JUDGMENT OF THE COURT (Fifth Chamber)

19 September 2002 *

In Case C-104/00 P,

DKV Deutsche Krankenversicherung AG, represented by S. von Petersdorff-Campen, Rechtsanwalt, with an address for service in Luxembourg,

appellant,

APPEAL against the judgment of the Court of First Instance of the European Communities (Fourth Chamber) of 12 January 2000 in Case T-19/99 *DKV* v *OHIM (Companyline)* [2000] ECR II-1, seeking to have that judgment set aside,

the other party to the proceedings being:

Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM), represented by A. von Mühlendahl and D. Schennen, acting as Agents, with an address for service in Luxembourg,

* Language of the case: German.

THE COURT (Fifth Chamber),

composed of: P. Jann (Rapporteur), President of the Chamber, S. von Bahr, M. Wathelet, C.W.A. Timmermans and A. Rosas, Judges,

Advocate General: D. Ruiz-Jarabo Colomer,
Registrar: H.A. Rühl, Principal Administrator,

having regard to the Report for the Hearing,

after hearing oral argument from the parties at the hearing on 21 March 2002,

after hearing the Opinion of the Advocate General at the sitting on 14 May 2002,

gives the following

Judgment

1 By application lodged at the Registry of the Court on 20 March 2000, DKV Deutsche Krankenversicherung AG (hereinafter 'DKV') brought an appeal under Article 49 of the EC Statute of the Court of Justice against the judgment of the

Court of First Instance of 12 January 2000 in Case T-19/99 *DKV* v *OHIM (Companyline)* [2000] ECR II-1 (hereinafter 'the contested judgment'), in which the Court of First Instance dismissed its application for annulment of the decision of the First Board of Appeal of the Office for Harmonisation in the Internal Market (Trade Marks and Designs) (hereinafter 'OHIM') of 18 November 1998 (Case R 72/1998-1) dismissing the appeal brought by DKV against the refusal to register the word 'Companyline' as a Community trade mark for insurance and financial affairs.

Legal background

2 Article 7 of Council Regulation (EC) No 40/94 on the Community trade mark (OJ 1994 L 11, p. 1) provides:

'1. The following shall not be registered:

...

(b) trade marks which are devoid of any distinctive character;

(c) trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose,

value, geographical origin or the time of production of the goods or of rendering of the service, or other characteristics of the goods or service;

...

2. Paragraph 1 shall apply notwithstanding that the grounds of non-registrability obtain in only part of the Community.

...'

3 Under the heading 'Limitation of the effects of the Community trade mark', Article 12 of Regulation No 40/94 provides:

'A Community trade mark shall not entitle the proprietor to prohibit a third party from using in the course of trade:

...

(b) indications concerning the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of the goods or of rendering of the service, or other characteristics of the goods or service;

...

provided he uses them in accordance with honest practices in industrial or commercial matters.'

Background to the dispute

4 By letter of 23 July 1996, DKV applied to OHIM for registration of the word 'Companyline' as a Community trade mark for services in the field of insurance and financial affairs (Class 36).

5 OHIM's examiner refused that application for registration by decision of 17 April 1998 for lack of distinctive character within the meaning of Article 7(1)(b) of Regulation No 40/94 of that word. By decision of 18 November 1998 (hereinafter 'the contested decision') the First Board of Appeal dismissed DKV's appeal against the decision of 17 April 1998 on the same grounds as those relied on by the examiner.

The contested judgment

6 By application lodged at the Registry of the Court of First Instance on 21 January 1999, the appellant brought an action for annulment of the contested decision.

7 The Court of First Instance found, first, in paragraph 26 of the contested judgment, that the sign for which registration had been refused was composed exclusively of the words 'company' and 'line', both of which are customary in English-speaking countries. The word 'company' suggested that what was in point were goods or services intended for companies or firms. The word 'line' had various meanings. In the insurance and financial services sector it denoted, amongst other things, a branch of insurance or a line or group of products. They were thus generic words which simply denoted a line of goods or services for undertakings. Coupling them together without any graphic or semantic modification thus did not imbue them with any additional characteristic such as to render the sign, taken as a whole, capable of distinguishing the appellant's services from those of other undertakings. The sign 'Companyline' was therefore devoid of any distinctive character.

8 Second, the Court of First Instance considered DKV's submission that, in conducting its assessment of the sign's distinctiveness solely by reference to the English-speaking world, OHIM had failed to carry out its duty to harmonise Community trade mark law. On that point the Court found, in paragraph 28 of the contested judgment, that, in order for the grounds for refusal to register set out in Article 7 of Regulation No 40/94 to apply, it was sufficient, pursuant to Article 7(2), that those grounds obtain in only part of the Community in order for such refusal to be justified.

9 Third, in paragraphs 30 and 31 of the contested judgment, the Court of first Instance held that it was not necessary to rule on the plea alleging infringement of

Article 7(1)(c) of Regulation No 40/94, because, for a sign to be ineligible for registration as a Community trade mark, it was sufficient that one of the absolute grounds for refusal listed in Article 7(1) — in this case Article 7(1)(b) — applied.

10 Fourth, in paragraph 33 of the contested judgment the Court of First Instance rejected a plea alleging misuse of powers by OHIM, finding that there was no specific and objective evidence to suggest that the contested decision was adopted exclusively or at least to a decisive degree in pursuit of objectives other than those on which that decision was founded.

The appeal

11 In its appeal DKV implicitly claims that the contested judgment should be set aside and that both the contested decision and the decision of the examiner should be annulled. It also applies for costs.

12 OHIM contends that the appeal should be dismissed and DKV ordered to pay the costs.

First plea in law

13 By its first plea in law DKV claims that the Court of First Instance infringed Article 7(1)(b) of Regulation No 40/94. Under the first part of that plea, it claims

the Court failed to set out the criteria according to which the ground 'devoid of any distinctive character' for refusal of registration of trade marks, referred to in that provision, is to be determined and defined by reference to possession of a 'minimum degree of distinctive character'.

14 According to DKV, the Court of First Instance assessed the conditions for registration of a trade mark extremely strictly. The ground for refusal of registration of trade marks 'devoid of any distinctive character' should in fact be conceived only in terms of minimum criteria, an approach dictated both by the very scheme of Article 7(1) and by the task of harmonisation that falls to OHIM.

15 Under the second part of the first plea, DKV claims the Court of First Instance disregarded the fact that, when assessing the distinctiveness of a composite sign, it is the overall impression conveyed by that sign alone that is decisive. A sign cannot therefore be found to be non-distinctive on the ground that individual components of it are not, taken separately, distinctive.

16 The sign 'Companyline' is sufficiently distinctive. The combination of the suffix 'line' with the concrete indication 'company' uses abbreviated clear and direct descriptive indications, the content of which is obscured by the abbreviated style. In the Member States, and even in the practice of OHIM, such signs are normally registered as trade marks with distinctive character. The Court of First Instance, however, failed to see the multiplicity of possible meanings suggested by association.

17 As regards that plea in law, OHIM contends that the arguments advanced constitute essentially assertions of fact, which it does not fall to the Court of Justice to review in appeal proceedings. The plea must therefore be dismissed as inadmissible.

18 In the alternative, OHIM observes, in regard to the first part of the first plea, that the Court of First Instance — like, moreover, OHIM itself in the proceedings at first and second instance before it — reached the conclusion that the sign at issue was wholly devoid of distinctive character. Logically, therefore, the question as to what level of distinctiveness is required for the threshold of 'minimum degree of distinctiveness' to be crossed no longer arises.

19 As regards the second part of the plea, OHIM denies that the Court of First Instance infringed any rule of law. What is in question here is a word mark composed of two descriptive terms, where the combination of the two components does not embody any element of fancifulness overlaying the descriptive content of the word. The descriptive meaning is unambiguous and immediately discernible without the need for any analytical effort.

20 In that regard, it is sufficient to observe, with respect to the first part of the first plea, that the dispute before the Court of First Instance concerned the refusal to register the sign 'Companyline' on the ground that that lacked distinctiveness. The Court of First Instance was therefore entitled to confine itself to considering that question, and was under no obligation to rule on the possible dividing line between the concept of lack of distinctiveness and that of minimum distinctiveness.

21 As to the second part of the first plea, it must first of all be observed that, in examining whether two generic terms coupled together possess any additional characteristic such as to confer on the sign, taken as a whole, a distinctive character, the Court of first Instance did not err in law in its interpretation of Article 7(1)(b) of Regulation No 40/94.

22 Second, it should be pointed out that the actual application by the Court of First Instance of that criterion to this case, as challenged by DKV, involves findings of a factual nature. As the Advocate General has pointed out at point 58 et seq. of his Opinion, the Court of First Instance has exclusive jurisdiction to find the facts, save where a substantive inaccuracy in its findings is attributable to the documents submitted to it, and to appraise those facts. That appraisal thus does not, save where the clear sense of the evidence before it has been distorted, constitute a point of law which is subject, as such, to review by the Court of Justice on appeal (see, *inter alia*, judgment in Joined Cases C-280/99 P to C-282/99 P *Moccia Irme and Others* v *Commission* [2001] ECR I-4717, paragraph 78, and order in Case C-323/00 P *DSG* v *Commission* [2002] ECR I-3919, paragraph 34).

23 There is nothing in the findings made by the Court of First Instance to suggest that the information submitted to it was distorted. In particular, the Court stated, in paragraph 26 of its judgment, that coupling the words 'company' and 'line' — both of which are customary in English-speaking countries — together, without any graphic or semantic modification, does not imbue them with any additional characteristic such as to render the sign, taken as a whole, capable of distinguishing DKV's services from those of other undertakings. There is nothing in that reasoning to suggest that the information submitted to the Court of First Instance was distorted.

24 As to the complaint that the Court of First Instance failed to consider the overall impression conveyed by a composite sign (see, as regards Article 7(1)(c) of Regulation No 40/94, Case C-383/99 P *Procter & Gamble* v *OHIM* [2001] ECR I-6251, paragraph 40), that complaint is unfounded. As stated in paragraph 23 above, the Court of First Instance directed a significant part of its reasoning to considering, in relation to a sign composed of words, the sign's distinctiveness as a whole.

25 The first plea in law must therefore be dismissed in its entirety.

Second plea in law

26 By its second plea in law DKV complains that the Court of First Instance refused to assess the sign 'Companyline' from the point of view of Article 7(1)(c) of Regulation No 40/94.

27 According to DKV, the need to maintain the availability of certain signs or certain indications for potential use by all traders ('Freihaltebedürfnis'), given effect in Article 7(1)(c), must be real and not purely abstract. The provision must be interpreted narrowly, restrictively and in a manner that favours protection. According to DKV, it is clear from OHIM's very practice that marks whose semantic content with respect to the goods and services designated in the application only exists in a particular relationship, which cannot be specified in greater detail or is encoded, and marks which only allude to or at most suggest the characteristics of those goods and services are not to be regarded as descriptive. OHIM should not therefore have found the sign 'Companyline' here to be descriptive.

28 In that connection it must be observed that, in his decision of 17 April 1998, OHIM's examiner based the refusal to register the sign 'Companyline' as a Community trade mark on Article 7(1)(b) of Regulation No 40/94 alone. The Court of First Instance was accordingly entitled to confine itself in the contested judgment to a consideration of the dispute in the light of that provision, and to

hold, in paragraphs 30 and 31 of its judgment, that there was no need to rule on the plea of infringement of Article 7(1)(c), since for registration to be refused it is sufficient that one of the grounds listed in Article 7(1) applies.

29 That reasoning is clearly not vitiated by any error of law. It is quite evident from the wording of Article 7(1) of Regulation No 40/94 that it is sufficient that one of the absolute grounds for refusal listed in that provision applies for the sign at issue not to be registrable as a Community trade mark.

30 The second plea in law is therefore unfounded and must also be dismissed.

Third plea in law

31 By its third plea in law DKV claims that the Court of First Instance failed to take into consideration Article 12(b) of Regulation No 40/94. That provision, it argues, constitutes a corrective to a restrictive interpretation of Article 7(1)(b) and (c) of the regulation.

32 Article 12(b) enables registration of a sign such as 'Companyline' not to be barred in case of doubt. Since that provision ensures that a sign such as 'Companyline' does not prevent the public from specifically describing services to

companies in the insurance and financial sector using the words 'company' and 'line', the objection on which the refusal to register the sign is based is without foundation.

33 On this point it must be observed that the documents before the Court make it clear that the argument based on Article 12(b) of Regulation No 40/94 was only raised before the Court of First Instance in connection with Article 7(1)(c) of the regulation, which, in DKV's submission, should be 'interpreted in the light of Article 12(b)'.

34 As the Court of First Instance found that registration could lawfully be refused under Article 7(1)(b) of Regulation No 40/94, and that there was therefore no need to rule on the plea alleging infringement of Article 7(1)(c), it was therefore not required to rule on the relationship between the latter provision and Article 12(b) of the regulation. The plea alleging failure by the Court of First Instance to rule on that point is therefore inoperative.

35 In so far as DKV seeks to raise, at the appeal stage, the submission that Article 12(b) of Regulation No 40/94 also constitutes a corrective to the interpretation of Article 7(1)(b), that submission constitutes a new plea which was first introduced in the context of the appeal before the Court of Justice and must for that reason be held to be inadmissible (see, in particular, order of 13 September 2001 in Case C-467/00 P *Staff Committee of the ECB and Others* v *ECB* [2001] ECR I-6041, paragraph 22).

36 The third plea in law must therefore be dismissed.

Fourth plea in law

37 Under the first part of its fourth plea in law DKV complains that the Court of First Instance applied Article 7(2) of Regulation No 40/94 to the sign 'Companyline' without taking into consideration the approach adopted by the national authorities in regard to similar registrations in the various Member States. DKV claims that it produced in the proceedings before the Court of First Instance copious documentary evidence of that approach, particularly on the part of the United Kingdom Patent Office. That evidence revealed that there are a large number of marks in Class 36 containing the suffix 'line'. The Court of First Instance wrongly disregarded that evidence.

38 Under the second part of that plea, DKV argues that the Court of First Instance should have taken account of the fact that the public in a sizeable part of the Community is familiar with the English language, and that national trade mark offices recognise English as being as widely known as in the English-speaking areas of the Community.

39 In that regard, so far as the first part of the fourth plea is concerned, it is sufficient to observe that, as the Advocate General has pointed out at point 91 of his Opinion, there is no provision in Regulation No 40/94 requiring OHIM to come to the same conclusions as those arrived at by national authorities in similar circumstances. The Court of First Instance cannot therefore be said to have erred in law in that respect.

40 As regards the second part of the fourth plea, OHIM has rightly pointed out that it is clear from the very wording of Article 7(2) of Regulation No 40/94 that a sign is to be refused registration where it is descriptive or is not distinctive in the language of one Member State, even if it is registrable in another Member State. Since the Court of First Instance had found that the sign in question was not distinctive in English-speaking areas, it was clearly not necessary for it to consider the impression it might make on speakers of other Community languages.

41 It follows that both parts of the fourth plea are unfounded and that the plea must therefore be dismissed in its entirety.

Fifth plea in law

42 By its fifth plea in law DKV argues that by registering other signs ending in the suffix 'line', such as 'Moneyline', 'Cashline', 'Immoline' and 'Combiline', in cases similar to this one, OHIM misused its powers. Thus, by refusing to register the sign 'Companyline', OHIM failed to follow its own principles for registration and examination guidelines. The probable reason for this is that OHIM wished to prevent DKV from acquiring a series of trade marks containing the suffix 'line', and that constitutes a misuse of powers.

43 OHIM replies that that is pure factual conjecture, which has already been aired in exactly the same terms before the Court of First Instance. That Court correctly found that there was no specific and objective evidence to suggest that the

contested decision was adopted exclusively or at least to a decisive degree in pursuit of objectives other than those on which that decision is based.

44 On that point, it is sufficient to note that DKV is merely repeating before the Court the same factual assertions as those which it made before the Court of First Instance, without articulating any specific complaint *vis-à-vis* the contested judgment. Such a plea in reality constitutes nothing more than a request for re-examination of the application before the Court of First Instance, which the Court of Justice, by virtue of Article 49 of its EC Statute, has no jurisdiction to entertain (see, *inter alia*, order in *DSG*, cited above, paragraph 54).

45 The fifth plea in law is therefore inadmissible and must accordingly be dismissed for that reason.

46 It follows from the foregoing considerations that the pleas put forward by DKV in support of its appeal are inadmissible or unfounded. The appeal must therefore be dismissed in its entirety.

Costs

47 Under Article 69(2) of the Rules of Procedure, which applies to appeal proceedings by virtue of Article 118, the unsuccessful party is to be ordered to pay the costs if they have been applied for in the successful party's pleadings. Since OHIM has applied for costs, and DKV has been unsuccessful, the latter must be ordered to pay the costs.

On those grounds,

THE COURT (Fifth Chamber)

hereby:

1. **Dismisses the appeal;**

2. **Orders DKV Deutsche Krankenversicherung AG to pay the costs.**

Jann von Bahr Wathelet

Timmermans Rosas

Delivered in open court in Luxembourg on 19 September 2002.

R. Grass P. Jann

Registrar President of the Fifth Chamber