförsäkringar* (paragraph 25). The same considerations apply to the national mark.

10 See judgment of 19 December 2012, *Leno Merken* (C-149/11, EU:C:2012:816, paragraph 32), still concerning the EU trade mark.

11 See Article 5 of Directive 2008/95 and Article 9 of Regulation 2017/1001.

12 See, as regards the measures currently in force, Article 19(1) of Directive 2015/2436 and Article 58(1)(a) of Regulation 2017/1001.

13 Paragraph 2 of Article 12 of Directive 2008/95 sets out other grounds of revocation of the rights in the mark which are not relevant in the case forming the subject matter of this Opinion.

33. Article 10(1) of Directive 2008/95 draws a distinction, in that respect, between the situation in which the trade mark has not been put to genuine use during the five-year period following its registration and that in which such use has begun but has been suspended for an uninterrupted period of five years. The case forming the subject matter of this Opinion concerns only the first of those situations, which is why, in what follows, I shall refer only to that ground of revocation for lack of use.

B. The exercise of the exclusive right in the trade mark in the context of the infringement action

34. Protection of the registered mark is guaranteed by the recognition to its proprietor of an exclusive right, whereby a corresponding duty of abstention is placed on (unauthorised) third parties. However, this *ius excludendi* is not absolute.

35. First, it relates to the activity of the proprietor (or third parties authorised by him) in the production and distribution of goods or services, and it therefore relates to the use of the mark and not to the mark as such, which prevents the rights conferred by that intellectual property title being construed as classic property rights. [14]

36. Furthermore, it can be activated only where the constituent elements of one of the scenarios described in Article 5 of Directive 2008/95 are present, [15] which implies that an illicit use of a sign identical or similar to the registered mark, and the existence of (serious) injury to the protected interests of the proprietor of the mark, are established. [16]

37. Trade mark law harmonised at EU level has extended the subject matter of an infringement action beyond its typical scenario, which relates to the injury caused to the distinctive function of the mark, [17] where the harm caused to the interests of the proprietor of the mark is accompanied by damage to the public in the form of a likelihood that they will be misled when making their purchase and consumption choices. [18]

38. The criterion that defines the boundary of the protection afforded by the infringement action is identified by the Court by reference to the legally recognised and protected functions of that mark, namely, in addition to the essential function as an indication of origin, the functions of communication, investment, advertising and guaranteeing quality. [19]

14 See, to that effect, Opinion of Advocate General Poiares Maduro in Joined Cases *Google France and Google* (C-236/08 to C-238/08, EU:C:2009:569, point 103). The trade mark can clearly also be seen as an asset in itself, capable of being transferred or licensed, however, for the purposes of this Opinion that aspect of the right in the trade mark is not taken into consideration.

15 To that effect, see judgment of 12 November 2002, *Arsenal Football Club* (C-206/01, EU:C:2002:651), where, after asserting, with reference to the tenth recital of First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks (OJ 1989 L 40, p. 1), which preceded Directive 2008/95, the absolute nature of the protection of the mark in the case of double identity between the signs and between the goods and services (paragraph 50), the Court stated, in paragraphs 51 and 52, that the exercise of the exclusive right under Article 5(1)(a) of Directive 89/104 (which is identical to Article 5(1)(a) of Directive 2008/95) must be reserved to cases in which a third party's use of the sign affects or is liable to affect the functions of the trade mark, in particular its essential function as a guarantee of origin, and that the exclusive nature of that right can be justified only within the limits of the application of that article. More generally, as Advocate General Poiares Maduro stated in his Opinion in Joined Cases *Google France and Google* (C-236/08 to C-238/08, EU:C:2009:569, points 101 to 112), the protection of the mark is subject to certain restrictions and limitations that are necessary, in particular, in order to maintain freedom of commerce and free competition, and also freedom of expression. That is why the proprietor of the mark cannot oppose what is deemed to be legitimate commercial and non-commercial use of the protected sign.

16 See judgments of 14 May 2002, *Hölterhoff* (C-2/00, EU:C:2002:287, paragraph 16), and of 12 November 2002, *Arsenal Football Club* (C-206/01, EU:C:2002:651, paragraph 54).

17 This is the situation referred to in Article 5(1)(b) of Directive 2008/95, namely the use by an unauthorised third party of a sign identical or similar to the registered sign in relation to similar goods or services, to which are added the situations referred to respectively in Article 5(1)(a) of that directive (identity of signs and identity of goods or services) and in Article 5(2) of that directive (protection of marks with a reputation).

18 See, to that effect, Opinion of Advocate General Kokott in *Leidseplein Beheer and de Vries* (C-65/12, EU:C:2013:196, point 28).

19 See judgment of 18 June 2009, *L'Oréal and Others* (C-487/07, EU:C:2009:378, paragraph 58).

1. Must the infringement be assessed in abstracto *or* in concreto*?*

39. One of the questions which arise when the characteristics of an infringement action are examined, and which was amply discussed during both the oral procedure and the written procedure before the Court, relates to the abstract or concrete nature of the assessments that must be carried out in order to establish the existence of an infringement. Do those assessments take account only of the elements resulting from the registration of the mark, namely the sign as it was filed and the goods and services that were designated in the application for registration, or must other circumstances, unconnected with those inherent in the registration, be taken into account?

40. In keeping with the non-absolute nature of the exclusive right conferred by the mark, in the sense described above, the Court generally tends to favour an assessment *in concreto* of the constituent elements of the infringement, which takes account, in particular, of the actual way in which the allegedly infringing sign was used by the unauthorised third party,[20] and of all the circumstances surrounding that use.[21] Such an approach makes it possible to define the dividing line between the lawful and unlawful use of another's trade mark[22] and, moreover, to assess the injury sustained by the proprietor by reference to the function of the mark that was infringed.[23]

41. Where, as is the case in the main proceedings, the infringement action relates to the scenario provided for in Article 5(1)(b) of Directive 2008/95, which assumes that the contested conduct impairs the distinctive function of the registered mark by giving rise to a likelihood of confusion on the part of the public,[24] the assessment of the constituent elements of the infringement assumes a broadly concrete nature, given the central role played in that assessment by the perception of the relevant public.

42. Thus, apart from the elements resulting from registration, factors linked with, inter alia, the intensity of the commercial exploitation of the earlier registered mark and its methods of commercialisation must be taken into consideration in the assessment of the similarity between the signs at issue and between the goods or services which they designate, and in the global assessment of the likelihood of confusion. Those factors make it possible, in particular, to weight the different elements of the comparison between signs and between goods or services, and to adjust the degree of protection that must be afforded to the mark in accordance with the public knowledge of it on the market.[25]

20 In so far as this makes it possible to ascertain whether such use may be prohibited by the proprietor of the registered mark; see, to that effect, judgment of 12 November 2002, *Arsenal Football Club* (C-206/01, EU:C:2002:651, in particular paragraphs 51 to 54).

21 See, for example, judgment of 25 January 2007, *Adam Opel* (C-48/05, EU:C:2007:55, paragraphs 23 and 24).

22 See, in particular, judgment of 12 June 2008, *O2 Holdings and O2 (UK)* (C-533/06, EU:C:2008:339, paragraph 67).

23 See judgments of 14 May 2002, *Hölterhoff* (C-2/00, EU:C:2002:287, paragraph 16), and of 12 November 2002, *Arsenal Football Club* (C-206/01, EU:C:2002:651, paragraph 54).

24 It will be recalled that the likelihood of confusion is defined by the Court as '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'; see judgment of 29 September 1998, *Canon* (C-39/97, EU:C:1998:442, paragraph 29). According to a consistent line of decisions, the likelihood of confusion must be assessed globally, according to the perception which the public has of the signs and the goods or services in question, taking into account all the factors relevant to the circumstances of the case, in particular the interdependence of the similarity of the signs and that of the goods or services designated (see, inter alia, judgments of 11 November 1997, *SABEL* (C-251/95, EU:C:1997:528, paragraphs 22 to 24), and of 29 September 1998, *Canon* (C-39/97, EU:C:1998:442, paragraphs 16 to 18)).

25 According to the settled case-law of the Court of Justice and of the General Court since the 'landmark' judgment on the likelihood of confusion (judgment of 29 September 1998, *Canon* (C-39/97, EU:C:1998:442, in particular, paragraph 18, on the extended protection of marks with a highly distinctive character acquired through use, and paragraph 24, on the importance of the distinctive character of the earlier trade mark, including where it has been acquired by use, in the weighting of the factors that must be taken into consideration in the global assessment of the likelihood of confusions)).

43. However, while factors linked with the exploitation of the registered mark on the market may influence the assessment of the likelihood of confusion within the meaning of Article 5(1)(b) of Directive 2008/95, by expanding the perimeter of protection of that mark by comparison with what would result from an abstract assessment carried out solely on the basis of the elements resulting from registration, [26] the opposite operation is not in my view permitted.

44. Thus, apart from the consequences of the revocation, the methods of commercial exploitation of the registered mark cannot be relied on in order to restrict the sphere of protection of the mark as determined by the registration, still less in order to remove such protection.

45. It is the registration of the mark that gives rise to the exclusive right referred to in Article 5(1) of Directive 2008/95. The commercial exploitation of the sign forming the subject matter of that registration is not a factor that serves as a basis for, or perfects, the acquisition of that right. As I have already mentioned above, that exploitation serves only to *preserve* the rights of the proprietor over the registered mark, by ensuring that he is not at risk of revocation. [27]

46. That being so, it should be emphasised that, although the use of the mark is not a condition of the acquisition of the exclusive right recognised in Article 5(1) of Directive 2008/95, it is, conversely, required in order for the mark to perform the essential function for which that right is conferred on the proprietor, which is to 'guarantee the identity of origin of the marked goods or services to the consumer or end user by enabling him, without any possibility of confusion, to distinguish the goods or services from others which have another origin'. [28] By definition, that function can be exercised only where the trade mark is used on the market.

47. I therefore do not support the Commission's assertion that it is by registration that the trade mark begins to perform its function as an indication of origin.

48. Admittedly, with registration, the legal order recognises that the sign applied for has the 'capacity' to designate, in the course of trade, the commercial origin of the goods or services in respect of which it has been registered and to distinguish them from those which have a different origin. However, registration means only that the sign is deemed to have the capacity to fulfil the essential function of the trade mark. In order for such a function to be actually performed, the sign must be used on the market and must come into contact with the public. [29]

49. The foregoing considerations lead me to conclude that the analysis of the likelihood of confusion that must be carried out in the application of Article 5(1)(b) of Directive 2008/95 entails taking into account, in the case of the earlier mark, both abstract elements, those resulting from the registration of the mark, and concrete elements, relating to the use that has been made of the mark, the former serving to identify the minimum protection that must be recognised to the mark and the latter being capable of extending that protection.

26 A particularly striking example of the possibilities of extending the protection of the mark conferred by registration is provided by the example of marks constituting a 'series', the protection of which is recognised only where the marks forming part of the series are present on the market (see judgment of 23 February 2006, *Il Ponte Finanziaria* v *OHIM – Marine Enterprise Projects (BAINBRIDGE)* (T-194/03, EU:T:2006:65, paragraph 126)).

27 To that effect, as regards Article 15(1) and Article 51(1)(a) of Regulation No 207/2009, see the judgment in *Länsförsäkringar*, paragraph 25).

28 According to the definition given by the Court since the judgment of 23 May 1978, *Hoffmann-La Roche* (102/77, EU:C:1978:108, paragraph 7); see, most recently, judgment of 12 June 2019, *Hansson* (C-705/17, EU:C:2019:481, paragraph 31).

29 That, moreover, is the reason why Directive 2008/95 provides for the penalty of revocation of the rights in the mark where it is not used by its proprietor. I would emphasise, moreover, that EU trade mark law does not recognise the category of 'defensive marks', recognised in the legal orders of certain Member States, such as the Italian Republic, which relates to signs intended not to be used in the course of trade because their function is purely to protect another sign that is being commercially exploited: concerning the incompatibility of defensive marks with the system of the EU trade mark, see judgment of 23 February 2006, *Il Ponte Finanziaria* v *OHIM – Marine Enterprise Projects (BAINBRIDGE)* (T-194/03, EU:T:2006:65, paragraphs 42 to 46). The registration of trade marks with the intention of not making actual use of them in the course of business might, strictly speaking, even constitute an example of registration in bad faith within the meaning of Article 3(2)(d) of Directive 2008/95.

2. Redefinition of the wording of the question

50. Notwithstanding the foregoing considerations, the discussion of the abstract or concrete nature of the analysis of the likelihood of confusion is to my mind of only limited importance when it comes to the answer to be given to the question submitted by the Cour de cassation (Court of Cassation).

51. In fact, the acts alleged to constitute the infringements at issue in the main proceedings were committed in a period when the five-year period following publication of the registration of AR's trade mark had not expired and revocation had therefore not yet occurred.

52. As the referring court observes, in the judgment in *Länsförsäkringar* the Court, ruling on the interpretation of Article 15(1) and Article 51(1)(a) of Regulation No 207/2009, the content of which is essentially identical to that of Articles 10 and 12 of Directive 2008/95, held that, during the five-year period following the registration of the EU trade mark, its proprietor may rely on the exclusive right conferred by that mark, under Article 9(1) of that regulation [30] for all the goods and services in respect of which it is registered, *without being required to demonstrate genuine use of the mark*.

53. The Court thus clearly established the principle, which can be applied by analogy in the context of the harmonised law on trade marks, that during the five-year period following registration of the mark, and in the absence of genuine use of the mark by its proprietor, the conditions for the existence of a likelihood of confusion in the context of an infringement action, and in particular of an action in relation to infringement by imitation, must be assessed *in abstracto*, that is to say, solely by reference to the elements resulting from the registration of the mark. [31]

54. The judgment in *Länsförsäkringar* therefore invalidates the premiss that formed the basis of both the judgment of the tribunal de grande instance de Paris (Regional Court, Paris) and the judgment of the cour d'appel de Paris (Court of Appeal, Paris), against which AR lodged the appeal on a point of law which forms the subject matter of the main proceedings, that the examination of the likelihood of confusion in the context of an action in relation to infringement by imitation, which assumes an impairment of the essential function of the mark, must always be carried out *in concreto*. [32]

55. It follows, as, moreover, the Cour de cassation (Court of Cassation) itself observes, that the question with which that court is faced is not whether, in the circumstances of the main proceedings, the likelihood of confusion that constitutes the condition of the infringement action brought by AR against the defendants in the main proceedings must be assessed *in abstracto* or *in concreto*, but the more basic question whether, even after the revocation of his rights in his mark, AR is still entitled to bring an infringement action against the defendants in the main proceedings for acts which they committed during the five-year period following registration of the mark.

56. If the answer to that question must be in the affirmative, the likelihood of confusion that constitutes the condition in order for such acts, prior to revocation, to be classified as infringements should, in accordance with the judgment in *Länsförsäkringar* and in the absence of any commercial exploitation of the earlier mark, be assessed *in abstracto*, that is to say, on the sole basis of the registration of that mark.

30 The wording of that article is practically identical to that of Article 5(1) of Directive 2008/95.

31 That clearly does not mean that where the trade mark has been put to use its use will be taken into consideration in the context of that assessment.

32 I note that both the judgment of the tribunal de grande instance de Paris (Regional Court, Paris) and the judgment of the cour d'appel de Paris (Court of Appeal, Paris) preceded the judgment in *Länsförsäkringar*.

C. Revocation and standing to bring an infringement action

57. Before beginning to analyse the question submitted by the Cour de cassation (Court of Cassation), as clarified in point 55 of this Opinion, I should make clear that that answer does not depend on either the existence of a genuine and actual infringement of the essential function of the earlier mark or on the establishment of injury caused to the proprietor of that mark.

58. First, although, as the referring court observes, the Court made clear in the judgment of 18 June 2009, *L'Oréal and Others* (C-487/07, EU:C:2009:378, paragraph 59), that the protection conferred by Article 5(1)(b) of Directive 2008/95 requires 'the possibility that the essential function of the mark may be affected',[33] it is apparent from the judgment in *Länsförsäkringar* that, during the five-year period following the registration of the mark, that adverse effect must be understood as being on the 'distinctive potential' of the unused earlier mark, and it is therefore immaterial that that mark has not yet been brought to the knowledge of the public.

59. Secondly, as the Commission correctly observes in its written observations, the question of the standing of the proprietor of a trade mark to bring an infringement action in order to obtain compensation for the injury allegedly sustained as a result of the use of a sign giving rise to confusion with its mark is independent of the question whether that use did in fact cause the injury relied on. In other words, the existence of injury is not a condition of standing to bring an infringement action, but is a substantive condition of the claim for damages put forward in the context of such an action.

60. In order to answer the question submitted by the Cour de cassation (Court of Cassation), the attention must therefore be shifted from the effects that the alleged infringements by the defendants in the main proceedings may have had upon the functions of the earlier mark and upon the interests of its proprietor, to the latter's situation at the time when he initiated the infringement action.

61. It is apparent from the order for reference that, on the date on which that claim was lodged, AR's rights in his trade mark had been revoked.[34]

62. It follows from the documents in the case file in the main proceedings that AR brought an action against the defendants in the main proceedings by acts of 8 and 11 June 2012. The five-year period following registration of the trade mark SAINT GERMAIN, provided for in Article 10 of Directive 2008/95, expired on 13 May 2011.

63. While it is true that revocation was ordered by tribunal de grande instance de Nanterre (Regional Court, Nanterre) only on 28 February 2013, by judgment which became final on 22 February 2014, the date on which it was upheld by the cour d'appel de Versailles (Court of Appeal, Versailles), the effects of that revocation began to run on the day on which that period came to an end.

64. Where the proprietor of a trade mark brings an infringement action, whether for infringement 'by reproduction' or for infringement 'by imitation', he exercises the exclusive right conferred by the registered mark to oppose the use in the course of trade of a sign identical or similar to his mark for goods identical or similar to those in respect of which the mark was registered. The same applies where the action seeks only compensation for the injury sustained as a result of such use, for example where the contested acts have ceased in the meantime.

33 See also to that effect judgments of 9 January 2003, *Davidoff* (C-292/00, EU:C:2003:9, paragraph 28), and of 12 June 2008, *O2 Holdings and O2 (UK)* (C-533/06, EU:C:2008:339, paragraph 57).

34 In that regard, I observe that it follows from the documents in the case file in the main proceedings that before the tribunal de grande instance de Paris (Regional Court, Paris), AR claimed the contrary. His argument was, however, rightly rejected by that court.

65. Revocation has the effect of depriving the proprietor of the registered mark of the exclusive right conferred by the mark within the meaning of Article 5(1) of Directive 2008/95. From the date on which revocation takes effect, the exercise of that right is therefore prima facie no longer permitted. In other words, revocation extinguishes the right to bring an infringement action on the basis of that provision. [35]

66. Does that also apply for actions, such as that brought by the applicant in the main proceedings, seeking compensation for the injury caused to the proprietor of the registered mark by such use at a time when his rights in the mark were not yet revoked?

D. Right of a proprietor whose trade mark has been revoked to obtain compensation for acts of infringement committed before revocation

67. Although, after revocation, the proprietor of a registered trade mark can, in principle, no longer exercise the exclusive right conferred by the mark, it should however be emphasised that the acts constituting infringements of such a trade mark committed during the five-year period following registration of the mark do not cease to be unlawful because of the revocation.

68. It follows that, if under national law the effects of the revocation do not have retroactive effect from the date on which the application for a trade mark was filed or from the date of registration of the mark, so that the mark is deemed never to have had any legal effect, the acts committed during that five-year period that took place before the date on which revocation takes effect may continue to be pursued by an infringement action.

69. To deny such a right of action to the proprietor of a registered trade mark whose rights have been revoked would amount to 'regularising ex post facto' infringements committed at a time when the mark that was affected – in the sense explained in point 58 of this Opinion – was still protected.

70. However, such regularisation cannot in my view follow, as the defendants in the main proceedings submit in essence, from a mere finding that the mark at issue has never been commercially exploited.

71. Admittedly, the rights conferred on the proprietor of a registered by Directive 2008/95 are intended to enable the mark to perform its essential function as an indication of origin and to fulfil the role as an essential element of the system of undistorted competition which EU law is intended to establish and maintain. [36] In a similar vein, those rights, as I have explained above, can be preserved only if the function in respect of which they were attributed is actually exercised on the market.

72. It might therefore seem unjustified, and indeed abusive, that a person who has never exploited his mark while enjoying the exclusive right conferred by it and who, moreover, has not exercised that right in good time in order to oppose the infringement of his mark, [37] might, after his rights have been revoked, take action against the authors of infringing acts in order to obtain compensation for the injury allegedly sustained.

35 It should be pointed out that revocation does not extinguish all the rights in the registered sign, but only those conferred by registration. Thus, a situation in which revocation takes place without the mark having been used must be distinguished from the situation in which the mark has been commercially exploited and its exploitation was subsequently interrupted by a consecutive period of five years. In the latter situation, it cannot be precluded that consumers will retain a memory of the mark, even after the expiry of that period, in particular when the mark was the subject of intensive exploitation. In such circumstances, its proprietor could bring infringement proceedings, even after revocation, by exercising not the rights resulting from its registration, which are now extinguished, but those recognised to him, where relevant, as a consequence of his use of the sign that was registered.

36 See, on the function of the mark in such a system, judgment of 25 July 2018, *Mitsubishi Shoji Kaisha and Mitsubishi Caterpillar Forklift Europe* (C-129/17, EU:C:2018:594, paragraph 30).

37 It will be recalled that the infringements at issue in the main proceedings took place between 8 June 2009 and 13 May 2011 and that three years elapsed between the beginning of the infringement and the lodging of the documents initiating proceedings by AR (8 and 11 June 2012).

73. However, as I have already observed, the Court asserted, in the judgment in *Länsförsäkringar*, that the provisions governing revocation confer on the proprietor a 'grace period' for beginning genuine use of his mark, during which, even in the absence of any commercial exploitation of the mark, he may oppose infringements by third parties of his monopoly to use that mark and obtain compensation for the injury that such an infringement has caused him. The fact that, on expiry of that period, the proprietor has still not exploited the mark has, in principle, no impact on the unlawful nature of the infringements committed while that period was still open. [38]

74. Therefore, unless, under the national law of the Member States concerned, the effects of the revocation are retroactive to the date on which the trade mark application was filed or the date on which it was registered, which would extinguish any right on behalf of the proprietor of the revoked trade mark to claim damages for acts committed during that grace period, there is in my view nothing to prevent the proprietor from bringing an infringement action in order to be compensated for the injury which he has sustained as a result of acts which, at the time when they were committed, adversely affected his exclusive right in the trade mark.

75. I would emphasise, moreover, that, as the Commission observed at the hearing, it cannot be precluded that in certain cases the infringements committed during the five-year period following registration of the mark helped to deter its proprietor from exploiting his mark or hindered its genuine use, without being a legitimate ground for non-use preventing, within the meaning of Article 12(1) of Directive 2008/95, revocation. [39]

76. The solution which I propose the Court should follow is not invalidated by the *obiter dictum* in paragraph 28 of the judgment in *Länsförsäkringar*, where the Court stated that, 'from the time that the period of five years following registration of the EU trade mark expires the extent [of the exclusive right conferred by Article 9(1)(b) of Regulation No 207/2009] may be affected by the finding – made following a counterclaim, or a defence as to the merits, lodged by the third party in the context of an infringement action – that the proprietor has at that time not yet begun genuine use of his mark in respect of some or all of the goods and services for which it has been registered'.

77. Although in that paragraph the Court clearly intended to make clear that the exercise of that right is limited or prevented by the revocation, having regard to the content of all the grounds of that judgment, that assertion must in my view be understood as referring to infringement actions seeking to prohibit acts committed after the expiry of the five-year period following registration of the mark. [40] I do not think, on the other hand, that it supports the argument that the proprietor whose rights in the mark have been revoked for lack of use cannot obtain, including by an infringement action, compensation for the injury sustained owing to acts that took place before the date on which the revocation took effect.

38 The position might be otherwise if it were established that the proprietor registered the sign without intending to use it for the purposes for which the exclusive right was recognised to him, so that it might be considered that the registration was obtained in bad faith within the meaning of Article 3(2)(d) of Directive 2008/95 and that the mark might be cancelled for that reason.

39 In that regard, I note that, among the heads of damage claimed, in the alternative, by AR before the tribunal de grande instance de Paris (Regional Court, Paris), are 'the negative economic consequences' of infringements allegedly committed by the defendants in the main proceedings, from the aspect, in particular, of the 'loss of opportunity to enter the market' and the fact that it was 'impossible to exploit the trade mark SAINT GERMAIN'.

40 The effects of revocation as described as follows in Article 55(1) of Regulation No 207/2009: 'The European Union trade mark shall be deemed not to have had, as from the date of the application for revocation or of the counterclaim, the effects specified in this Regulation, to the extent that the rights of the proprietor have been revoked. An earlier date, on which one of the grounds for revocation occurred, may be fixed in the decision at the request of one of the parties'.

78. Likewise, I am of the view that Article 17 of Directive 2015/2436,[41] which replaced Directive 2008/95, according to which 'the proprietor of a trade mark shall be entitled to prohibit the use of a sign only to the extent that the proprietor's rights are not liable to be revoked pursuant to Article 19 at the time the infringement action is brought', does not refer to the possibility of claiming, including after revocation, by an infringement action, compensation for the injury sustained in respect of acts committed when the mark still produced its legal effects.

79. Lastly, the solution which I recommend be followed respects the discretion left to the Member States by Directive 2008/95 when they define the effects of the revocation and, in particular, when they fix the time from which the effects of the revocation begin to run.[42] In the case of French law, as I have already stated, those effects run only from the date of expiry of the five-year period following publication of the registration of the mark.

80. In the light of all the foregoing considerations, I am of the view that the proprietor of a registered trade mark who has never used it and whose rights in the trade mark have been revoked on expiry of the five-year period provided for in Article 12(1) of Directive 2008/95 may bring an infringement action on the basis of Article 5(1)(b) of that directive in order to obtain compensation for the injury which he has sustained owing to the use by a third party during that five-year period, and before the date on which the revocation took effect, of a similar sign for identical goods or services leading to confusion with his trade mark.

81. Should the Court decide not to follow that proposal and reach the conclusion that a proprietor whose rights in the trade mark have been revoked for lack of genuine use of the mark is no longer entitled to bring an infringement action, even where such an action seeks compensation for the injury sustained as a result of infringements committed during the five-year period following registration of the mark, I propose, in the alternative, that the Court should recognise, on the basis of the considerations set out in points 66 to 69 of this Opinion, that such compensation may be obtained by actions having a different legal basis from that underlying Article 5(1) of Directive 2008/95, like an action for unfair competition or an action for non-contractual liability,[43] where the conditions prescribed by national law for the exercise of such remedies are satisfied.

82. Such actions, which are available to a person who cannot rely on exclusive rights, would be based on the same material facts as those alleged in support of a trade mark infringement action, if unlawful conduct results therefrom.[44]

83. For the reasons set out in points 39 to 49 of this Opinion, even in such a situation, the likelihood of confusion between the signs at issue, necessary in order to be able to find the existence of an infringement, and therefore of unlawful conduct, would have to be assessed by reference only to the elements that result from the registration of the trade mark.[45]

41 That directive is not applicable *ratione temporis* to the facts of the main proceedings, but it was nonetheless mentioned in the written observations submitted to the Court and at the hearing, notably by the defendants in the main proceedings.

42 See, in particular, recital 6 of Directive 2008/95, according to which 'Member States should … remain free to fix the provisions of procedure concerning … the revocation … of trade marks acquired by registration. … Member States should remain free to determine the effects of revocation … of trade marks'. I note that the scope for manoeuvre thus left to Member States no longer exists in Directive 2015/2436, Article 47(1) of which provides that 'a registered trade mark shall be deemed not to have had, as from the date of the application for revocation, the effects specified in this Directive, to the extent that the rights of the proprietor have been revoked. An earlier date, on which one of the grounds for revocation occurred, may be fixed in the decision on the application for revocation, at the request of one of the parties'.

43 Such actions would be based on the same facts as those alleged in support of a trade mark infringement action.

44 I would observe that reparation of the damage claimed by AR in the alternative, referred to in footnote 39 of this Opinion, and the damage, also claimed in the alternative, consisting in 'loss of the investments applied … in order to launch the trade mark', may be claimed in an action for unfair competition or an action for non-contractual liability.

45 I note that even that solution would preserve the scope for manoeuvre allowed to the Member States by Directive 2008/95. It is only in so far as national law does not cause the effects of revocation to be retroactive to the date on which the application for a trade mark was filed, or the date on which it was registered, that it remains possible for the proprietor of the revoked trade mark to bring an action, on grounds other than his exclusive right in the mark, in order to obtain compensation for the injury sustained by acts committed at a time when his exclusive right in the mark was still valid.

IV. Conclusion

84. On the basis of all the foregoing considerations, I suggest that the Court answer the question referred for a preliminary ruling by the Cour de cassation (Court of Cassation, France) as follows:

Article 5(1)(b), Article 10 and Article 12(1) of Directive 2008/95/EC of the European Parliament and of the Council of 22 October 2008 to approximate the laws of the Member States relating to trade marks must be interpreted as meaning that the proprietor of a registered trade mark who has never used it and whose rights in that trade mark were revoked on expiry of the five-year period provided for in Article 12(1) of that directive may bring an infringement action on the basis of Article 5(1)(b) of that directive in order to obtain compensation for the injury sustained owing to the use, by a third party, during that five-year period and before the date on which revocation took effect, of a similar sign for identical goods or services leading to confusion with his trade mark. In the context of such an action, the likelihood of confusion between the signs at issue, necessary in order to be able to establish the existence of an infringement, must be assessed by reference only to the elements that result from the registration of the trade mark.