OPINION OF ADVOCATE GENERAL SHARPSTON
delivered on 29 March 2007 [1]

1. This appeal [2] originates in an application to register a figurative sign including the word 'Bainbridge' as a Community trade mark for certain categories of goods, opposed by the proprietor of several national trade marks for the same categories, all including the element 'bridge'.

2. That opposition was rejected by the Office for Harmonization in the Internal Market (Trade Marks and Designs) ('OHIM'), essentially on the grounds that (i) use of certain of the national trade marks had not been established and (ii) there was insufficient similarity between the remaining national marks and the Community trade mark applied for to give rise to a likelihood of confusion. The rejection was upheld by the Court of First Instance.

3. The main issues now raised on appeal concern (i) the criteria for assessing whether a trade mark has been in 'genuine use', in particular whether the concept of 'defensive registration' of similar marks, entailing a lesser requirement of actual use, has a place in Community trade mark law, and (ii) the criteria for assessing likelihood of confusion between marks, with particular regard to the relevance of the existence of a 'family' or 'series' of similar marks belonging to the same proprietor.

Community trade mark legislation

4. Article 8(1) of the Community Trade Mark Regulation [3] provides, in so far as is relevant:

1 — Original language: English.

2 — Against the judgment of the Court of First Instance in Case T-194/03 *Il Ponte Finanziaria* v *OHIM* [2006] ECR II-445.

3 — Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark (OJ 1994 L 11, p. 1).

'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.'

5. Under Article 8(2)(a)(ii), an 'earlier trade mark' for that purpose includes trade marks registered in a Member State.

6. Article 15 of the Trade Mark Regulation provides, in so far as is relevant:

'1. If, within a period of five years following registration, the proprietor has not put the Community trade mark to genuine use in the Community 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 Community trade mark shall be subject to the sanctions provided for in this Regulation, unless there are proper reasons for non-use.

2. The following shall also constitute use within the meaning of paragraph 1:

(a) use of the Community trade mark in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered;

...'

7. The 'sanctions provided for in this Regulation' are not, unfortunately, listed as such but must be sought in various subsequent provisions.

8. For example, according to Article 43(2) and (3):

'2. If the applicant so requests, the proprietor of an earlier Community trade mark who has given notice of opposition shall 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 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, provided the earlier Community trade mark has at that date been registered for not less than five years. In the absence of proof to this effect, the opposition shall be rejected. If the earlier Community trade mark has been used in relation to part only of the goods or services for which it is registered it shall, for the purposes of the examination of the opposition, be deemed to be registered in respect only of that part of the goods or services.

3. Paragraph 2 shall 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.'

9. In addition, Article 50(1)(a) provides for the rights of the proprietor of the Community trade mark to be revoked on application to the Office or on the basis of a counterclaim in infringement proceedings if, within a continuous period of five years, the trade mark has not been put to genuine use in the Community in connection with the goods or services in respect of which it is registered, and there are no proper reasons for non-use. In respect of revocation proceedings, the wording of Article 56(2) and (3) closely echoes that of Article 43(2) and (3), quoted above.

10. Rule 22 ('Proof of use') of the Community Trade Mark Implementing Regulation [4] provided, at the material time [5] and in so far as is relevant:

'(1) Where, pursuant to Article 43(2) or (3) of the [Community Trade Mark] Regulation, the opposing party has to furnish proof of use or show that there are proper reasons for non-use, the Office shall invite him to provide the proof required within such period as it shall specify. If the opposing party does not provide such proof before the time limit expires, the Office shall reject the opposition.

4 — Commission Regulation (EC) No 2868/95 of 13 December 1995 implementing Council Regulation (EC) No 40/94 on the Community trade mark (OJ 1995 L 303, p. 1) (the 'Implementing Regulation').

5 — The text has since been replaced by Commission Regulation (EC) No 1041/2005 of 29 June 2005 amending Regulation (EC) No 2868/95 (OJ 2005 L 172, p. 4).

(2) The indications and evidence for the furnishing of proof of use shall consist of indications concerning the place, time, extent and nature of use of the opposing trade mark for the goods and services in respect of which it is registered and on which the opposition is based, and evidence in support of these indications in accordance with paragraph 3.

(3) The evidence shall, in principle, be confined to the submission of supporting documents and items such as packages, labels, price lists, catalogues, invoices, photographs, newspaper advertisements, and statements in writing ...'

11. As regards national trade marks, provisions similar to those in the Trade Mark Regulation are to be found in the Trade Marks Directive. [6] The relevant wording of Article 10(1) and (2) is identical, *mutatis mutandis*, to that of Article 15(1) and (2) of the Trade Mark Regulation:

'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.

2. The following shall also constitute use within the meaning of paragraph 1:

(a) use of the trade mark in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered;

...'

12. Here, the sanctions are to be found in particular in Articles 11 and 12 of the Directive. Article 11(1) and (2) provide respectively that a trade mark may not be declared invalid on the ground that there is an earlier conflicting trade mark if the latter does not fulfil the requirements of use set out in Article 10, and that any Member State may provide that registration of a trade mark may not be refused on the ground that there is an earlier conflicting trade mark if the latter does not fulfil the same requirements

6 — 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).

of use. Article 12(1) provides that a trade mark is to 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.

14. Article 42(4) however introduces the possibility of 'defensive' trade mark registration. It reads as follows:

'... there shall be no revocation for non-use if the proprietor of the mark not used is at the same time proprietor of one or more other similar marks still in force, of which at least one is actually used to distinguish the same goods or services.'

Italian trade mark legislation

13. The Trade Marks Directive was transposed into Italian law by Legislative Decree 480/1992,[7] Article 39 of which replaced Article 42 of Royal Decree 929/1942[8] with a text regulating the consequences of non-use of a registered trade mark. Paragraphs 1 and 2 essentially transpose the provisions, respectively, of Article 12(1) of the Directive, concerning liability to revocation for non-use, and Article 10(2)(a), providing for use in a slightly different form to be taken into account.

Facts and procedure before OHIM

15. On 24 September 1998, Marine Enterprise Projects (now F.M.G. Textiles srl) applied to register as a Community trade mark a figurative sign whose main components are the depiction of a roll of cloth unfurling to take on the form of the sail of a small sailing boat, against a thick horizontal line above which the word 'Bainbridge' appears in cursive lettering, in respect of goods in Classes 18 and 25 of the Nice Agreement.[9] Class 18 is for 'leather and imitations of leather, and goods made of

7 — Decreto legislativo del 04/12/1992 n. 480, attuazione della direttiva n. 89/104/CEE del Consiglio del 21 dicembre 1988, recante ravvicinamento delle legislazioni degli Stati membri in materia di marchi di impresa, Supplemento ordinario n. 130 alla Gazzetta Ufficiale — Serie generale — del 16/12/1992 n. 295.

8 — Regio Decreto del 21/06/1942, n. 929, Testo delle disposizioni legislative in materia di marchi registrati, Gazzetta Ufficiale del 29 agosto 1942, n. 203. The text of Article 42 is now in Article 24 of the Codice della proprietà industriale, enacted by Decreto legislativo del 10/02/2005 n. 30, Gazzetta Ufficiale del 4 marzo 2005, n. 52, S.O.

9 — 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.

these materials and not included in other classes; animal skins, hides; trunks and travelling bags; umbrellas, parasols and walking sticks; whips, harness and saddlery', and Class 25 is for 'clothing, footwear, headgear'. The application was published on 14 June 1999.

16. On 7 September 1999, Il Ponte Finanziaria SpA ('Ponte Finanziaria') opposed registration of that trade mark, on the basis of Article 8(1)(b) of the Trade Mark Regulation, relying on a number of earlier trade marks registered in Italy. For the purposes of this appeal, those trade marks may be listed in three groups.

17. First, three figurative marks registered in respect of goods in Class 25 — Nos 704338, with effect from 15 July 1964, for 'clothing, including boots, shoes and slippers', 370836, with effect from 11 May 1979, for 'clothing', and 606709, with effect from 22 October 1990, for 'socks and ties' — and one figurative mark, No 593651, registered with effect from 12 June 1990 in respect of goods in Class 18. The first two include the word 'Bridge' in cursive lettering; the latter two, respectively, the words 'OLD BRIDGE' and 'THE BRIDGE BASKET' in uppercase letters. The second and third also include a depiction of a bridge, and the fourth a depiction of a basketball net with a ball passing through it.

18. Second, the word mark 'THE BRIDGE', registered under No 642952, with effect from 14 June 1994, in respect of goods in Class 25.

19. Third, five marks registered in respect of goods in Classes 18 and 25, and one mark registered in respect of goods in Class 18 only. For both classes, there are two three-dimensional marks — Nos 704372 and 633349, both with effect from 22 June 1994 and both including principally the words 'THE BRIDGE' in uppercase letters; two word marks — Nos 630763 'OVER THE BRIDGE', with effect from 24 December 1991, and 710102 'FOOTBRIDGE', with effect from 7 December 1994; and a figurative mark, No 721569, with effect from 28 February 1996, which includes the words 'THE BRIDGE' and 'WAYFARER' in uppercase letters, respectively above and below a depiction of a compass card traversed by a thin horizontal line. For goods in Class 18 only, there is registration No 642953, with effect from 26 October 1994, of the word mark 'THE BRIDGE'.

20. On 15 November 2001, the Opposition Division of OHIM rejected the opposition, taking the view that, despite the need to take account of interdependence between the degree of similarity of the goods concerned and the degree of similarity of the conflicting signs, any likelihood of confusion within the meaning of Article 8(1)(b) of the Trade Mark Regulation could reasonably be ruled out in view of the aural and visual dissimilarities between the signs. Ponte Finanziaria appealed against that rejection.

21. By decision of 17 March 2003 ('the contested decision'), the Fourth Board of Appeal of OHIM rejected the appeal. It excluded from its assessment the trade marks listed in the first group above, [10] on the ground that use of the corresponding marks had not been established, [11] and trade mark No 642952, [12] on the ground that the opponent had produced insufficient evidence of use. [13] Comparing the remaining marks — listed in the third group above [14] — with the trade mark applied for, it decided that there was no conceptual, visual or aural similarity between them. [15] The Board of Appeal therefore concluded that there was no likelihood of confusion within the meaning of Article 8(1)(b) of the Trade Mark Regulation. It considered the principle of interdependence between similarity of the goods and similarity of the signs to be irrelevant in this case, in the absence of the minimum degree of similarity between the marks required in order to justify its application. [16]

The judgment under appeal

22. Ponte Finanziaria appealed against that decision to the Court of First Instance, which grouped its arguments in two pleas. The first plea dealt with in the judgment alleged infringement of Articles 15(2)(a) and 43(2) and (3) of the Trade Mark Regulation and Rule 22 of the Implementing Regulation, with regard to the marks which the Board of Appeal excluded from its assessment. The second plea alleged infringement of Article 8(1)(b) of the Trade Mark Regulation, with regard to the assessment of the likelihood of confusion.

Exclusion of certain marks from the assessment

23. The Court of First Instance identified four arguments, which it dealt with as follows.

10 — Point 17 above.
11 — Paragraphs 12 and 13 of the contested decision.
12 — Point 18 above.
13 — Paragraph 14 of the contested decision.
14 — Point 19 above.
15 — Paragraph 16 et seq. of the contested decision.
16 — Paragraph 25 of the contested decision.

24. *First,*[17] Ponte Finanziaria claimed that the Board of Appeal should not have excluded from its assessment marks registered less than five years before the notice of opposition was filed, thus ruling out the specific protection of a 'family of marks'.

25. The Court of First Instance noted that the Board had in fact taken account of all the marks registered during that five year period. Only when examining the argument that the earlier marks were to be regarded as forming part of a 'family' enjoying extended protection did the Board of Appeal find that the products 'were promoted and sold mainly under the trade mark THE BRIDGE and, to a lesser extent, under the figurative trade mark THE BRIDGE WAYFARER', so that the Italian consumer was confronted only with those two earlier marks. On that basis, the Board of Appeal had concluded that extended protection on the basis of a 'family of marks' was not justified, since the mere registration of numerous trade marks, unaccompanied by use on the market, was insufficient.

26. *Second,*[18] Ponte Finanziaria submitted that under Rule 22 of the Implementing Regulation the Board of Appeal should not have excluded word mark No 642952 THE BRIDGE[19] from its assessment of likelihood of confusion on the ground that use had not been sufficiently established. Rule 22 listed catalogues and advertisements as admissible evidence to establish use of a trade mark. Ponte Finanziaria had produced such documents. Those documents were wrongly regarded as insufficient by the Board of Appeal.

27. The Court of First Instance considered that genuine use excluded minimal or insufficient use of the mark for the purpose of identifying goods or services. Whatever the owner's intention, there was no genuine use unless a trade mark was objectively present on the market in a manner that was effective, consistent over time and stable in terms of the configuration of the sign, and could thus be perceived by consumers as an indication of the origin of the goods or services in question.[20] However, the only evidence of use of the word mark 'THE BRIDGE' in connection with goods in Class 25 consisted of a 1994/95 autumn/winter catalogue and of advertisements published in 1995. Other catalogues were not dated. That evidence was very limited with regard to 1994 and non-existent for 1996 to 1999. It did not demonstrate that the mark was consistently present on the Italian market in connection with the goods in respect of

17 — See paragraphs 17 and 27 to 29 of the judgment under appeal.

18 — See paragraphs 18 and 30 to 39 of the judgment under appeal.

19 — See point 18 above.

20 — Case T-39/01 *Kabushiki Kaisha Fernandes* v *OHIM* [2002] ECR II-5233, paragraph 36, and Case T-156/01 *Laboratorios RTB* v *OHIM* [2003] ECR II-2789, paragraph 35.

which it was registered during the period preceding the publication of the trade mark application, contrary to the requirements of Article 43(2) and (3) of the Trade Mark Regulation. The Board of Appeal was therefore entitled to find that genuine use of the trade mark in connection with the goods in question had not been proved.

28. *Third,*[21] Ponte Finanziaria asserted that the Board of Appeal had wrongly excluded the marks registered under Nos 370836, 704338, 606709 and 593651[22] from its assessment of likelihood of confusion, on the ground that their use had not been proved. They were 'defensive trade marks' for the purposes of Italian trade mark legislation,[23] the purpose being to widen the scope of protection of the principal trade mark against likelihood of confusion by allowing their proprietor to oppose registration of similar or identical trade marks which would not be sufficiently similar to the principal trade mark itself to establish a likelihood of confusion. The Board of Appeal was wrong to hold that the earlier marks in question did not constitute 'defensive trade marks' because they had not been registered at the same time as or later than the principal earlier mark. Ponte Finanziaria had had registrations Nos 704338 and 607909 transferred to it by third parties precisely with a view to using them as 'defensive trade marks'; moreover, all the trade marks involved were registered after the actual use of the earlier mark 'THE BRIDGE' from the 1970s.

29. The Court of First Instance noted that Italian law provides for an exception to the rule that a trade mark must be revoked for non-use over a five-year period[24] but found that there was no concept of 'defensive trade mark' in the system of protection of the Community trade mark. In the scheme of the Trade Mark Regulation, actual use of a sign in trade in connection with the goods or services in respect of which it has been registered was an essential condition for the conferment of protection on its proprietor. The exception where there were 'proper reasons' for non-use referred to reasons based on the existence of obstacles to use of the trade mark or to situations in which its commercial exploitation proved to be excessively onerous. A holder of a national registration could not rely on a national provision which allowed signs not intended to be used in trade to be registered as trade marks for purely defensive purposes in relation to another sign which was actually used. Such registrations were not compatible

21 — Paragraphs 19 and 40 to 47 of the judgment under appeal.

22 — The first group I have listed in point 17 above.

23 — See point 14 above.

24 — See point 14 above.

with the rules governing the Community trade mark, and their recognition at national level could not constitute a 'proper reason' for non-use of an earlier trade mark cited as justification for opposition to a Community trade mark.

30. *Fourth,* [25] Ponte Finanziaria argued that the evidence which it had produced to prove use of word marks Nos 642952 and 942953 'THE BRIDGE' [26] also proved genuine use of figurative mark No 370836 'Bridge', [27] which differed from it only in negligible variations. It referred to Article 15(2)(a) of the Trade Mark Regulation [28] and to the Italian Law on trade marks, containing a similar provision. The Board of Appeal should not therefore have excluded the earlier mark from its assessment of the likelihood of confusion, on the ground that its use had not been proved.

31. The Court of First Instance considered that the purpose of Article 15(2)(a) was to allow a trade mark proprietor to make variations in the sign which did not alter its distinctive character but adapted it to the marketing and promotion requirements of the goods or services concerned. In accordance with that purpose, the material scope of the provision must be limited to situations in which the sign actually used by the proprietor of a trade mark was the form in which that mark was commercially exploited. In such situations, where the sign used in trade differed from the form in which it was registered only in negligible elements, so that the two signs could be regarded as broadly equivalent, the obligation to use the registered trade mark could be fulfilled by furnishing proof of use of the sign which constituted the form in which it is used in trade. However, Article 15(2)(a) did not allow a trade mark proprietor to avoid that obligation by relying on the use of a similar mark covered by a separate registration.

32. The Court of First Instance therefore dismissed the plea in its entirety.

Assessment of likelihood of confusion

33. The Court of First Instance identified three arguments.

34. *First,* [29] Ponte Finanziaria argued that the Board of Appeal had wrongly disregarded

25 — Paragraphs 20 and 48 to 51 of the judgment under appeal.

26 — For Classes 25 and 18 respectively; see points 18 and 19 above.

27 — For clothing in Class 25; see point 17 above.

28 — See point 6 above.

29 — Paragraphs 54 to 56 of the judgment under appeal.

the existence of a 'family' or 'series' of trade marks containing the term 'bridge', increasing the likelihood of confusion between the conflicting marks. Its trade marks were complex, having in common the English word 'bridge', accompanied by other signs. None of the elements of those marks had any connection with the goods identified. Consequently, they had a strong distinctive character, enhanced by the massive use made of the word mark 'THE BRIDGE'. Both Italian and Community case-law afforded extensive protection to such marks. In *Canon* [30] the Court of Justice held that 'marks with a highly distinctive character, either per se or because of the reputation they possess on the market, enjoy broader protection than marks with a less distinctive character'.

35. *Second,* [31] Ponte Finanziaria complained that the Board of Appeal failed to take account of the principle of interdependence between the similarity of the trade marks and that of the goods. Likelihood of confusion must be assessed globally, taking into account all factors relevant to the circumstances of the case, which must be regarded as interdependent. [32]

36. *Third,* [33] Ponte Finanziaria maintained that the Board of Appeal was wrong in holding that the earlier marks and the trade mark applied for were not similar.

37. As regards visual comparison, the depiction next to the word 'Bainbridge' of a roll of cloth unfurling to take on the shape of a sail increased the likelihood of confusion with the earlier figurative marks, also comprising a word element including 'bridge' and graphic elements. The public would be led to believe that the goods identified were of the same origin and were intended for people interested in sailing and water sports, particularly since the figurative element of trade mark No 721569 showed a compass card. There was also graphic similarity with trade mark No 370836.

38. As regards conceptual comparison, the Board of Appeal erred in considering that the average Italian consumer's knowledge of foreign languages enabled him to grasp a difference between the marks. The English word 'bridge' had no assonance with the Italian 'ponte', but was commonly used in Italian for a card game. Yet the Board of Appeal took the view that the average Italian consumer would understand the meaning of 'bridge' when used in Ponte Finanziaria's trade marks, but would not distinguish it in the trade mark applied for, in conjunction

30 — Case C-39/97 [1998] ECR I-5507, paragraph 18.

31 — Paragraph 57 of the judgment under appeal.

32 — Case C-251/95 *SABEL* [1997] ECR I-6191.

33 — Paragraphs 58 to 65 of the judgment under appeal.

with another term, 'bain', meaningless in English. The argument that such a consumer would perceive 'Bainbridge' as a personal or geographical name was not credible. Either he would not understand any of the foreign words in question or he would recognise only 'bridge', which he would identify in all the marks in question. In either case, there was likelihood of confusion.

39. The Court of First Instance dealt with those arguments as follows.

40. First, it noted that likelihood of confusion must be assessed globally, taking into account all factors relevant to the circumstances of the case, in particular the interdependence between the similarity of the signs and that of the goods or services identified. [34] For that purpose, the relevant public consisted of average consumers in Italy; the trade mark application and the earlier marks were for the same classes of goods; and, following the rejection of the first plea, only six of those earlier marks could be taken into consideration. Those marks were, however, highly distinctive. [35]

41. The Court went on to compare the earlier marks and the mark applied for visually, aurally and conceptually. Visually, the only element common to all the marks — the six-letter sequence 'bridge' — was insufficiently prominent in the overall impression to create a likelihood of confusion. Aurally, however, and contrary to the Board of Appeal's assessment as to pronunciation, there was some limited similarity between the mark applied for and four of the earlier marks. As regards conceptual similarity, the Board of Appeal was right to consider that an average Italian consumer would identify the meaning of the English element 'bridge' in the earlier marks, but also right to consider that the element would not be understood in the same way as part of the term 'Bainbridge', in the context of the figurative mark applied for. Overall, the degree of purely aural similarity was not sufficient to give rise to a likelihood of confusion on its own. [36]

42. Finally, the Court of First Instance considered Ponte Finanziaria's arguments concerning the relevance of a 'family' or 'series' of earlier marks. Even though such a

34 — Case T-162/01 *Laboratorios RTB* v *OHIM* [2003] ECR II-2821, paragraphs 31 to 33, and the case-law cited.

35 — Paragraphs 75 to 89 of the judgment under appeal.

36 — Paragraphs 90 to 117 of the judgment under appeal.

concept was not referred to in the Trade Mark Regulation, it could not be dismissed out of hand. When opposition was based on several earlier marks which could be regarded as forming part of a single 'series' or 'family' (for example, through the presence of a shared element), that was relevant for assessment of a likelihood of confusion. Such a likelihood could arise where the trade mark applied for displayed such similarities to those marks as might lead the consumer to believe that it formed part of the same series and therefore that the goods covered by both had the same or a related commercial origin. That could be true even where comparison of the trade mark applied for with the earlier marks taken individually did not establish a likelihood of direct confusion. [37]

43. However, two cumulative conditions must be satisfied. First, there must be proof of use of a sufficient number of marks to constitute a 'series'. For there to be likelihood of confusion, the marks forming the series must be present on the market. Failing proof of such use, any likelihood of confusion must be assessed by comparing the relevant marks individually. Second, the trade mark applied for must not only be similar to the marks belonging to the series, but also display characteristics capable of associating it with the series. That might not be the case where, for example, the element common to the earlier serial marks was used in the trade mark applied for either in a different position from that in which it usually appeared in the marks belonging to the series, or with a different semantic content. [38]

44. In this case, at the very least, the first of those conditions was not satisfied. The only evidence produced by Ponte Finanziaria during the opposition proceedings concerned the trade mark 'THE BRIDGE' and, to a lesser extent, of 'THE BRIDGE WAYFARER'. Since those were the only earlier marks whose presence on the market Ponte Finanziaria had proved, the Board of Appeal was right to disregard the arguments claiming protection due to 'marks in a series'. [39]

45. The Court of First Instance concluded that the Board of Appeal had made no errors of law or of assessment and therefore dismissed the action in its entirety.

37 — Paragraphs 118 to 124 of the judgment under appeal.

38 — Paragraphs 125 to 127 of the judgment under appeal.

39 — Paragraph 128 of the judgment under appeal.

The appeal

46. Ponte Finanziaria has put forward five grounds of appeal. OHIM and F.M.G. Textiles have lodged responses. There has been no request to lodge a reply or for a hearing to be held.

Admissibility

47. F.M.G. Textiles suggests that the appeal may be inadmissible in the absence of the special power of attorney under which Ponte Finanziaria's lawyers claim to be authorised to represent the company.

48. However, that appears to be a misapprehension. The document in question was in fact appended to the application before the Court of First Instance, although it is possible that it was not notified to F.M.G. Textiles or to its procedural predecessor Marine Enterprise Projects.

First ground of appeal: Misapplication of Article 8(1)(b) of the Trade Mark Regulation — likelihood of confusion

Argument

49. *Ponte Finanziaria* submits that, even on the basis of the national trade marks which it did deem admissible for purposes of comparison, and even considering those marks individually rather than as a family or series, the Court of First Instance wrongly decided that there was no likelihood of confusion with the mark applied for.

50. The Court had recognised that the national marks were highly distinctive and had significant aural similarity with the mark applied for. That aural similarity should have prevailed over any absence of visual similarity.[40] Yet the Court found that the lack of conceptual similarity was decisive. It made that finding on the basis of a supposed familiarity with English on the part of the average Italian consumer. However, its premiss was false. Only 15 to 20% at most of Italians know the meaning of 'bridge', which must therefore be considered a fanciful

40 — Case C-342/97 *Lloyd Schuhfabrik* [1999] ECR I-3819, Case T-104/01 *Oberhauser* v *OHIM* [2002] ECR II-4359, Case T-99/01 *Mystery Drinks* v *OHIM* [2003] ECR II-43, Case T-355/02 *Müllhens* v *OHIM* [2004] ECR II-791 and Case T-20/02 *Interquell* v *OHIM* [2004] ECR II-1001.

element. In any event, there was a sufficient degree of (at least aural and, in Ponte Finanziaria's view, visual) similarity for the marks to require a global assessment taking account of the interdependence between the criteria of similarity between marks, similarity between goods covered and degree of distinctiveness.[41] On such an assessment, it was a serious error of law to rule out any likelihood of confusion.

51. *OHIM* notes that, according to the case-law, assessment of likelihood of confusion must be 'synthetic', seeking as close an approximation as possible of the average consumer's perception of a sign. Here, the Court of First Instance found that the relevant goods were 'marketed in such a way that, when making a purchase, the relevant public usually perceives visually the mark designating those goods'.[42] That being so, and since it in fact considered the three aspects of similarity — aural, visual and conceptual — in their proper context, the Court cannot be said to have erred in law by finding that the lack of visual similarity could prevail over a degree of aural similarity.

52. *F.M.G. Textiles* takes issue with Ponte Finanziaria's account of the Court of First Instance's findings on aural similarity. The Court found that there was 'some aural similarity' between the marks and that they thus 'display[ed] significant similarities only aurally'[43] — a very different matter from finding that there was 'significant aural similarity'. F.M.G. Textiles also contests the validity of Ponte Finanziaria's assertions as to the ability of the average Italian consumer to understand the English word 'bridge'. On the basis of the factual findings made by the Court of First Instance, its analysis of the global assessment of likelihood of confusion was impeccable in both law and logic.

Assessment

53. First of all, it seems clear that this ground of appeal is inadmissible in so far as it may seek to contest the Court of First Instance's factual findings as to the ability of

41 — *Lloyd Schuhfabrik*, cited in footnote 40, *SABEL*, cited in footnote 32, and *Canon*, cited in footnote 30.

42 — Paragraph 116 of the judgment under appeal.

43 — Paragraphs 106 and 115, respectively, of the judgment under appeal.

the average Italian consumer to apprehend the element 'bridge' in conceptual terms or in any other regard. Article 58 of the Statute of the Court of Justice provides: 'An appeal to the Court of Justice shall be limited to points of law.'

54. For the rest, Ponte Finanziaria's argument amounts to saying that, having recognised a certain degree of aural similarity (I agree here with F.M.G. Textiles that the wording of the judgment under appeal does not indicate a finding of 'significant' similarity), the Court of First Instance should have accorded preponderant importance to that similarity in its overall assessment of likelihood of confusion, particularly in the light of the interdependence of the criteria of distinctiveness of the earlier marks, similarity with the mark applied for and similarity or identity of the goods covered.

55. A very similar argument was raised in another recent appeal, *Mülhens* v *OHIM*. [44] After assessing the overall impression created by the two signs at issue, the Court of First Instance had held that they were not visually or conceptually similar but were phonetically similar in certain countries, had not ruled out that such similarity alone could create a likelihood of confusion, but had concluded that in fact the degree of similarity was not sufficiently great to justify a finding that the relevant public might believe that the goods concerned come from the same undertaking or from undertakings that were economically linked. [45] The Court of Justice set out the law in a way which may be summarised as follows and, it seems to me, applied to the present case.

56. The existence of a 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. [46] That global assessment must, as regards the visual, aural or conceptual similarity of the marks in question, be based on the overall impression created by those marks, bearing in mind, in particular, their distinctive and dominant components. [47] It is conceivable that phonetic similarity alone could create a likelihood of confusion within the meaning of Article 8(1)(b) of the Trade Mark Regulation. [48] However, the existence of such a likelihood must be established as part of a global assessment as regards the conceptual, visual and aural similarities between the signs at issue. In that regard, the assessment of any aural similarity is but

44 — Case C-206/04 P [2006] ECR I-2717; see in particular paragraphs 15 to 24 and 32 to 37.

45 — Paragraphs 12 and 20 of the judgment on appeal.

46 — Paragraph 18, referring to *SABEL*, cited in footnote 32, paragraph 22, and Case C-425/98 *Marca Mode* [2000] ECR I-4861, paragraph 40.

47 — Paragraph 19, referring to *SABEL*, paragraph 23, and *Lloyd Schuhfabrik*, cited in footnote 40, paragraph 25.

48 — Paragraph 20, referring to *Lloyd Schuhfabrik*, paragraph 28.

one of the relevant factors for the purpose of that global assessment. [49] Therefore, it cannot be deduced that there is necessarily a likelihood of confusion each time that mere phonetic similarity between two signs is established. [50] The global assessment means that conceptual and visual differences between two signs may counteract aural similarities between them, provided that at least one of those signs has, from the point of view of the relevant public, a clear and specific meaning, so that the public is capable of grasping it immediately. [51]

57. Thus, where the Court of First Instance considers the overall impression created by the signs at issue, as regards their possible conceptual, visual and aural similarities, for the purpose of the global assessment of the likelihood of confusion, it may, without misconstruing the effect of Article 8(1)(b) of the Trade Mark Regulation, decide that the degree of similarity between the signs at issue is not sufficiently great to find that the relevant public might believe that the goods concerned come from the same undertaking or, as the case may be, from undertakings that are economically linked. [52]

58. I see no reason to call into question that statement of the law, which seems totally consistent with the Court of First Instance's approach in the present case. I therefore consider that the first ground of appeal should be dismissed.

Second ground of appeal: Misapplication of Article 43(2) and (3) of the Trade Mark Regulation

Argument

59. *Ponte Finanziaria* submits that the Court of First Instance was wrong to exclude its other national trade marks from consideration, in particular word mark No 642952 'THE BRIDGE' for goods in class 25. The reference period during which genuine use had to be established comprised the five years 1994 to 1999. Ponte Finanziaria had produced a 1994/95 autumn/winter catalogue and press advertisements bearing dates in 1994 and 1995 — a type of evidence expressly envisaged by Rule 22(2) of the Implementing Regulation for the purposes of Article 43(2) of the Trade Mark Regulation — incontrovertibly establishing use during at least part of that period, together with more recent accounting documents demonstrating that it had remained active in the leather goods sector (including footwear and belts in class 25).

49 — Paragraph 20.

50 — Paragraph 22.

51 — Paragraph 35, referring to Case C-361/04 P *Ruiz-Picasso* v *OHIM* [2006] ECR I-643, paragraph 20.

52 — Paragraph 36.

60. The Court of First Instance thus committed a serious error of law, and misinterpreted Article 43(2) and (3) of the Trade Mark Regulation, by deciding that 'the Board of Appeal was fully entitled to take the view that genuine use of that trade mark in connection with the goods in question had not been proved' because the evidence did not demonstrate that the trade mark in question 'was consistently present on the Italian market, in connection with the goods in respect of which it was registered, during the period which preceded the date of publication of the trade mark application'. [53] Proof of use at any time during the period is in fact sufficient. [54]

61. *OHIM* submits that it is a question of fact whether a particular item of evidence can be reliably dated to a particular period, and that the Court of First Instance's findings in that regard cannot be called in question on appeal.

62. On the legal point, OHIM considers that when the Court of First Instance referred to evidence that a trade mark was 'consistently present' on the market, that was not a reference to *continuous* presence, as Ponte Finanziaria appears to believe. In fact, the Court of First Instance merely found that a single catalogue for 1994/95 was insufficient evidence to establish the requisite consistency of presence on the market, and thus genuine and effective use, during the five-year period.

63. *F.M.G. Textiles* submits that the very limited evidence in question, consisting solely of advertising material with no proof of sales, is clearly not enough to establish sufficiently substantial use of the trade mark over the period concerned.

Assessment

64. I agree with OHIM that this ground of appeal must be inadmissible in so far as it may seek to call in question the Court of First Instance's findings of fact concerning the existence and identity of evidence which could be reliably dated for the purpose of

53 — Paragraphs 35 to 37 of the judgment under appeal.

54 — Ponte Finanziaria cites OHIM's Opposition Guidelines (Part 6, section 9.1): 'The use need not have been made throughout the period of five years, but rather within the five years. The provisions on the requirement of use do not mandate a continuous use.' It also refers to the judgments of the Court of First Instance and the Court of Justice in *Sunrider* v *OHIM*, Case T-203/02 [2004] ECR II-2811 and Case C-416/04 P [2006] ECR I-4237, in which 14 invoices and orders covering a period of only one year were accepted as evidence of genuine use.

assessing whether there was genuine use of the national word mark No 642952 'THE BRIDGE' during the five years preceding publication of the application for the Community trade mark 'Bainbridge'.

65. The legal issue raised here is whether the Court of First Instance could legitimately require more consistent use over the five-year period than was in fact supported by that evidence.

66. Pursuant to Article 43(2) and (3) of the Trade Mark Regulation, Ponte Finanziaria was required to furnish proof that, during the period of five years from June 1994 to June 1999, the earlier national trade mark had been put to genuine use in Italy in connection with the goods or services in respect of which it was registered. [55] The admissible datable evidence which it produced comprised a 1994/95 autumn/winter catalogue and advertisements published in 1995. The Court of First Instance described that evidence as 'very limited with regard to 1994 and non-existent for the period from 1996 to 1999', and found that it did not demonstrate that the mark in question was consistently present on the Italian market over the relevant period.

67. The case-law on assessment of genuine use [56] has been set out most recently by the Court of Justice in *Sunrider*, [57] as follows.

68. There is genuine use where the mark is used in accordance with its essential function, which is to guarantee the identity of the origin of the goods or services for which it is registered, in order to create or preserve an outlet for those goods or services; genuine use does not include token use for the sole purpose of preserving the rights conferred by the mark. When assessing whether use is genuine, regard must be had to all the facts and circumstances relevant to establishing whether the commercial exploitation of the mark in the course of trade is real, particularly whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods or services protected by the mark, the nature of those goods or services, the characteristics of the market and the scale and frequency of use of the mark. The question whether use is sufficient to main-

55 — Or that there were proper reasons for non-use, but that alternative has not been advanced by Ponte Finanziaria.

56 — In Danish, 'reel brug'; in Dutch, 'normaal gebruik'; in French, 'usage sérieux'; in German, 'ernsthaft benutzt'; in Italian, 'uso effettivo'; in Portuguese, 'utilizado seriamente'; in Spanish, 'uso efectivo'.

57 — Case C-416/04 P, cited in footnote 54, especially at paragraphs 70 to 72.

tain or create such a market share thus depends on several factors and on a case-by-case assessment. The characteristics of the goods and services, the frequency or regularity of the use of the trade mark, whether the mark is used for the purpose of marketing all the identical goods or services of the proprietor or merely some of them, or evidence of use which the proprietor is able to provide, are among the factors which may be taken into account. It is not possible to determine *a priori*, and in the abstract, what quantitative threshold should be chosen in order to determine whether use is genuine or not. A *de minimis* rule, which would not allow OHIM or the Court of First Instance to appraise all the circumstances, cannot be laid down. When it serves a real commercial purpose, even minimal use of the trade mark can be sufficient to establish genuine use.

69. I note in particular from that statement of the law, first, that genuine use involves more than mere token use but there can be no predetermined rule as to the extent of use required; and, second, that the assessment is one of fact, to be carried out by OHIM or the Court of First Instance, as the case may be, on a case-by-case basis and in the light of a wide range of relevant factors. [58]

70. In that light, I do not think that the Court of First Instance can be criticised for having applied a standard of consistent presence on the Italian market during the relevant five-year period. It did not, as OHIM points out, impose a condition of uninterrupted use but rather followed the spirit of its previous case-law [59] to the effect that there is no genuine use if the trade mark is not objectively present on the market in a manner that is effective, consistent over time and stable in terms of the configuration of the sign, so that it cannot be perceived by consumers as an indication of the origin of the goods or services in question. Such an approach seems to me in no way inconsistent with the letter or spirit of those provisions of the Trade Mark Regulation which lay down a condition of *genuine* use *during* a period of five years, or with the case-law of the Court of Justice interpreting them.

71. That being so, it seems to me that the factual conclusion which the Court of First Instance drew from the available evidence falls fully within the scope of the case-by-

58 — The approach appears to be broadly similar in the Member States. See *What constitutes use of a registered trademark in the European Union (including New Member States)*, International Trademark Association, 2004, available at http://www.inta.org/downloads/tap_tmuseEU2004.pdf.

59 — Cited in footnote 20 above.

case assessment which it is required to make and is in no way contradicted by that evidence. I am thus of the view that the second ground of appeal cannot be upheld.

Third ground of appeal: Misapplication of Article 15(2)(a) of the Trade Mark Regulation

Argument

72. *Ponte Finanziaria* further submits that the same evidence should have been sufficient to establish use of figurative mark No 370836 'Bridge', also for goods in Class 25, [60] whose form was only slightly different from that of word mark No 642952 'THE BRIDGE' and thus fell within Article 15(2)(a) of the Trade Mark Regulation ('a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered'). The Court of First Instance misapplied that provision by limiting its scope to 'situations in which the sign actually used by the proprietor of a trade mark to identify the goods or services in respect of which the mark was registered constitutes the form in which that same mark is commercially exploited', to the exclusion of use of a similar mark covered by a separate registration. [61] Since the aim of the provision is that a trade mark proprietor should not have to register all minor variants of his mark which he may use in trade, it should not be interpreted to the detriment of one who has in fact registered such variants. The fact that mark No 370836 'Bridge' was registered separately from mark No 642952 'THE BRIDGE' should therefore not have affected assessment of their use jointly, as differing in elements which did not alter their distinctive character.

73. *OHIM* submits, first, that the ground of appeal cannot succeed unless use of 'THE BRIDGE' has been established, *quod non*; second, that the addition of the definite article 'the' does alter the distinctive character of the mark; and, third, that the Court of First Instance's assessment was a finding of fact which cannot be called in question on appeal.

74. *F.M.G. Textiles* also puts forward the first two of those arguments. With regard to the second, it submits that the very fact that Ponte Finanziaria registered the two marks separately indicates that it did not consider one to be merely a slight variant of the other,

60 — Although I note that it was registered only for 'clothing' in Class 25, and not for footwear or headgear, as was the case for mark No 642952 'THE BRIDGE'.

61 — Paragraph 50 of the judgment under appeal.

capable of being covered by the same registration.

Assessment

75. It does not appear to be in dispute that, before the Board of Appeal, Ponte Finanziaria produced no evidence of use of mark No 370836 'Bridge' itself, arguing only that it qualified as a defensive registration vis-à-vis mark No 642952 'THE BRIDGE'. [62] At first instance and again now on appeal, however, it submits that the evidence which it presented of use of the latter mark should have counted as evidence also of the use of the former, pursuant to Article 15(2)(a) of the Trade Mark Regulation, under which 'use of the Community trade mark in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered' also constitutes use for the purpose of precluding revocation for non-use.

76. However, as OHIM and F.M.G. Textiles rightly point out, such an argument cannot in any event succeed unless there is in fact adequate evidence of genuine use of mark No 642952 'THE BRIDGE' — *quod non*. Since the Court of First Instance found that there was no such evidence and I have taken the view that its finding cannot be impugned, I am inevitably of the opinion that this ground of appeal must fail also.

77. The factual issue of whether the difference between the two is so slight as not to alter the distinctive character of the mark, even if it could be debated on appeal, is therefore irrelevant. Likewise, it is unnecessary to address the point whether registration of a variant form as a trade mark in its own right necessarily excludes that variant from the scope of Article 15(2)(a) of the Trade Mark Regulation.

78. I would merely point out in addition that — although it is of no consequence since the wording of the two provisions is identical in all relevant regards — it might have been more accurate to refer not to Article 15(2)(a) of the Trade Mark Regulation but to Article 10(2)(a) of the Trade Marks Directive, since the marks in question are national, and not Community, trade marks.

62 — See paragraphs 4, 7, 12 and 13 of the contested decision.

Fourth ground of appeal: Misapplication of Article 43(2) and (3) of the Trade Mark Regulation — defensive trade marks

Argument

79. *Ponte Finanziaria* submits primarily that the Court of First Instance went beyond the scope of the dispute before it when it found that the concept of defensive registration had no place in Community trade mark law. The Board of Appeal had not taken that view but had merely decided that a registration, to qualify as defensive, must be made at the same time as the principal registration or later. Ponte Finanziaria had challenged that latter finding. OHIM argued that the concept had no place in Community law only in its defence before the Court of First Instance. The argument was thus inadmissible and should not have been entertained. Rather, the Court of First Instance should have examined — but did not — whether the marks in question met the conditions set out in the Italian legislation. [63]

80. In the alternative, Ponte Finanziaria argues that OHIM's objection was unfounded. The Italian legislation requires that the defensive mark be very similar to the principal mark, that the two be registered for the same goods or services and that the principal mark be in actual use. The requirement of use in Community trade mark law is thus respected. The concept of defensive registration is in fact a means of facilitating proof by setting up a presumption of a likelihood of confusion, without conflicting with the requirements of the Trade Marks Directive.

81. Figurative mark No 370836 'Bridge' (together with figurative marks Nos 704338, 606709 and 593651) meets all the conditions to qualify as a defensive registration for the purposes of the Italian legislation, and should therefore have been taken into account in the assessment. It has close visual similarities with the figurative mark 'Bainbridge' applied for.

82. *OHIM* submits, first, that the argument concerning defensive marks could not in any event succeed unless genuine use of the principal mark No 642952 'THE BRIDGE' were established.

83. Second, it denies that its own argument at first instance, concerning the absence of

63 — See point 14 above.

any concept of defensive trade marks in Community trade mark law, was inadmissible. The question before the Board of Appeal was whether the use of the trade mark 'THE BRIDGE' could be of assistance to the other marks, on the assumption that they were 'defensive' marks. [64] OHIM's argument at first instance concerned that question.

84. On the substance, OHIM submits that the Court of First Instance correctly decided that there was no concept of defensive trade marks in Community law and gave adequate reasons for that decision by referring to Articles 15(1) and 50(1)(a) of the Trade Mark Regulation. It points out that the Trade Marks Directive contains identical provisions, but that Italian law has retained the national concept of defensive trade marks even following transposition of the directive. That, it considers, is incompatible with Community law. It is quite correct for Italian law to provide, pursuant to Article 10(2)(a) of the Directive (equivalent to Article 15(2)(a) of the Regulation), that use of a trade mark may include use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered, but that does not cover the concept of defensive registration embodied in the Italian trade mark legislation. [65] Finally, the various marks which Ponte Finanziaria seeks to adduce as defensive registrations, all figurative marks, differ significantly by their very nature from word mark No 642952 'THE BRIDGE'.

85. *F.M.G. Textiles* submits that the very concept of a defensive registration entails that it must be effected at the time of, or later than, that of the principal mark. It is not possible to extend the protection afforded to a mark not yet in existence. However, all the marks for which Ponte Finanziaria has claimed defensive status were registered before mark No 642952 'THE BRIDGE'. In any event, the Court of First Instance was correct to state that the taking into account of 'defensive' registrations is not compatible with the system of protection of the Community trade mark intended by the Trade Mark Regulation.

Assessment

86. Again, as OHIM points out, this ground of appeal must in any event fail, like the preceding ground, in the absence of adequate evidence of genuine use of mark No 642952 'THE BRIDGE'. Even assuming all of Ponte Finanziaria's arguments concerning the existence and nature of defensive trade mark registration to be valid, the principal mark

64 — Paragraph 13 of the contested decision.

65 — See points 13 and 14 above.

can be of no avail unless its genuine use can be established. However, it may assist the Court if I make the following points as regards the substance of those arguments.

87. First, the Court of First Instance cannot be bound by any incorrect finding in law on which the Board of Appeal based its decision, *a fortiori* when that finding is merely implicit. If the concept of defensive trade mark registration does indeed have no place in Community trade mark law, not only can the Court of First Instance not be criticised for having based its judgment on that fact but it was under a positive duty to do so. The question on appeal can only be whether it was correct to take that view of the law.

88. Second, the question of proof of grounds for opposition to an application for a Community trade mark is governed by the relevant provisions of the Community Trade Mark Regulation, not by any provision of national law adding a rider to the rule that a national trade mark is liable to revocation if it has not been put to genuine use over a period of five years.

89. Third, there is nothing in the Trade Mark Regulation, and in particular there is nothing in Article 43(2) or (3), which explicitly or implicitly lays down any rule, principle or concept of defensive trade mark registration of the kind provided for in Italian law. [66]

90. That being so, it is quite clear to me that Ponte Finanziaria has not, in its fourth ground of appeal, identified any error in law in the judgment of the Court of First Instance.

Fifth ground of appeal: Misapplication of Article 8(1)(b) of the Trade Mark Regulation — series of trade marks

Argument

91. *Ponte Finanziaria* accepts the Court of First Instance's exposition of the way in which the fact that a trade mark forms part of a series may be relevant to the assessment of likelihood of confusion. It disagrees

66 — Nor is there anything in the Trade Marks Directive from which any such rule, principle or concept can be derived. However, the question of the compatibility of the Italian provision with the Trade Marks Directive falls outside the scope of this appeal.

however with the two conditions which the Court applied and with the way in which it applied them, in particular as regards the condition that a sufficient number of marks to form a series must be actually used. [67]

92. In Ponte Finanziaria's view, where a trade mark proprietor has planned and taken the trouble to register a series of marks, the existence of the series should be taken into account in the assessment of likelihood of confusion even if the marks are not all yet or currently in active use. Ponte Finanziaria imagines the example of a family of marks with a common element, which is registered by one person but not immediately used, and another trade mark containing that common element, which is registered by another person within the following five years because it is judged to be insufficiently similar to each mark taken individually to give rise to a likelihood of confusion (though such a likelihood would arise if the whole family of earlier marks were taken into account). If all the marks are then put into actual use on the market within the five-year period, the likelihood of confusion will in fact be high, conflicting with the purpose of the legislation. Yet, Ponte Finanziaria asserts, that would be the result of the Court of First Instance's approach.

93. *OHIM* submits that the legal relevance of a family or series of marks is not explicitly provided for in the Trade Mark Regulation itself, as a specific protection afforded to traders who have planned and registered such a series, but was derived by the Court of First Instance from the recognition that the likelihood of confusion between two marks sharing a particular element but differing in other respects may be increased if in the case of one of those marks the element in question is shared by a series of other marks registered by the same proprietor and in fact present on the market. In that context, the Court of First Instance was quite correct to state that the trade mark applied for must display characteristics capable of associating it with the series. That condition does not seem to be fulfilled as between the mark 'Bainbridge' and Ponte Finanziaria's registered marks. Finally, the latter's argument, if followed, would make the assessment of likelihood of confusion dependent on the mere *intention* of the proprietor of a series of marks which had been registered but not yet used.

94. *F.M.G. Textiles* submits similarly that, whilst likelihood of confusion may be assessed in the abstract vis-à-vis any individual trade mark which, although not yet

67 — See points 42 to 44 above.

used, has been registered for less than five years and is thus not liable to revocation for non-use, any extended protection afforded to a series of marks by virtue of an increased likelihood of confusion deriving from their common features must be conditional upon actual use of the marks forming the series. The question of liability to revocation is quite separate from that of extended protection for marks in a series — a notion which is moreover not to be found in the legislation but is the result of interpretation by the Court of First Instance.

Assessment

95. The issue here is whether the Court of First Instance was correct to judge that the existence of a family or series of marks could be taken into account as possibly increasing the likelihood of confusion with it of a trade mark presented for registration, and containing an element common to the marks in the family or series, only if the latter were actually used on the market — whereas likelihood of confusion with an individual trade mark which has not yet been put to use on the market may be assessed in the abstract.

96. The concept, and significance, of the existence of a family of marks have not yet been explored in any depth by the Community judicature, other than in the present case, [68] but they are familiar to trade mark lawyers around the world. [69]

97. In the United Kingdom, to take but one example, it has long been accepted that an objection based on the existence of a family or series of trade marks must be founded on use of those marks, because the implication is that traders and the public have gained such a knowledge of the common element or characteristic of the series that when they meet another mark having the same characteristic they will immediately associate it with the series of marks with which they are already familiar. Although that case-law dates back to 1947, it continues to be applied today in the context of the Trade Marks Act 1994, which transposes the Trade Marks Directive. [70]

68 — They have been touched on by the Court of First Instance in Case T-336/03 *Les Éditions Albert René* v *OHIM* [2005] ECR II-4667, paragraph 85, and Case T-214/04 *Royal County of Berkshire Polo Club* v *OHIM* [2006] ECR II-239, paragraph 44.

69 — It will come as no surprise that a significant proportion of the more recent cases involve the McDonald's Company.

70 — *Beck, Koller* [1947] 64 RPC 76; for a recent example citing that authority, see Decision O-190-03 of the United Kingdom Patent Office, *Ease-e:finance*, 2 July 2003, particularly at paragraphs 53 to 56, available at http://www.ukpats.org.uk/tm/t-decisionmaking/t-challenge/t-challenge-decision-results/t-challenge-decision-results-bl?BL_Number=O/190/03.

98. The same approach is taken by OHIM, whose Opposition Guidelines [71] state, inter alia:

'An assumption of family marks on the part of the public requires that the common component of the marks at issue has, by virtue of use, the necessary distinctiveness to be able to serve, in the eyes of the public, as the principal indicator of a product line.

In order to allow the Office to acknowledge that the different trade marks invoked by the opponent effectively form such a family of marks, the opponent should demonstrate not only that he is the owner of the marks, but also that the public concerned recognises the common part of these marks as originating from one undertaking. Such "recognition" by the public can only be inferred through submitting evidence of use of the family of trade marks.'

99. Such authority cannot of course be binding on the Court. However, its logic is cogent and should in my view be followed.

71 — http://oami.europa.eu/en/mark/marque/pdf/guidelines-oppo-fv.pdf. See in particular Part 2, Chapter 2, Section D. 1.9.2.

100. There is no provision for registering a family of trade marks as such — for example, all marks including the element 'bridge' in relation to goods in classes 18 and 25. Only individual marks may be registered, and it is to the individual marks that protection is accorded — but for five years only, unless they are put to genuine use. That is why, when a new trade mark application is received, likelihood of confusion with an earlier mark which has been registered for less than five years but not yet used may be assessed in the abstract, by asking the question 'what would the average consumer's perception be if he were confronted with the two marks?'

101. With a series of marks containing a common 'signature', the situation is different. The series itself is not registered as such, and so cannot enjoy protection as such. However, the existence of such a series of marks may well, if they are in sufficiently widespread use, affect the average consumer's perception to the extent that he will be likely to associate any mark containing the common element with the marks in the series (assuming that they cover similar goods or services), and thus to assume a common origin for the various products in question. By contrast, no

consumer can be expected to detect a common element in a series of marks which has never been used on the market, or to associate with that series another trade mark containing the same element.

102. Likelihood of confusion within the meaning of Article 8(1)(b) of the Trade Mark Regulation may therefore be assessed having regard to the existence of a family of similar trade marks, but only if actual use can be established of a sufficient number of marks to be perceived by the average consumer as forming a series.

103. I am therefore of the view that the fifth ground of appeal, and consequently the appeal in its entirety, should be dismissed.

Costs

104. Under Article 122 of the Rules of Procedure of the Court of Justice, where an appeal is unfounded, the Court is to make a decision as to costs. Under Article 69(2), the unsuccessful party is to be ordered to pay the costs if they have been applied for in the successful party's pleadings. Under Article 69(4), the Court may order an intervener to bear his own costs. Pursuant to Article 118 of the Rules of Procedure, the provisions of, inter alia, Article 69 apply to the procedure on appeal.

105. Both OHIM and F.M.G. Textiles have applied for costs in their pleadings on appeal.

106. Having reached the view that the appeal should be dismissed, I consider that Ponte Finanziaria should be ordered to pay the costs, including those of F.M.G. Textiles, whose application for a Community trade mark has been delayed and whose conduct in the course of the proceedings has in no way justified an order that it should bear its own costs.

107. However, an unusual point arises in that F.M.G. Textiles has applied for costs 'incurred in the present proceedings and those incurred at first instance'.

108. At first instance, both OHIM and Marine Enterprise Projects (the predecessor of F.M.G. Textiles in these proceedings, and intervener at first instance) applied for costs. The relevant terms of Article 87(2) and (4) of the Rules of Procedure of the Court of First Instance are identical to those of Article 69(2) and (4) of the Rules of Procedure of the Court of Justice. In the judgment under appeal, the Court of First Instance stated, at paragraph 132: 'Since the applicant has been unsuccessful, it must be ordered to pay the costs, as applied for by OHIM.' At point 2 of the operative part, it ordered Ponte Finanziaria 'to pay the costs'. The costs of the intervener are not mentioned.

109. It is thus not clear whether Ponte Finanziaria was in fact ordered to pay the intervener's costs in the judgment under appeal. The intervener has not explicitly raised that point but has asked this Court for costs at first instance.

110. In the light of the judgment of the Court of First Instance, and of my views as to the merits of the appeal against it, it would seem to me just that Ponte Finanziaria should have been ordered to pay the intervener's costs at first instance.

111. However, where all the grounds of an appeal (and of any cross-appeal) are unsuccessful, there does not appear to be any scope for the Court of Justice to vary the order as to costs at first instance. Indeed, under the second paragraph of Article 58 of the Statute of the Court of Justice, no appeal lies regarding only the amount of the costs or the party ordered to pay them. And the Court of Justice has held that, following an appeal, it has no jurisdiction to tax the costs incurred at first instance. [72]

112. The course to be taken, if necessary, would appear to be for F.M.G. Textiles to make an application to the Court of First Instance for interpretation of its judgment, pursuant to Article 129 of its Rules of Procedure. A rather similar situation, as regards a judgment on appeal which did not explicitly state that the order as to costs included those of the intervener, has been dealt with in that way before the Court of Justice. [73] No time-limit is prescribed for making such an application. [74]

72 — Order of 17 November 2005 (unpublished) in Case C-3/03 P-DEP *Matratzen Concord* v *OHIM*.

73 — Case C-245/95 P-INT *NSK and Others* v *Commission* [1999] ECR I-1.

74 — See Case 5/55 *Assider* v *High Authority* [1955] ECR 135, at p. 140.

Conclusion

113. Having regard to all the foregoing considerations, I am of the opinion that the Court should:

— dismiss the appeal;

— order the appellant to pay the costs of OHIM and F.M.G. Textiles on appeal.