JUDGMENT OF THE COURT OF FIRST INSTANCE (Fourth Chamber)
9 July 2003 *

In Case T-234/01,

Andreas Stihl AG & Co. KG, established in Waiblingen (Germany), represented by S. Völker and A. Klett, with an address for service in Luxembourg,

applicant,

v

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

defendant,

* Language of the case: German.

ACTION for annulment of the decision of the First Board of Appeal of the Office for Harmonisation in the Internal Market (Trade Marks and Designs) of 24 July 2001 (Case R 477/2000-1) refusing registration of a combination of the colours orange and grey as a Community trade mark,

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

composed of: V. Tiili, President, P. Mengozzi and M. Vilaras, Judges,

Registrar: B. Pastor, Deputy Registrar,

having regard to the application lodged at the Registry of the Court of First Instance on 28 September 2001,

having regard to the response of the Office for Harmonisation in the Internal Market (Trade Marks and Designs) lodged at the Registry of the Court of First Instance on 20 December 2001,

further to the hearing on 19 March 2003,

gives the following

Judgment

Background to the dispute

1 On 9 July 1996 the applicant filed an application under Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark (OJ 1994 L 11, p. 1), as amended, for a Community trade mark at the Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM).

2 The trade mark in respect of which registration was sought is a combination of two colours *per se*, comprising an orange rectangle corresponding to colour reference Pantone 164c above a grey rectangle corresponding to colour reference Pantone 428u.

3 The goods in respect of which the registration was sought are in Class 7 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:

— Class 7: 'Motor saws, mechanical cutting-off machines with guide devices, mechanical cutting apparatus, motor sensors, mechanical and hand operated hedge clippers, mechanical boring apparatus including attachment apparatus, mechanical spraying apparatus, mechanical blowing apparatus (includ-

ing apparatus which can be switched over to provide suction), electric lawn trimmers, earth cultivators, being attachment apparatus, high pressure cleaning apparatus and suction cleaning apparatus for household and industrial use, shearing apparatus, debranching apparatus, parts, replacement parts and accessories for the aforesaid apparatus'.

4 By a decision of 7 April 2000, the examiner refused that application on the basis of Article 7(1)(b) of Regulation No 40/94, on the ground that neither of the two colours constituting the trade mark whose registration was sought was an unusual colour for the products mentioned in the list claimed and that neither the shades of colour chosen nor the combination of the colours could confer on the trade mark the requisite distinctive character. On 8 May 2000 the applicant filed an appeal against the examiner's decision at OHIM under Article 59 of Regulation No 40/94.

5 By a decision of 24 July 2001 (hereinafter 'the contested decision'), which was notified to the applicant on 3 August 2001, the First Board of Appeal rejected the appeal. Essentially, the Board found that the relevant customers would not perceive the combination of colours as being, in itself, an indication of the commercial origin of the products in question.

Forms of order sought

6 The applicant claims that the Court should:

— annul the contested decision;

— order OHIM to pay the costs.

7 OHIM contends that the Court should:

— dismiss the action;

— order the applicant to pay the costs.

Law

8 In support of its action, the applicant relies on two pleas in law, alleging infringement of Article 7(1)(b) and of Article 7(1)(c) of Regulation No 40/94. The Court considers it appropriate to consider the first plea in law based on infringement of Article 7(1)(b) of that regulation.

Arguments of the parties

9 As a preliminary point, the applicant claims that colours, in the abstract, can be registered as trade marks. With the modern conception of trade marks, the general public is more and more confronted with uncustomary signs, such as colours or sounds used in a deliberate systematic manner, and not for purely

decorative or aesthetic purposes. Such use enables the public to connect a colour or a combination of colours to the products of an undertaking. Colours immediately attract the public's attention from a distance as a lure towards the undertaking's range of products, whereas other customary signs, such as word marks, enable the final identification of the product. The applicant adds, in that regard, that the consumer is able to perceive different shades of colours.

10 In addition, the applicant asserts that there is a real practical and economic need to protect such signs, which involve heavy investment. Protection only in the form of a given graphic representation (circle, square, rectangle, etc.) is insufficient since the colours can assume various dimensions on the product itself and its packaging, and in advertising.

11 In this case, the applicant submits, referring to its catalogue of products as evidence, that, in actual fact, the combination of colours for which registration was sought is made up of shades of colours, namely orange (Pantone 164c) and grey (Pantone 428u), distributed in accordance with a definite pattern, the upper part of the casing being orange and the lower part light grey.

12 It acknowledges that the distribution of the colours, just like the area covered by each of them, may vary from one product to another according to the nature and function of the products.

13 Notwithstanding such possible differences, the applicant maintains that the generalised use of the combination creates an identifiable homogenous visual impression for its range of products. Such systematic use, for which there are

in-house instructions to the designers, does not therefore have a purely decorative role, but also enables the products to be identified.

14 The applicant cites recent case-law, particularly of the German Bundesgerichtshof (Federal Court of Justice), recognising the ability of colours and (abstract) combinations of colours, except in special circumstances, to distinguish products or services.

15 With regard to the ground of the contested decision stating that the combination is not unusual, the applicant claims that satisfaction of such a test cannot be required. Indeed, according to it, if an undertaking has already used a combination of colours successfully for a certain time, it thereby loses its unusual character; it is the same if the undertaking uses the trade mark after its registration and immediately enjoys a certain success.

16 In relation to the colour grey, the applicant submits that the colour claimed is a light grey, clearly different from the colour of the metallic parts of the designated products; it asserts that it is not important to know whether plastic is grey or not, because the consumer comes across plastic only in its coloured state and because it is readily apparent from the catalogue that the shade in issue does not create the impression that the parts so coloured are originally made of plastic.

17 In relation to the colour orange, the applicant submits that it is not necessary to require an element of fantasy and that the fact that such colour is a basic or primary colour is irrelevant to its distinctive character.

18 The applicant submits also that the unusual character of the combination is not relevant in determining the distinctive character of a combination of colours and that protection given to the specific combination of Pantone 428u and Pantone 164c does not preclude the possibility of other operators using other colours or combinations of colours, including those in neighbouring chromatic ranges. Further, impediments to competitors can be avoided by restricting the protection conferred by the trade mark to one colour or to a combination of specific colours.

19 For its part, OHIM admits that the frequent, systematic and targeted use of certain colours is intended to arouse, in the public mind, an association of those colours with the products or services of an undertaking. That explains why the capacity of colours to perform the function of a trade mark results, in general, from distinctive character acquired by use.

20 OHIM admits also, as has already been accepted by the Boards of Appeal (see, to that effect, Case R 7/97-3, orange), that a colour may, as such, be capable of protection as a Community trade mark.

21 However, OHIM considers that, in order to avoid an absolute ground for refusal, the distinctive character of a given sign must exist prior to any use of the mark and before the commercial circles concerned are informed of, or get accustomed to, it. A sign composed of usual shapes or colours which the public will perceive solely as decoration or as advertising material lacking any information as to the origin of the product does not fulfil such function.

22 With regard to the reference to the case-law of the Bundesgerichtshof, OHIM states that that court has referred to Case R 7/97-3, orange, cited above, which, in essence, allows acceptance of the distinctive character of a combination of colours only if findings of fact reveal a relationship between the combination and the products in question.

23 With regard to the argument that the human eye is capable of perceiving numerous shades of colour, OHIM observes that, according to the Court's case-law, account should be taken of the fact that the average consumer only rarely has the chance to make a direct comparison between the different marks but must place his trust in the imperfect picture of them that he has kept in his mind.

24 In that regard, OHIM submits that the colours retained by the human memory are limited to certain imaginary or standard colours. According to OHIM, while the consumer may be able to distinguish light orange from dark orange linguistically, he cannot however, from memory, distinguish them on the Pantone scale. That indeed explains the interest of such a tool in order to compensate for the lack of objective memory of colours.

25 In relation to the assessment of the combination as a whole, OHIM maintains that the shades of colours claimed are ordinary, that grey is achromatic and intrinsically unsuitable to attract the attention of the public, since it is also the natural colour of numerous metals and alloys before they are coloured, and that the shade of orange combined with the shade of grey is very widespread, in particular, in the tools sector for the purposes of drawing attention to the danger of certain parts.

Findings of the Court

26 It must be observed, as a preliminary point, that colours or colour combinations *per se* are capable of constituting Community trade marks in so far as they are capable of distinguishing the goods or services of one undertaking from those of another (Case T-316/00 *Viking-Umwelttechnik* v *OHIM* (*Juxtaposition of green and grey*) [2002] ECR II-3715, paragraph 23).

27 The fact that signs of a particular category may in principle constitute a trade mark does not however mean that all signs in that category necessarily possess distinctive character for the purposes of Article 7(1)(b) of Regulation No 40/94 for a particular product or service.

28 Trade marks that are devoid of any distinctive character under Article 7(1)(b) of Regulation No 40/94 are regarded as incapable of performing the essential function of a trade mark, namely the identification of the origin of the goods or service and, as the Court of First Instance has already held, thus enabling the relevant public who acquired them to repeat the experience if it proves to be positive, or to avoid it if it proves to be negative, on the occasion of a subsequent acquisition of the goods and services in question (Case T-79/00 *Rewe-Zentral* v *OHIM (LITE)* [2002] ECR II-705, paragraph 26).

29 It must also be observed that Article 7(1)(b) of Regulation No 40/94 does not differentiate according to types of signs. However, the perception of the relevant section of the public is not necessarily the same in the case of a sign composed of a colour or colour combination *per se* and in that of a word or figurative mark composed of a sign that bears no relation to the appearance of the goods that it identifies. While the public is accustomed to perceiving word or figurative marks as instantly identifying the commercial origin of the goods, the same is not necessarily true where the sign forms part of the look of the goods in respect of which registration of the sign is sought (judgment in *Juxtaposition of green and grey*, cited above, paragraph 27).

30 That being said, a sign's distinctiveness can only be assessed, firstly, by reference to the goods or services in respect of which registration is sought and, secondly, on the basis of the perception of that sign by the relevant public.

31 In this case, the Court points out, first, that the list of products concerned, namely mechanical equipment, includes tools intended principally for commercial use, such as high-pressure cleaning equipment for industrial use, as well as machines intended for the end consumer, such as hand operated hedge clippers. Therefore, it is appropriate to take as the relevant public consumers in general, as the Board of Appeal correctly decided at paragraph 18 of the contested decision. Consequently, in any assessment of the distinctive character of the mark for which registration is sought, account must be taken of the presumed expectations of an average consumer who is reasonably well-informed and reasonably observant and circumspect. However, account should be taken of the fact that the average consumer must place his trust in the imperfect picture of it that he has kept in his mind. It should also be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods or services in question (see, by analogy, Case C-342/97 *Lloyd Schuhfabrik Meyer* [1999] ECR I-3819, paragraph 26).

32 Secondly, regarding the assessment of the distinctive character of the mark for which registration is sought, it is necessary, in the case of a complex trade mark, to consider it as a whole. However, that does not preclude prior examination of each of the trade mark's individual features (see, to that effect, *Juxtaposition of green and grey*, cited above, paragraphs 29 to 31).

33 With regard to the colour orange, as OHIM correctly contends, that element could serve to draw attention to the dangerous parts of tools, which does not confer on it, from the outset, the function of indicating the commercial origin of the products in question. Also, the specified shade, that is orange Pantone 164c, does not present a difference perceptible by the relevant public in relation to colours commonly used or capable of being used for the designated goods, particularly since, as was pointed out in paragraph 31 above, it retains an imperfect picture of it.

34 With regard to the colour grey, the Board of Appeal held, at paragraph 15 of the contested decision, that that colour is associated with the materials, metallic or

plastic, of which the goods in issue are comprised. In that regard, even when the consumer can distinguish, by a more detailed examination, the grey of the base material from that resulting from intentional colouring, the colour grey will be perceived, also in its grey shade Pantone 428u, above all, as the result of a manufacturing process or as simply a coloured casing.

35 As for the perception of the sign as a whole, the Court points out that the sign is composed of the simple combination of a shade of orange and a shade of grey, as shown in the application for registration. In that regard, the Board of Appeal emphasised, correctly, at paragraph 17 of the contested decision, the absence of a definite separation of the colours in the sign claimed.

36 On that point, it must be observed that the sign considered as a whole is abstract and imprecise in relation to the goods in question and does not show any systematic arrangement or definite separation of the said colours. Therefore, the overall impression resulting from the combination of the colours in relation to the goods in question is simply colouring of items of casing rather than a systematic arrangement enabling, beyond a purely aesthetic function, the creation of a sign indicating the commercial origin of the goods (see, to that effect, *Juxtaposition of green and grey*, cited above, paragraph 33).

37 Furthermore, that combination of colours will not be perceived and recognised as a sign, because displaying the colours on the products in question in an unsystematic way may mean that there will be a variety of different formats, which will not enable consumers to take in and commit to memory a particular combination on which they could draw to make a repeat purchase directly and with certainty (see, to that effect, *Juxtaposition of green and grey*, paragraph 34).

38 That assessment cannot be brought into question by the applicant's argument that the distribution of the colours on the goods follows a precise format, namely orange for the upper part and grey for the lower part in accordance with the in-house instructions to the designers. Indeed, in order to be noticed on the designated goods, and as represented on the registration application, that colour distribution scheme should always involve orange colouring of the upper part and grey colouring of the lower. But, even if regard is had only to the colouring of the casing parts and the possible difference in the proportions between the two colours is taken into account, the fact remains that the variety and irregularity of the shapes and sizes of the goods in question do not enable the colouring to reproduce, in a systematic way, the abovementioned colour distribution scheme.

39 That assessment is confirmed by inspection of the goods produced at the hearing. It is clear that the colouring of the goods mentioned in the application — according to the colour distribution scheme relied upon, in two more or less equal parts — is impossible or not used when the casing or body parts are not of a shape which enables them to be coloured in accordance with that format. It is therefore impossible for the relevant public to find on the goods a permanent sign associating the colours in a homogenous and predetermined manner.

40 As regards the applicant's argument that the consumer consciously identifies products by means of colours which can attract his attention from a distance in order to guide him towards the range of products, it should be noted that by putting forward that argument the applicant necessarily acknowledges that a product's commercial origin is ultimately identified on the basis of other distinguishing features, such as a word mark.

41 Furthermore, the distinctness of a sign cannot be derived solely from the 'range effect' whereby it is suggested to the consumer that several products have the same commercial origin because they are generally presented in a get-up in the same colours. That analysis originates from a marketing concept which cannot

have any bearing on the assessment of the sign's registrability (see, to that effect, Case T-358/00 *DaimlerChrysler* v *OHIM* (*TRUCKCARD*) [2002] ECR II-1993, paragraph 47), because, in particular, a product marketed in isolation does not enable the indication of its commercial origin to be perceived in the colours, there then being no 'range effect'.

42 Consequently, the relevant public will not see the combination of the colours orange and grey as a sign indicating that goods thus coloured come from the same undertaking but will rather see it merely as an aspect of the finish of the goods in question (see, to that effect, *Juxtaposition of green and grey*, paragraph 37).

43 Therefore, the trade mark whose registration is sought is devoid of distinctive character in respect of the categories of goods and services referred to.

44 That conclusion cannot be gainsaid by the applicant's arguments that the test based on the unusual nature of the chromatic combination is inoperative on the ground that if an undertaking has been using that combination for a long time it ceases to be unusual. Indeed, the unusual character of a colour or of a combination of colours, as a test for the assessment, in particular, of the distinctness of a chromatic sign, seeks to evaluate the aptitude of such colour or of such combination of colours to distinguish, in the eyes of the relevant public, the products or the services in question from those of another commercial source. Moreover, in the same way as any other sign, a colour or a combination of colours which, in itself, does not, at the outset, have a distinctive character within the meaning of Article 7(1)(b) of Regulation No 40/94 may acquire it in relation to the products and the services claimed, as a result of its use in compliance with paragraph 3 of that article (see, by analogy, Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee* [1999] ECR I-2779, paragraph 47). Thus, the use which an undertaking which has applied for the registration of a trade mark makes of

the colour or the combination of colours making up the mark, far from being a factor which excludes its distinctive character, may, in certain circumstances, particularly after a process of familiarisation of the relevant public, enable the chromatic sign in question to acquire the distinctness of which it was originally devoid.

45 With regard to the German case-law cited by the applicant, it must be observed that the Community trade mark regime is an autonomous system (Case T-32/00 *Messe München* v *OHIM* (*electronica*) [2000] ECR II-3829, paragraph 47). In addition, it must be pointed out that in the decisions put forward by the applicant, the Bundesgerichtshof confined itself to recognising the possible distinctness of the colours in the light of the actual facts of each case.

46 Therefore, the plea alleging infringement of Article 7(1)(b) of Regulation No 40/94 must be rejected.

47 It is unnecessary to consider the plea alleging infringement of Article 7(1)(c) of Regulation No 40/94. In accordance with consistent case-law, it is sufficient that one of the absolute grounds of refusal applies for the sign to be ineligible for registration as a Community trade mark (Case T-163/98 *Procter & Gamble* v *OHIM* (*BABY-DRY*) [1999] ECR II-2383, paragraph 29, and Case T-19/99 *DKV* v *OHIM* (*COMPANYLINE*) [2000] ECR II-1, paragraph 30).

48 Consequently, 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. Since the applicant has been unsuccessful, it must be ordered to pay OHIM's costs, in accordance with the form of order sought.

On those grounds,

THE COURT OF FIRST INSTANCE (Fourth Chamber)

hereby:

1. Dismisses the action;

2. Orders the applicant to pay the costs.

Tiili Mengozzi Vilaras

Delivered in open court in Luxembourg on 9 July 2003.

H. Jung
Registrar

V. Tiili
President