OPINION OF ADVOCATE GENERAL JACOBS
delivered on 2 April 1998 *

1. Article 4(1)(b) of the Trade Marks Directive [1] prohibits the registration of a trade mark 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 trade marks, there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark'.

2. In order to oppose the registration of a mark on the basis of that provision it is accordingly necessary to show both that the mark is identical or similar to an earlier mark and that the goods or services covered by both marks are identical or similar.

3. The Bundesgerichtshof (Federal Court of Justice) wishes to know whether, in assessing whether goods or services should be considered to be similar within the meaning of that provision, the degree of distinctiveness of an earlier mark, in particular its reputation, may be taken into account.

The Trade Marks Directive

4. The Trade Marks Directive harmonises the provisions of national trade-mark law which 'most directly affect the functioning of the internal market' (third recital of the preamble to the Directive). Thus it harmonises, *inter alia*, the grounds for refusing to register or invalidating a trade mark (Articles 3 and 4), and the rights conferred by a trade mark (Article 5 et seq.).

5. Under Article 16(1) of the Directive, Member States were required to implement its provisions by 28 December 1991. However, by Decision 92/10/EEC, [2] the Council made use of the power conferred on it by Article 16(2) and postponed the deadline for implementing the Directive until 31 December 1992.

* Original language: English.

1 — 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.

2 — OJ 1992 L 6, p. 35.

6. Article 4(1) of the Directive, which concerns the ability to register a mark, provides that:

'A trade mark shall not be registered or, if registered, shall be liable to be declared invalid:

(a) if it is identical with an earlier trade mark, and the goods or services for which the trade mark is applied for or is registered are identical with the goods or services for which the earlier trade mark is protected;

(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, which includes the likelihood of association with the earlier trade mark.'

7. Similarly, Article 5(1), which specifies the rights conferred by a trade mark, provides that:

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

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

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

8. Marks with a reputation can benefit from yet further protection. Article 4(4)(a) gives Member States the option of refusing the registration of a mark in certain circumstances if the mark is similar or identical to an earlier national mark which has a reputation, even though the goods or services in respect of which the later mark's application is made are

not similar to the goods or services in respect of which the earlier mark is registered:

'Any Member State may furthermore provide that a trade mark shall not be registered or, if registered, shall be liable to be declared invalid where, and to the extent that:

(a) the trade mark is identical with, or similar to, an earlier national trade mark within the meaning of paragraph 2 and is to be, or has been, registered for goods or services which are not similar to those for which the earlier trade mark is registered, where the earlier trade mark has a reputation in the Member State concerned and where the use of the later trade mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or repute of the earlier trade mark.'

9. Where the earlier mark is a Community trade mark provided for by the Community Trade Mark Regulation, [3] Article 4(3) of the Directive allows for the same type of objection to registration to be made by the owner of an earlier Community trade mark which has a reputation in the Community. In contrast to Article 4(4)(a), Article 4(3) requires, rather than merely empowers, Member States to afford such protection.

10. Furthermore, Article 5(2) (which concerns the use, as opposed to the registration, of a later mark) gives Member States a similar option to that provided in Article 4(4)(a):

'Any Member State may also provide that the proprietor shall be entitled to prevent all third parties not having his consent from using in the course of trade any sign which is identical with, or similar to, the trade mark in relation to goods or services which are not similar to those for which the trade mark is registered, where the latter has a reputation in the Member State and where use of that sign without due cause takes unfair advantage of, or is detrimental to, the distinctive character or the repute of the trade mark.'

11. It should, however, be noted that, although the question refers to marks with a reputation and Articles 4(4)(a) and 5(2) mention such marks specifically, the Bundesgerichtshof has made it clear that the provision in question in the present case is Article 4(1)(b) for the reasons explained below. [4]

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

4 — See paragraph 26 below.

The facts

12. On 29 July 1986, Pathe Communications Corporation ('Pathe'), which is based in the United States of America, submitted an application to register the word trade mark 'CANNON' in respect of the following goods and services: 'films recorded on video tape cassettes (video film cassettes); production, distribution and projection of films for cinemas and television institutions'.

13. That application was opposed by Canon Kabushiki Kaisha ('CKK') on the grounds that it infringed its own word trade mark 'Canon'. That mark had already been registered, *inter alia*, in respect of 'still and motion picture cameras and projectors; television filming and recording devices, television transmission devices, television receiving and reproduction devices, including tape and disc devices for television recording and reproduction'.

14. At the time the opposition by CKK was lodged the Trade Marks Directive had not been adopted and the national German law on trade marks accordingly applied. That law is known as the Warenzeichengesetz ('the WZG'). The Directive, adopted on 21 December 1988 and due to be implemented by 31 December 1992, [5] was implemented late into German law by a law adopted on 25 October 1994. The principal provisions of that law came into force on 1 January 1995. However, the Bundesgerichtshof explains that the present case must be judged on the basis of the law as it now stands, which gives effect to the Directive. The new German trade-mark law is called the Markengesetz and the Bundesgerichtshof explains that Article 9(1)(2) of that law corresponds to Paragraph 4(1)(b) of the Directive.

15. According to the Bundesgerichtshof, it must be assumed for the purposes of legal assessment that the two marks 'CANNON' and 'Canon' sound identical. They are not, however, applied in respect of identical goods and services. The question with which the German courts have been confronted is whether the respective goods and services can nevertheless be regarded as similar.

16. When Pathe's application was examined by the German authorities the first examiner considered that the goods and services of the opposing parties were indeed similar and accordingly refused to register the mark 'CANNON'. The second examiner set aside that decision and dismissed the opposition on the ground that there was no similarity. CKK appealed to the Bundespatentgericht (Federal Patent Court) but its appeal was dismissed by

5 — See paragraph 5 above.

an order dated 6 April 1994. CKK then appealed to the Bundesgerichtshof and it is in the context of those proceedings that the present reference has been made.

17. The Bundespatentgericht dismissed CKK's appeal because it agreed with the second examiner that there was no similarity, within the meaning of Paragraph 5(4)(1) of the WZG, between the parties' goods and services. In its view, there could be similarity only if the goods or services, in accordance with their economic significance and use, and with respect in particular to their usual places of manufacture and sale, had such close points of contact that the average purchaser might form the opinion that they came from the same business operation. CKK claims that 76.6% of the population knew its mark in November 1985 and the Bundesgerichtshof states that that must be taken as meaning that the mark 'Canon' was a recognised mark. The Bundespatentgericht, however, considered that the reputation of CKK's mark was of no significance in assessing the similarity of the goods and services in question.

18. The Bundespatentgericht observed that the goods 'video film cassettes' specified in Pathe's application were closest to the goods 'television filming and recording devices, television transmission devices, television receiving and reproduction devices, including tape and disc devices for television recording and reproduction' covered by CKK's mark. However, it considered that the two sets of goods were not similar. Disagreeing with the view taken by the Thirtieth Senate of the Bundespatentgericht in a similar case, it stated that it could not be assumed that video film cassettes were similar to the television devices covered by CKK's mark or to the video cameras distributed by CKK.

19. It explained that the Bundespatentgericht had already found, in 1989, that there was not a single manufacturer of leisure electronic devices to be found among the video tape producers in the 1988 Seibt industry catalogue; no significant changes had taken place in the meantime in that respect, at least in relation to recorded video cassettes; and inquiries in relevant specialist shops had shown that no name of a manufacturer of television devices or video recorders could be found in the range of recorded video cassettes. The Bundespatentgericht accordingly considered that it could not be assumed that the relevant average purchaser thought that recorded video tapes and the corresponding recording and reproduction devices came from the same business operation. Even members of the public were sufficiently aware of the different conditions for the manufacture of recorded cassettes and understood that video cassettes and video recorders do not come from the same manufacturer.

20. The Bundespatentgericht also rejected the possibility of similarity between the services specified in Pathe's application relating to

'production, distribution and projection of films for cinemas and television institutions' and the television filming devices etc. protected by CKK's mark. The Bundespatentgericht considered that the fact that cameras and projectors were used to produce and project films did not mislead persons, to an extent relevant for trade-mark law purposes, to conclude that the producers of such devices regularly also produced, distributed or projected films.

21. In its appeal against the order of the Bundespatentgericht, CKK argues that, since the implementation of the Trade Marks Directive into German law, the approach of the Bundespatentgericht to the assessment of the similarity of goods or services is no longer appropriate. It submits that its mark 'Canon' is a famous or well-known mark and that that fact, coupled with the fact that video film cassettes and video recording and reproduction devices are offered through the same points of sale, should lead to the conclusion that the goods covered by the two marks are similar and that there is consequently a likelihood of the public being confused within the meaning of Paragraph 9(1)(2) of the Markengesetz. [6]

6 — As explained earlier, that provision corresponds to Article 4(1)(b) of the Directive.

The question

22. The Bundesgerichtshof has accordingly referred the following question to this Court for a preliminary ruling:

'May account be taken, when assessing the similarity of the goods or services covered by the two marks, of the distinctive character, in particular the reputation of the mark with earlier priority (on the date which determines the seniority of the later mark), in particular in such a way that likelihood of confusion within the meaning of Article 4(1)(b) of the Directive must be taken to exist even if the public attributes the goods and/or services to different origins?'

23. The Bundesgerichtshof explains that the essential question is whether the adoption of the Trade Marks Directive requires the German courts to change their approach in assessing the similarity of goods or services. It accordingly seeks to ascertain which criteria should be applied in assessing whether goods or services are similar within the meaning of Article 4(1)(b) of the Directive.

24. The order for reference contains the following information as to the implementation of the Directive. When implementing the Directive, the German legislature started from the assumption that the concept of the similarity of goods or services could not be understood in the same way as that concept had been understood under the previous German law. In the explanatory memorandum to the draft Markenrechtsreformgesetz (Trade Mark Reform Law), it was stated that in future it would not be possible to refer back to the 'static' concept of similarity developed in the previous law.

25. Under the previous law, there had to be objective similarity between the goods or services: there was thus no protection under trade-mark law where there was no objective similarity of goods and services, however similar the marks and whatever the reputation of the earlier mark. Commentators argue that, since implementation of the Directive, that is no longer the case: there is now an inverse correlation between, on the one hand, the similarity of the goods and services and, on the other, the similarity of the marks and the distinctive character of the earlier mark. Thus the closer the marks and the more distinctive the earlier mark, the less similarity of goods or services needs to be shown. According to the Bundesgerichtshof, such an interpretation would mean that it would be considerably easier than under the previous German law to demonstrate a likelihood of confusion.

26. The Bundesgerichtshof recognises that, in certain circumstances, where the earlier mark has a reputation, it can be protected even in relation to dissimilar goods and services by virtue of Article 4(4)(a) of the Directive. Although that provision is optional, the Bundesgerichtshof states that it has been implemented into German law by Paragraph 9(1)(3) of the Markengesetz. However, the Bundesgerichtshof stresses that it is important to distinguish between the application of Article 4(1)(b) and Article 4(4)(a) because, under national law, the initial registration of a mark in relation to dissimilar goods cannot be opposed *per se* under the national provisions implementing Article 4(4)(a): the person objecting can only commence an action for cancellation of the mark once it has been registered or bring proceedings for infringement of his own mark, the idea being that the registration procedure should be carried out in an abstract, systematic way. Article 4(1)(b), on the other hand, is a ground for opposing the registration of a mark. The question whether a particular use of a mark falls within Article 4(1)(b) or Article 4(4)(a) is accordingly of considerable practical importance.

The meaning of 'confusion'

27. The question asks in part whether a likelihood [7] of confusion must be taken to exist

7 — The German version of the Directive speaks of a 'risk' of confusion, while the English version speaks of a 'likelihood' of confusion.

even if the public attributes the goods or services to different origins. The meaning of 'confusion' in Article 4(1)(b) of the Directive has already been considered by this Court in its judgment in the case of *SABEL*, delivered on 11 November 1997. [8]

28. That case concerned the interpretation of Article 4(1)(b) of the Directive in so far as it refers to 'a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark'. The Court explained that it had been submitted that 'the likelihood of association may arise in three sets of circumstances: (1) where the public confuses the sign and the mark in question (likelihood of direct confusion): (2) where the public makes a connection between the proprietors of the sign and those of the mark and confuses them (likelihood of indirect confusion or association); (3) where the public considers the sign to be similar to the mark and perception of the sign calls to mind the memory of the mark, although the two are not confused (likelihood of association in the strict sense)'. [9]

29. The Court stated that it was therefore necessary to determine 'whether Article 4(1)(b) can apply where there is no likelihood of direct or indirect confusion, but only a likelihood of association in the strict sense'. [10] It concluded: 'The terms of the provision itself exclude its application where there is no likelihood of confusion on the part of the public'. [11] Thus the Court held that 'the mere association which the public might make between two trade marks as a result of their analogous semantic content is not in itself a sufficient ground for concluding that there is a likelihood of confusion' [12] within the meaning of Article 4(1)(b).

30. It follows that if, in the present case, there is no likelihood of the public assuming that there is any sort of trade connection between the marks 'Canon' and 'CANNON', there is no likelihood of confusion within the meaning of Article 4(1)(b) of the Directive. The Commission suggests however that the question refers to the attribution of goods or services to different 'places of origin'; and that concept may reflect the importance attached by the previous German trade-mark law to the place of manufacture of the goods in question. In that respect it should be noted that it is not sufficient to show simply that there is no likelihood of the public being confused as to the place in which the goods are manufactured or the services performed: if, despite recognising that the goods or services have different places of origin, the public is likely to believe that there is a link between the two concerns, there will be a likelihood of confusion within the meaning of the Directive.

8 — Case C-251/95 *SABEL* v *Puma, Rudolph Dassler Sport*.

9 — Paragraph 16 of the judgment.

10 — Paragraph 17 of the judgment.

11 — Paragraph 18 of the judgment.

12 — Operative part.

Assessment of the similarity of goods and services

31. The main argument in this case has focused on the question whether the degree of distinctiveness of a mark, in particular its reputation, can be taken into account when assessing whether goods or services should be regarded as similar within the meaning of Article 4(1)(b). In other words, is it permissible to consider goods or services to be similar in relation to particularly distinctive marks when such goods or services would not be considered to be similar in relation to other, less distinctive marks? Or should the test for assessing the similarity of goods or services be objective (i. e. unrelated to the nature of the marks in question)?

32. All trade marks, if they are to perform their function, should be distinctive; a trade mark which is devoid of any distinctive character is, pursuant to Article 3(1)(b) of the Directive, not to be registered and, if registered, is liable to be declared invalid. But distinctiveness is a matter of degree. A trade mark might be particularly distinctive either because it is well known or because it is of an unusual character. The more well known or unusual a trade mark, the more likely it is that consumers might be confused into believing there to be a trade connection between goods or services bearing the same or a similar mark. As the Court observed in its judgment in *SABEL*, 'the more distinctive the earlier mark, the greater will be the likelihood of confusion'. [13] It should be noted, however, that in that case, in contrast to the present case, it was not disputed that at least some of the goods to which the marks in question related were the same; the question was whether the marks (as opposed to the goods) in question were sufficiently similar to give rise to a likelihood of confusion.

33. CKK, the French Government and the Commission are all of the view that the degree of distinctiveness of a mark is relevant to the test of the similarity of products or services. At the hearing the Italian Government stated that the notion of similarity is a very vague concept which cannot be based on objective factors alone.

34. They refer to the tenth recital of the preamble of the Directive, which is in the following terms:

'... whereas it is indispensable to give an interpretation of the concept of similarity in relation to the likelihood of confusion; whereas the likelihood of confusion, the appreciation of which depends on numerous elements and,

13 — Cited in note 8, paragraph 24 of the judgment.

in particular, on the recognition of the trade mark on the market, on [14] the association which can be made with the used or registered sign, [and] on [15] the degree of similarity between the trade mark and the sign and between the goods or services identified, constitutes the specific condition for such protection; whereas the ways in which likelihood of confusion may be established, and in particular the onus of proof, are a matter for national procedural rules which are not prejudiced by the Directive'.

35. CKK and the French Government argue that that recital, in particular the statement that 'it is indispensable to give an interpretation of the concept of similarity in relation to the likelihood of confusion', shows that the test of the similarity of goods or services is not to be regarded as an objective test.

36. CKK also argues that it is important to be able to oppose the initial registration of a mark under Article 4(1)(b), rather than having to accept the initial registration and attack its use under other provisions. It considers that parties to opposition proceedings are subject to lower costs and can present their rights more effectively and more efficiently than in other proceedings.

37. Pathe and the United Kingdom, however, advocate an objective, independent assessment of the similarity of the goods or services (i. e. an assessment made without regard to the nature or reputation of the earlier mark). The United Kingdom maintains that to require, at the stage of registering a mark, that the reputation of an earlier mark be taken into account when assessing the similarity of the goods or services in question would place an undue burden on examiners and considerably lengthen the registration process. Pathe also argues that large companies would deliberately delay registration processes.

38. Moreover, Pathe argues that flexible boundaries to the definition of similar goods or services would cause legal uncertainty. One final argument made by the United Kingdom is that, if the question of the likelihood of confusion had to be addressed in order to decide whether goods or services were similar, there would be no purpose in requiring such similarity: the only question would be whether or not there was a likelihood of confusion; if that had been the intention, the Directive would have had a different structure.

39. In my view, the decisive consideration in resolving the issue is the statement in the tenth recital of the preamble to the Directive that the appreciation of the likelihood of confusion depends in particular on the recognition

14 — The word 'of', rather than 'on', appears in the English text by mistake.

15 — See note 14 above.

of the mark. That statement set in its context reads as follows:

'Whereas the protection afforded by the registered trade mark, the function of which is in particular to guarantee the trade mark as an indication of origin, is absolute in the case of identity between the mark and the sign and goods or services; whereas the protection applies also in case of similarity between the mark and the sign and the goods or services; whereas it is indispensable to give an interpretation of the concept of similarity in relation to the likelihood of confusion; whereas the likelihood of confusion, the appreciation of which depends on numerous elements and, in particular, on the recognition of the trade mark on the market, [on] the association which can be made with the used or registered sign, [on] the degree of similarity between the trade mark and the sign and between the goods or services identified, constitutes the specific condition for such protection ...'

That statement makes it clear that the recognition of the mark, although not specifically mentioned in Article 4(1)(b) of the Directive, is relevant in deciding whether there is sufficient similarity to give rise to a likelihood of confusion.

40. That view is also confirmed by the judgment of the Court in *SABEL*, in which it held that the 'likelihood of confusion must ... be appreciated globally, taking into account all factors relevant to the circumstances of the case'. [16] It is true that that statement was made in a different context: the Court was there considering the question whether conceptual similarity of the marks alone could give rise to confusion within the meaning of Article 4(1)(b), in a situation in which the goods in question were clearly the same. However the statement is one of general application.

41. The United Kingdom Government seeks to refute the argument that the tenth recital of the preamble to the Directive supports a global approach. It maintains that that recital means simply that in assessing similarity regard should be had to the question whether the goods or services are such that the public might be confused into thinking that they have the same trade origin, and that in making that assessment it is not permissible to have regard to the reputation of the earlier mark.

42. That explanation, however, requires the recital to be read as indicating that the question of confusion is to be taken into account in assessing the similarity of goods or services, but that one element of the confusion test, namely that of the 'recognition' of the earlier mark 'on the market' (which is mentioned expressly in the recital), cannot be taken into account in such an assessment. I

16 — Cited in note 8, paragraph 22.

have difficulty in reading the recital in that way. (The phrase 'recognition of the trade mark on the market' to my mind refers to the degree of distinctiveness of the mark: i. e. whether it is readily recognised by the public, either because it has an inherently unusual nature or because of its reputation.)

43. In addition, the dangers of lengthening the registration process by requiring consideration of an earlier trade mark's reputation do not appear to me to be as serious as Pathe and the United Kingdom Government suggest. The French Government stated at the hearing that, in its experience, such consideration did not unduly lengthen or complicate the procedure. Indeed, it may be in the interest of legal certainty to ensure that marks whose use may be challenged successfully are not registered in the first place. In any event, it seems to me that the tenth recital of the preamble to the Directive indicates that the reputation of a trade mark should be taken into account in assessing the likelihood of confusion between two marks even if it cannot be taken into account in assessing the similarity of goods and services. Moreover, the Community Trade Mark Registry will be obliged to consider the question of the reputation of a mark in many cases since the Community Trade Mark Regulation contains a provision similar to Article 4(4)(a) of the Directive. Under Article 8(5) of the Regulation the proprietor of an earlier mark which has a reputation can oppose, subject to certain conditions, the registration of an identical or similar mark in relation to dissimilar goods or services. That suggests that the practical problems of requiring registrars to consider the reputation of a mark are not as great as has been argued.

44. I would emphasise that although in my view the degree of recognition of the mark must be taken into account in deciding whether there is sufficient similarity to give rise to confusion, the requirement of similarity must be given full weight, both in assessing the similarity of the marks and in assessing the similarity of the goods or services in question. It is therefore incorrect to suggest that, in consequence of the implementation into national law of Article 4(1)(b) of the Directive, it may no longer be necessary in the case of a particularly distinctive mark to establish the similarity of the goods or services in question. In assessing the similarity of the goods or services it will be helpful to have regard to the factors suggested by the United Kingdom and French Governments.

45. According to the United Kingdom Government, the following type of factors should be taken into account in assessing the similarity of goods or services:

(a) the uses of the respective goods or services;

(b) the users of the respective goods or services;

(c) the physical nature of the goods or acts of service;

(d) the trade channels through which the goods or services reach the market;

(e) in the case of self-serve consumer items, where in practice they are respectively found or likely to be found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;

(f) the extent to which the respective goods or services are in competition with each other: that inquiry may take into account how those in trade classify goods, for instance whether market research companies, who of course act for industry, put the goods or services in the same or different sectors. [17]

46. Whilst recognising that that list of factors is not exhaustive, the United Kingdom Government observed at the hearing that it nevertheless indicates a common denominator which should be present in all factors taken into account in assessing the similarity of goods or services: namely that the factors are related to the goods or services themselves.

47. The French Government likewise considers that, in assessing the similarity of goods and services, the factors to be taken into account should include the nature of the goods or services, their intended destination and clientele, their normal use and the usual manner of their distribution.

48. The use of those 'objective' factors to assess similarity does not however in my view preclude account being taken of the degree of recognition of the mark in deciding whether there is sufficient similarity to give rise to a likelihood of confusion.

49. Against that view it might be argued that the simpler and more objective the test of the similarity of goods and services under Article 4(1)(b), the less likely national trade mark

17 — Taken from the judgment of the English High Court in *British Sugar Plc* v *James Robertson & Sons Ltd* on 23 May 1996, [1996] RPC 281.

registries or courts in different Member States would be to adopt different assessments as to whether a particular mark is confusing. That would be consistent with the Directive's aim of harmonising Member States' trade-mark laws.

50. I accept that a flexible test of the similarity of goods or services might lead to different interpretations of such similarity in different Member States. It is indeed possible that, contrary to the view in certain Member States, a new mark might not be caught by Article 4(1)(b) of the Directive in one Member State simply because it is considered in that State that, despite the reputation of the earlier mark and a likelihood of confusion, the goods or services are not sufficiently similar. In such a case, however, the fact that the earlier mark has a reputation may well mean that in that Member State Article 4(4)(a) or Article 5(2) of the Directive (concerning the protection of a mark in relation to dissimilar goods or services) would apply instead. According to the understanding of the Commission, all Member States have availed themselves of the option provided by Article 4(4)(a). [18] Thus the ultimate result in all Member States (namely the prohibition, or cancellation, of the registration of a mark or prohibition of its use) would often be the same.

51. By way of a final observation I would add that I do not consider it unjust for a trade-mark owner to benefit from protection in relation to a wider range of goods than those in relation to which the mark is registered. It is not reasonable to require a trade-mark owner to register his mark in relation to all types of goods in relation to which use of his mark may give rise to a risk of confusion, because he may not be using his mark in relation to such goods; indeed marks which are registered in respect of goods or services in relation to which they are not used are liable to be struck off the register after five years on the grounds of non-use. [19] Moreover, the criterion of confusion ensures that when registering a mark in relation to a certain class of goods or services, the trade-mark owner is not thereby protected in relation to too broad a range of goods and services. The concept of confusion should not be extended too far since, as I observed in my Opinion in *SABEL*, [20] a broad interpretation would be contrary to the Directive's aim of assisting the free movement of goods. However, where there is a genuine and properly substantiated likelihood of confusion, it is in my view not only justifiable but necessary to protect both the consumer and the trade-mark owner by disallowing the registration of a later mark even in relation to similar goods and services in respect of which the earlier mark is not registered.

18 — Statement made by the Commission at the hearing in Case C-63/97 *BMW* on 13 January 1998.

19 — See Articles 10 to 12 of the Directive.

20 — Cited in note 8, at paragraphs 50 and 51.

Conclusion

52. Accordingly the question referred by the Bundesgerichtshof should in my opinion be answered as follows:

In the assessment of the similarity of goods or services covered by two marks within the meaning of Article 4(1)(b) of First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks, account may be taken of the distinctive character, in particular the reputation, of the earlier mark in deciding whether there is sufficient similarity to give rise to a likelihood of confusion. However, there will only be a likelihood of confusion within the meaning of that provision if it is likely that the public will be confused into thinking that there is some sort of trade connection between the suppliers of the goods or services in question.