JUDGMENT OF THE COURT OF FIRST INSTANCE (First Chamber)

5 April 2006 *

In Case T-344/03,

Saiwa SpA, established in Genoa (Italy), represented by G. Sena, P. Tarchini, J.-P. Karsenty and M. Karsenty-Ricard, lawyers,

applicant,

v

Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM), represented by M. Capostagno and O. Montalto, acting as Agents,

defendant,

the other party to the proceedings before the Board of Appeal of OHIM, intervener before the Court of First Instance, being

* Language of the case: Italian.

Barilla Alimentare SpA, established in Parma (Italy), represented by A. Vanzetti and S. Bergia, lawyers,

ACTION against the decision of the Fourth Chamber of the Board of Appeal of OHIM of 18 July 2003 (R 480/2002-4) concerning opposition proceedings between Saiwa SpA and Barilla Alimentare SpA,

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

composed of J.D. Cooke, President, R. García-Valdecasas and I. Labucka, Judges,

Registrar: B. Pastor, Deputy Registrar,

having regard to the written procedure and further to the hearing on 22 November 2005,

gives the following

Judgment

Background to the dispute

1 On 17 June 1996, Barilla Alimentare SpA ('the intervener') filed at the Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) an

application to register a Community trade mark, under Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark (OJ 1994 L 11, p. 1), as amended.

2 The mark for which registration was sought is the figurative sign including the word element 'SELEZIONE ORO Barilla', reproduced below:



3 The goods in respect of which registration was sought fall within Class 30 of the Nice Agreement concerning the International Classification of Goods and Services for the purposes of the Registration of Marks of 15 June 1957, as revised and amended, and correspond to the following description: 'Pasta, flour and preparations made from cereals, bread, pastry and confectionery; yeast, baking-powder; sauces (condiments).'

4 On 22 June 1998, Saiwa SpA ('the applicant') gave notice of opposition to registration of the Community trade mark applied for. The opposition covered all the goods designated in the Community trade mark application.

5 The ground relied on in support of the opposition was the likelihood of confusion, referred to in Article 8(1)(a) and (b) and (5) of Regulation No 40/94, between the mark applied for and two earlier marks owned by the applicant. The first consists of the word sign ORO, which is the subject of Italian registration No 307 376, which took effect on 28 September 1977, and international registration No 435 773 of 13 April 1978 covering, inter alia, Austria, Germany, Spain, France and the Benelux, in respect of the following goods in Class 30: 'Coffee, tea, cocoa, sugar, rice, tapioca, sago, artificial coffee; flour and preparations made from cereals, bread, biscuits, tarts, pastry, sweets, confectionery, ices, honey, treacle; yeast, baking-powder; salt, mustard; pepper, vinegar, sauces, spices; ice.' The second consists of the word sign ORO SAIWA, the subject of Italian registration No 332 864, which took effect on 25 June 1956, in respect of the following goods in Class 30: 'Milk biscuits, biscuits, bread, pastry and confectionery'.

6 On 28 March 2002, the Opposition Division of OHIM rejected the opposition on the ground that the signs and the goods at issue were not identical. The Opposition Division analysed the conflicting signs, taken as a whole, and took the view that the common component 'oro' did not have sufficient distinctiveness, either intrinsically or through use, for it to be concluded that those marks were similar.

7 On 31 May 2002, the applicant filed notice of appeal against that decision, and the appeal was dismissed on 18 July 2003 by Decision R 480/2002-4 ('the contested decision'). The Board of Appeal considered that there was no likelihood of confusion on the part of consumers between the signs. It found, unlike the Opposition Division, that the goods were materially identical. It took the view that increased distinctiveness could not be accorded to the ORO mark since the applicant had not shown that significant use had been made of that mark prior to filing of the Community trade mark application. It also confirmed that the ORO mark had little intrinsic distinctiveness and that, as regards the ORO SAIWA mark, the dominant element was 'SAIWA'. It concluded that the presence of the term 'oro' in the conflicting marks did not suffice to establish that they were similar.

Procedure and forms of order sought

8 By application received at the Registry of the Court of First Instance on 2 October 2003 the applicant brought this action.

9 OHIM and the intervener lodged their pleadings at the Registry of the Court of First Instance on 22 and 13 January 2004 respectively.

10 In its pleading of 13 January 2004, the intervener requested the Court to stay these proceedings pending a definitive decision from the Tribunale ordinario di Milano (Milan District Court) on the validity of the ORO and ORO SAIWA marks. After obtaining the observations of OHIM and the applicant, the Court (First Chamber) did not grant that request.

11 By letter lodged at the Registry of the Court of First Instance on 9 February 2004, the applicant asked, in accordance with Article 135(2) of the Rules of Procedure of the Court of First Instance, for leave to file a reply. On 10 March 2004, the Court (First Chamber) decided to reject that request.

12 By letter filed at the Registry of the Court of First Instance on 14 November 2005, the intervener communicated judgment No 14002/2004 of the Tribunale ordinario di Milano of 14 October 2004, which declared the invalidity of the ORO marks on which the applicant relies in this action, namely Italian national registration No 307 376 and international registration No 435 773, and requested that that judgment be produced in the proceedings. The Court (First Chamber) granted that request and that of the applicant to produce in these proceedings the appeal which was brought against that judgment.

13 Upon hearing the report of the Judge-Rapporteur, the Court (First Chamber) decided to open the oral procedure.

14 The oral arguments of the parties and their replies to the questions of the Court were heard at the oral hearing of 22 November 2005.

15 The applicant claims that the Court should:

— annul the contested decision;

— dismiss the intervener's application for registration;

— order the intervener to pay the costs.

16 OHIM contends that the Court should:

— dismiss the action;

— order the applicant to pay the costs.

17 The intervener contends that the Court should:

— dismiss the action;

— order the applicant to pay the costs.

Law

Arguments of the parties

18 In support of its action, the applicant puts forward a single plea for annulment alleging infringement of Article 8(1)(b) of Regulation No 40/94 concerning likelihood of confusion between similar marks.

19 The applicant claims, first, that in assessing whether the word 'oro' had acquired distinctive character by reason of the use which had been made of it in Italy, OHIM was wrong to make a distinction between the ORO mark and the ORO SAIWA mark. It states in that regard that its advertising campaigns and sales, as shown by the documents it submitted to OHIM, refer to all of the products in the ORO range without distinction. It also points out that the word 'oro' appears in the two marks under which its products are marketed. It adds that, in respect of a single distinctive sign, in practice it is customary for a trader wishing to protect it not only to register simply the word mark chosen, but also to make several applications for registration of that same mark in its various representations — in black and white and in normal characters or with special graphics and the use of different colours — or

combinations — for example, with the addition of the name of the producer. The applicant also challenges the relevance of the distinction between use of the mark consisting only of the word 'oro', accompanied by the name of the company 'Saiwa' on the packaging, and use of the complex mark ORO SAIWA, since in both cases the word 'oro' is used on the packaging with the name of the manufacturer, namely Saiwa SpA.

20 Secondly, the applicant takes the view that the word 'oro' has intrinsic distinctiveness, which was conceded by the Board of Appeal, even though, according to the latter, that distinctiveness is limited. The applicant relies on decision No 988/2000 of the Opposition Division of 22 May 2000 in which the Opposition Division acknowledged that the word 'oro', written in stylised letters to designate coffee, had distinctive character, although it could suggest that the goods are of a certain quality. It also cites other examples from case-law of metaphorical signs used to express a certain quality of goods, which have been registered, like 'ultraplus', 'vitalité', 'quick', 'optimus', 'golden' and 'maxima'.

21 The applicant adds that, by reason of the principle of interdependence according to which the likelihood of confusion must be evaluated by taking account of the various relevant factors and, in particular, the degree of similarity between the goods and the degree of distinctive capacity of the signs, any weak distinctiveness of the 'oro' sign is offset by the identity of the signs and the goods.

22 Thirdly, the applicant considers it necessary, in the comparative analysis of the signs, to examine their conceptual aspect, that is to say the message communicated to consumers. In this case, two messages are conveyed to consumers: the first, by the word common to the conflicting marks, namely 'oro', relates to the goods and is identical in the two conflicting signs, whereas the second, by the names 'Saiwa' and 'Barilla', is different as it relates to the indication of the producer. Consumers are led to consider that the goods are substantially identical, although coming from

different sources of production, possibly linked by licence, exchange of know-how or, more generally, cooperation agreements.

23 The applicant states that the specific feature of the dispute is the fact that the conflicting marks refer to the name of the producer so that likelihood of confusion as to the origin of the goods is reduced. Nevertheless, it takes the view that the essential function of the mark cannot be exclusively to indicate the origin of the goods. Such a strict interpretation would result in exclusion of any likelihood of confusion, even in cases where a mark was copied, if reference were made on the packaging, the label or the goods themselves to information making it possible to rule out the possibility that the goods relate to the same source of production.

24 According to the applicant, the absence of any likelihood of confusion as to origin does not automatically preclude any likelihood of confusion or association between the goods and between their commercial and qualitative characteristics. Exclusion of that likelihood is also one of the functions of trade marks. Relying on the Opinion of Advocate General Ruiz-Jarabo Colomer in Case C-206/01 *Arsenal Football Club* [2002] ECR I-10273, at I-10275, delivered on 13 June 2002, it takes the view that trade marks also have the function of identifying specific goods with their commercial and qualitative characteristics. The latter function is decisive in these proceedings, the subject-matter of which is the use of one special sign characterising the goods, in association with the name of the producer. The applicant is of the opinion that the presence of the names of the producers does not prevent likelihood of confusion on the part of the public in question as regards those goods.

25 OHIM and the intervener challenge the merits of this action. In the absence of similarity, OHIM and the intervener take the view that there is no likelihood of confusion between the conflicting marks, since one of the conditions referred to in Article 8(1)(b) of Regulation No 40/94 is not fulfilled.

Findings of the Court

26 Under Article 8(1)(b) of Regulation No 40/94, upon opposition by the proprietor of an earlier trade mark, a trade mark is not to be registered if, because of its identity with or similarity to an earlier trade mark and the identity or similarity of the goods or services covered by the two 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.

27 It is settled case-law that there is a likelihood of confusion where the public might believe that the goods or services in question come from the same undertaking or, as the case may be, from economically-linked undertakings.

28 According to the same line of case-law, the likelihood of confusion must be assessed globally, according to the perception in the mind of the relevant public of the goods and services in question, taking into account all factors relevant to the case, in particular the interdependence between the similarity of the signs and the similarity of the goods or services designated (see Case T-162/01 *Laboratorios RTB* v *OHIM — Giorgio Beverly Hills (GIORGIO BEVERLY HILLS)* [2003] ECR II-2821, paragraphs 31 to 33, and the case-law cited).

The target public

29 The goods in question are staple food products for daily consumption. The Board of Appeal legitimately stated in paragraph 23 of the contested decision, therefore, that the target public consisted of the general public, that is to say the average consumer.

Similarity between the goods

30 The applicant did not dispute the Board of Appeal's finding that the goods are substantially identical (contested decision, paragraphs 11 and 24). The goods in Class 30 referred to in the trade mark application and corresponding to the description 'flour and preparations made from cereals, bread, pastry and confectionery' are identical to those of the ORO trade mark and very similar to those of the ORO SAIWA mark.

Similarity between the signs

31 It is settled case-law that the global assessment of the likelihood of confusion, so far as concerns the visual, aural or conceptual similarity of the marks in question, must be based on the overall impression given by the marks, bearing in mind, inter alia, their distinctive and dominant components. The average consumer generally perceives a mark as a whole and does not carry out an examination of its various details (see Case T-292/01 *Phillips-Van Heusen* v *OHIM — Pash Textilvertrieb und Einzelhandel (BASS)* [2003] ECR II-4335, paragraph 47, and Case T-117/02 *Grupo El Prado Cervera* v *OHIM — Héritiers Debuschewitz (CHUFAFIT)* [2004] ECR II-2073, paragraph 44, and the case-law cited).

32 In this case, the Board of Appeal legitimately took the view, in paragraph 22 of the contested decision, that the ORO mark per se had little distinctiveness. As stated by the Board of Appeal (paragraphs 20 and 21 of the contested decision), consumers of food products who are reasonably well-informed will attach a meaning of superior quality to the word 'oro' because it hints at the positive characteristics of goods, bringing to mind quality, usefulness and superior value. In Italy, that sign has very weak distinctiveness, since that word serves primarily to define a superior range of goods as distinct from a standard range, and it is a term used very frequently by manufacturers of all types of food products to commend the high quality of their goods. There are many different industries which, like the food industry, use the

word 'oro' in the language of trade, in particular the credit card, tobacco, hygiene, textile and record industries. Moreover, the applicant did not adduce any evidence before either the OHIM authorities or the Court of First Instance to show the intrinsic distinctive strength of the sign 'oro' in the countries covered by international registration No 435 773.

33 As regards the applicant's argument that distinctiveness has been increased through use in Italy, the Court considers that the Board of Appeal correctly found (contested decision, paragraph 19) that no significant use of the ORO mark could be established prior to the filing of the Community trade mark since the documents produced demonstrated only use of the ORO SAIWA mark in Italy.

34 So far as concerns the documents produced by the applicant in the Annex to its pleading before the Board of Appeal, the latter was right not to take account of them on the ground, in particular, that they described facts which took place after the filing of the Community trade mark application (contested decision, paragraph 18). Those documents, in particular the opinion poll of June 2002 and the table of advertising sales, date from several years after the filing date of the Community trade mark application and, accordingly, cannot be taken into consideration to show the reputation of earlier marks at the time of the filing of the Community trade mark application (see, to that effect, Case T-8/03 *El Corte Inglés* v *OHIM — Pucci (EMILIO PUCCI)* [2004] ECR II-4297, paragraphs 71 and 72).

35 In respect of the results of the opinion poll carried out in January 2000, they are also irrelevant. It should be observed in that respect that that poll was carried out three and a half years after the filing of the Community trade mark application. Further, as the Board of Appeal noted in paragraphs 13 and 14 of the contested decision, the conclusions reached by that poll do not have evidential value since the question 'If

you had to define the superior quality of a product, which one word would you use?' induced consumers to reply by using common expressions such as 'good', 'excellent', 'delicious' and 'best', but did not provide a means for analysing the meaning which a metaphoric indication like 'oro' could evoke for consumers.

36 Finally, as regards the other documents submitted to the Opposition Division, namely the table of statistics which shows investment in advertising between 1983 and 2000 and the advertising campaigns carried out, the Board of Appeal correctly observed that they did not make a distinction between usage which related to the ORO mark and that which was linked to the use of the ORO SAIWA mark. As the Board found, the advertising investment refers generally to the products in the ORO 'line' without making a distinction according to the mark concerned. The Board of Appeal was also fully entitled to note that, in the case of the advertising campaigns, the only goods featured in advertising were biscuits and that, in that advertising, the word 'oro' was always used in close association with the word 'Saiwa'.

37 The applicant has not disputed those findings but has merely stated that the documents which it had submitted to OHIM related to all of the products in the ORO range without distinction. In so doing, the applicant did not furnish any argument to show that the Board of Appeal had made an error of assessment by requiring that the ORO and ORO SAIWA marks be distinguished, as regards evidence of use of its earlier marks and the contention that the ORO mark, taken in isolation, acquired distinctiveness by virtue of its use. The Court points out, in that respect, that the applicant may not use evidence relating to the use of the ORO SAIWA mark to show that the ORO mark has acquired distinctiveness through use since ORO and ORO SAIWA are separate marks.

38 It follows that the Board of Appeal legitimately concluded that the dominant element of the ORO SAIWA mark was SAIWA.

39 As regards the visual and phonetic comparison between ORO and ORO SAIWA, on the one hand, and SELEZIONE ORO Barilla, on the other, the Court considers that there are important visual and phonetic differences in the way consumers perceive the conflicting marks and that the mere presence of the word 'oro' is not capable of giving rise to similarity between them.

40 As for the conceptual viewpoint, the meaning associated with the common word 'oro' is secondary, if not negligible, in the mind of consumers, who are not in the habit of ascribing that word to a specific manufacturer, as the Board of Appeal found in paragraph 25 of the contested decision. The existence of a weak degree of conceptual similarity between the conflicting marks is not therefore such as to offset their visual and phonetic differences.

41 Finally, the Board of Appeal was entitled to consider, in paragraph 25 of the contested decision, that in the mark applied for the word 'oro' had a descriptive function in relation to the word 'selezione', to indicate to consumers that a top-of-the-range Barilla product was at issue. Since it is directly next to the word 'selezione', the word 'oro' does not have an independent distinctive function but must be understood as being appended to the descriptive term 'selezione'. It follows that, in the mark applied for, the distinctiveness of the sign is due to the word 'Barilla'.

42 It follows from the foregoing that the overall impression given by the conflicting marks, taking account of their distinctive and dominant elements, is not capable of creating, as between them, sufficient similarity to lead to a likelihood of confusion in the minds of consumers.

43 Finally, the applicant's arguments regarding the essential function of trade marks are without foundation.

44 According to settled case-law, the essential function of trade marks is to guarantee to the consumer or end user the identity of the origin of the trade-marked product or service by enabling him to distinguish it, without any risk of confusion, from products or services of different origin. A trade mark must distinguish the products or services concerned as coming from a particular undertaking (Case T-6/01 *Matratzen Concord* v *OHIM — Hukla Germany (MATRATZEN)* [2002] ECR II-4335, paragraph 58; see also, by analogy, Case C-39/97 *Canon* [1998] ECR I-5507, paragraph 28, Case C-517/99 *Merz & Krell* [2001] ECR I-6959, paragraph 22, and Case C-104/01 *Libertel* [2003] ECR I-3793, paragraph 62).

45 Unlike the applicant's contention, the specific features of this dispute, namely the use of the same sign characterising the goods by placing it side by side with the name of the producer, cannot alter the overall impression given by the marks at issue or mislead consumers as to the goods in question. As stated in paragraph 41 above, the word 'oro' fulfils a descriptive function in the trade mark applied for as it is appended to the word 'selezione'. Accordingly, it must be considered to qualify the names 'Saiwa' or 'Barilla' which, in designating the producers, preclude all likelihood of confusion on the part of consumers.

46 Finally, identification of a specific product is not the essential function of a trade mark, but rather a feature inherent in trade marks which already enjoy a high reputation and for which, in the mind of the public, the product concerned can be designated or identified by mere reference to the trade mark.

47 In the light of all the foregoing, it must be held that there is no likelihood of confusion between the conflicting marks, and the plea alleging infringement of Article 8(1)(b) of Regulation No 40/94 must therefore be rejected.

48 It follows that the action must be dismissed.

Costs

49 Under Article 87(2) of the Rules of Procedure of the Court of First Instance, the unsuccessful party is to be ordered to pay the costs if they have been applied for in the successful party's pleadings.

50 In the present case, the applicant has been unsuccessful and OHIM and the intervener have applied for costs against it. The applicant must therefore be ordered to pay the costs incurred by both OHIM and the intervener.

On those grounds,

THE COURT OF FIRST INSTANCE (First Chamber)

hereby:

1. Dismisses the action;

2. Orders the applicant to pay the costs.

Cooke García-Valdecasas Labucka

Delivered in open court in Luxembourg on 5 April 2006.

E. Coulon R. García-Valdecasas

Registrar President