JUDGMENT OF THE COURT (First Chamber)

22 June 2006 *

In Case C-24/05 P,

APPEAL under Article 56 of the Statute of the Court of Justice, brought on 24 January 2005,

August Storck KG, established in Berlin (Germany), represented by I. Rohr, H. Wrage-Molkenthin and T. Reher, Rechtsanwälte,

appellant,

the other party to the proceedings being:

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

defendant at first instance,

* Language of the case: German.

THE COURT (First Chamber),

composed of P. Jann, President of the Chamber, N. Colneric, J.N. Cunha Rodrigues, M. Ilešič (Rapporteur) and E. Levits, Judges,

Advocate General: D. Ruiz-Jarabo Colomer,
Registrar: B. Fülöp, Administrator,

having regard to the written procedure and further to the hearing on 16 February 2006,

after hearing the Opinion of the Advocate General at the sitting on 23 March 2006,

gives the following

Judgment

1 By its appeal, August Stork KG seeks to have set aside the judgment of the Court of First Instance of the European Communities (Fourth Chamber) of 10 November 2004 in Case T-396/02 *Storck* v *OHIM (Shape of a sweet)* [2004] ECR II-3821 ('the judgment under appeal') dismissing its action for annulment of the decision of the

Fourth Board of Appeal of the Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) of 14 October 2002 (Case R 187/2001-4) ('the decision in dispute') refusing registration of a three-dimensional mark consisting of the shape of a light-brown sweet.

Legal context

2 Article 7 of Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark (OJ 1994 L 11, p. 1), entitled 'Absolute grounds for refusal', states:

'1. The following shall not be registered:

...

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

...

3. Paragraph 1(b), (c) and (d) shall not apply if the trade mark has become distinctive in relation to the goods or services for which registration is requested in consequence of the use which has been made of it.'

3 Article 73 of Regulation No 40/94, entitled 'Statement of reasons on which decisions are based', states:

'Decisions of [OHIM] shall state the reasons on which they are based. They shall be based only on reasons or evidence on which the parties concerned have had an opportunity to present their comments.'

4 Article 74(1) of Regulation No 40/94, entitled 'Examination of the facts by the Office of its own motion', provides:

'In proceedings before it [OHIM] shall examine the facts of its own motion; however, in proceedings relating to relative grounds for refusal of registration, [OHIM] shall be restricted in this examination to the facts, evidence and arguments provided by the parties and the relief sought.'

Background to the dispute

5 On 30 March 1998 the appellant filed an application with OHIM under Regulation No 40/94 for registration as a Community trade mark of a three-dimensional mark in the form of a light-brown sweet, reproduced below:



6 The products in respect of which registration was sought are 'confectionery' and come 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.

7 By decision of 25 January 2001 the examiner refused the application on the ground that the mark applied for was devoid of any distinctive character within the meaning of Article 7(1)(b) of Regulation No 40/94 and that it had not become distinctive through use for the purposes of Article 7(3) thereof.

8 By the decision in dispute the Fourth Board of Appeal of OHIM confirmed the examiner's decision. It essentially found that the combination of the shape and colour constituting the mark applied for did not intrinsically provide any indication of the origin of the product in question, namely confectionery. Moreover, it considered that the evidence adduced by the applicant did not prove that the mark had become distinctive in consequence of the use that had been made of it, in respect in particular of caramel sweets.

Procedure before the Court of First Instance and the judgment under appeal

9 The appellant brought an action before the Court of First Instance for annulment of the decision in dispute, based on two pleas in law.

10 As to the first plea, alleging infringement of Article 7(1)(b) of Regulation No 40/94, the Court of First Instance found, in paragraphs 39 to 45 of the judgment under

appeal, that the Board of Appeal had rightly concluded that the mark applied for was devoid of any distinctive character within the meaning of that provision, for the following reasons:

'39 In the present case, the Board of Appeal rightly found that in the case of mass consumer goods such as those in issue in the present case "the consumer will not pay much attention to the shape and colour of confectionery" and that accordingly "it is unlikely that the choice of the average consumer will be determined by the shape of the sweet" (paragraph 12 of the decision [in dispute]).

40 Furthermore, the Board of Appeal showed to the requisite legal standard that the characteristics of the shape of that mark, taken alone or combined with each other, were not distinctive. It found, first, in that regard, that, "almost round, the shape in question, which calls to mind a circle ... , is a basic geometric shape" and that the average consumer is "accustomed to confectionery products, including sweets, which are round (circular, oval, elliptical or cylindrical)". Next, as regards the rounded upper sides of the sweet, it found that "sweets have rounded sides regardless of their configuration" for functional reasons. Lastly, as regards the circular depression in the middle of the sweet and its flat lower surface, the Board of Appeal found that "those features do not substantially alter the overall impression given by the shape" and that accordingly "it is unlikely that the relevant consumer will pay such attention to those two characteristics that he will perceive them as indicating a particular commercial origin" (paragraph 13 of the decision [in dispute]).

41 As for the colour of the relevant product, namely brown or various shades thereof, the Board of Appeal also noted that it was a "common colour for sweets" (paragraph 13 of the decision [in dispute]). It must be found that the relevant public is accustomed to find that colour in confectionery.

42 It follows that the three-dimensional shape in respect of which registration was sought is a basic geometric shape which comes naturally to the mind of the consumer of mass consumption goods like sweets.

43 In those circumstances, the applicant's argument based on the allegedly considerable differences between the shape and colour of the mark applied for and those of other confectionery products must be rejected.

44 In the light of the foregoing it must be found that the three-dimensional mark applied for consists of a combination of presentational features which come naturally to mind and which are typical of the goods in question. The shape in question is not markedly different from various basic shapes for the goods in question which are commonly used in trade, but is a variation of those shapes. Since the alleged differences are not readily perceptible, it follows that the shape in question cannot be sufficiently distinguished from other shapes commonly used for sweets and it will not enable the relevant public immediately and with certainty to distinguish the applicant's sweets from those of another commercial origin.

45 Accordingly, the mark applied for does not enable the average consumer who is reasonably well informed and reasonably observant and circumspect to identify the products concerned and distinguish them from those of another commercial origin. Therefore, it is devoid of distinctive character when compared with those goods.'

11 As to the second plea, alleging infringement of Article 7(3) of Regulation No 40/94, the Court of First Instance held, in paragraphs 61 to 67 of the judgment under

appeal, that the Board of Appeal did not err in law in finding that the applicant had not shown that the mark applied for had become distinctive as a result of the use which had been made of it, for the following reasons:

'61 First, the applicant's arguments based on the sales figures and high cost of advertising to promote the "Werther's Original" ("Werther's Echte") caramel sweet do not show that the mark applied for has become distinctive in consequence of the use which has been made of it.

62 Whilst the Board of Appeal accepted that the turnover and the data in respect of the advertising costs showed that the type of sweet in question was widespread on the market, it nevertheless considered that that data did not constitute evidence, which was essential, that the sign applied for was used as a three-dimensional mark to designate the applicant's sweets (paragraph 16 of the decision [in dispute]).

63 In paragraphs 17 to 21 of the decision [in dispute], the Board of Appeal substantiated its finding as follows:

"17. The applicant produced samples of its plastic bags used as packaging for its sweets and submitted that the shape reproduced on those bags constitutes a 'primary reference' point for the consumer. The applicant takes the view that that use is evidence that the shape is the subject of the advertising as the mark of the product and that it is in that way that it will be perceived by the consumer. The Board of Appeal finds itself compelled to refute that point of view since there is a discrepancy between the applicant's statements and the overall appearance of the sweets on the packet.

18. Whilst it is in fact true that the brown shaped sweets appear on the packaging as the applicant produces them, it is nevertheless necessary to consider the purpose of that representation. It cannot be an abstract assessment. On the contrary, it must consider the probable way in which the average consumer perceives the representation of the sweets as it appears on the packaging.

19. Faced with a packet of the applicant's sweets, the consumer in question notices first the name 'Werther's Original' which, written in large print, occupies almost half of the packet and is surrounded by further details such as a small oval sign bearing the name Storck and the stylised picture of a small village below which may be read 'Traditional Werther's Quality'. The lower half of the packet shows a colour photo representing about 15 sweets piled up and their caption: 'The classic candy made with real butter and fresh cream'.

20. According to the applicant's statements that illustration corresponds to the three-dimensional mark in respect of which registration was sought. The Board of Appeal challenges the merits of that position. The way in which the sweets are represented on the packet is not in accordance with the traditional way in which marks are represented on goods. It seems that the purpose of that representation is (instead) to illustrate the contents of the packet. Contrary to the applicant's submissions the packet does not show a shape but a realistic picture of a pile of unwrapped sweets. It should be noted that that representation is not intended to emphasise the characteristics which the applicant considers to confer a distinctive character on the mark (the central depression, the smooth lower surface and the rounded sides). It is for that reason that the Board of Appeal considers that there is a discrepancy between the way in which the sweets are represented on the packet and the submission that that representation is a three-dimensional mark and is perceived as such by the average consumer. The assessment of the Board of Appeal leads it to conclude that it is likely that the consumer will see the picture of the sweets solely as an illustration of the contents of the packet. The illustration of packaging in an attractive way to show the appearance of the product and serving suggestions is a common practice in the food industry, including the confectionery industry. It is dictated more by marketing considerations than by the need to identify products by means of marks. The Board of Appeal accordingly considers

that the picture does not fulfil the function of a mark, but serves solely to illustrate the product. The caption accompanying the picture, namely: 'The classic candy made with real butter and fresh cream', further confirms that this will be the probable perception of a reasonably observant sweetbuyer. The caption and picture complement each other: the wording describes the nature of the sweets and the picture shows them. The Board of Appeal concedes that a product may bear several marks at the same time. That does not preclude its finding, based on the appearance of the packets used as packaging for the applicant's sweets, that the representation of the sweets on those packets is not in keeping with the representation of a mark.

21. From the foregoing considerations, it must be concluded that the turnover and the figures relating to the advertising costs in fact prove that 'Werther's' sweets are sold on the market, but not that their shape was used as a mark ..."

64 There is no reason to call in question the foregoing considerations. The advertising material produced by the applicant contains no evidence relating to the use of the mark in the form applied for. In all of the pictures produced, the representation of the shape and colours applied for is accompanied by word and figurative marks. Accordingly, that material cannot amount to evidence that the relevant section of the public perceives the mark applied for, in itself and independently of the word and figurative marks with which it is accompanied in the advertising and at the point of sale, as indicating the commercial origin of the products and services in question ...

65 Furthermore, it should be noted that the applicant itself states in the application that the sweet in question is not sold loose but in a packet in which each sweet is further individually wrapped. It follows that in making the decision to purchase, the average consumer is not in a position directly to see the shape of

the sweet in question enabling that person to attribute to that shape the function of indicating its origin.

66 The same conclusion applies, second, to the surveys submitted by the applicant for consideration by the Board of Appeal, to show that the mark applied for had become distinctive through use. It is clear from the final part of paragraph 21 of the decision [in dispute] that awareness of the sweet sold by the applicant as a mark was established, not on the basis of the shape in question, but on the basis of the name "Werther's".'

12 The Court of First Instance therefore dismissed the action and ordered the appellant to pay the costs.

The appeal

13 In support of its appeal the appellant relies on four grounds of appeal, and claims that the Court should:

— set aside the judgment under appeal;

— give final judgment on the dispute by granting the forms of order sought at first instance; or

— in the alternative, remit the case to the Court of First Instance;

— order OHIM to pay the costs.

14 OHIM contends that the Court should dismiss the appeal and order the appellant to pay the costs.

The first ground of appeal

Arguments of the parties

15 In the first ground of appeal, which falls into two parts, the appellant claims that the Court of First Instance infringed Article 7(1)(b) of Regulation No 40/94.

16 First, in paragraph 44 of the judgment under appeal, the Court of First Instance wrongly made the finding that the mark applied for has distinctive character subject to the condition that it be markedly different from other forms of presentation of sweets commonly used in trade, thus imposing stricter requirements for three-dimensional marks than for word or figurative marks.

17 The Court of First Instance also wrongly required that the trade mark applied for be markedly different from similar marks which might exist in the confectionery sector.

18 According to the appellant, the fact that confusion with products of a different origin is likely to occur is relevant only in the context of an opposition based on the likelihood of confusion of the mark applied for with an earlier mark.

19 Second, the Board of Appeal and the Court of First Instance failed to ascertain whether the mark applied for possesses in itself, independently of other similar forms of presentation of sweets on the market, a minimum level of distinctiveness. Had the Court of First Instance done so it would have come to the conclusion that the mark is not devoid of any distinctive character.

20 In that regard, the appellant challenges the Court of First instance's assertion, in paragraph 39 of the judgment under appeal, that it is unlikely that the choice of the average consumer will be determined by the shape of the sweet. It also challenges that assertion in paragraph 42 of the judgment that the shape in respect of which registration is sought is a basic geometric shape.

21 OHIM contends, first, that the Court of First Instance in no way made the mark applied for subject to stricter criteria than those applicable to word and figurative marks, but applied the settled case-law stating that the shape of the product in respect of which registration as a mark is sought must depart significantly from the norm or customs of the relevant sector.

22 Second, the complaint that the Court of First Instance should have found that the mark applied for has distinctive character seeks to challenge its assessment of the facts and is, thus, inadmissible on appeal.

Findings of the Court

23 As regards the first part of the first ground of appeal, it is settled case-law that the distinctive character of a trade mark, within the meaning of Article 7(1)(b) of Regulation No 40/94, must be assessed, firstly, by reference to the goods or services in respect of which registration has been applied for and, secondly, by reference to the perception of them by the relevant public, which consists of average consumers

of the goods or services in question who are reasonably well informed and reasonably observant and circumspect (see Joined Cases C-456/01 P and C-457/01 P *Henkel* v *OHIM* [2004] ECR I-5089, paragraph 35, and Case C-173/04 P *Deutsche SiSi-Werke* v *OHIM* [2006] ECR I-551, paragraph 25).

24 According to equally established case-law, the criteria for assessing the distinctive character of three-dimensional marks consisting of the appearance of the product itself are no different from those applicable to other categories of trade mark (see *Henkel* v *OHIM*, paragraph 38, Case C-136/02 P *Mag Instrument* v *OHIM* [2004] ECR I-9165, paragraph 30, and *Deutsche SiSi-Werke* v *OHIM*, paragraph 27).

25 None the less, for the purpose of applying those criteria, the relevant public's perception is not necessarily the same in the case of a three-dimensional mark, which consists of the appearance of the product itself, as it is in the case of a word or figurative mark, which consists of a sign unrelated to the appearance of the products it denotes. Average consumers are not in the habit of making assumptions about the origin of products on the basis of their shape or the shape of their packaging in the absence of any graphic or word element, and it could therefore prove more difficult to establish distinctiveness in relation to such a three-dimensional mark than in relation to a word or figurative mark (see, in particular, *Henkel* v *OHIM*, paragraph 38, *Mag Instrument* v *OHIM*, paragraph 30, and *Deutsche SiSi-Werke* v *OHIM*, paragraph 28).

26 In those circumstances, only a mark which departs significantly from the norm or customs of the sector and thereby fulfils its essential function of indicating origin is not devoid of any distinctive character for the purposes of Article 7(1)(b) of Regulation No 40/94 (see, in particular, *Henkel* v *OHIM*, paragraph 39, *Mag Instrument* v *OHIM*, paragraph 31, and *Deutsche SiSi-Werke* v *OHIM*, paragraph 31).

27 Therefore, the Court of First Instance rightly took into consideration the shapes and colours of sweets commonly used in trade in assessing whether the mark applied for is, or is not, devoid of any distinctive character.

28 The Court of First Instance found, in paragraph 44 of the judgment under appeal, that the shape of the sweet in question 'is not markedly different from various basic shapes for the goods in question which are commonly used in trade'. In so far as the requirement of a marked difference goes further than the mere significant departure required by the case-law cited in paragraph 26 of this judgment, the Court of First Instance would have erred in law if it had made recognition of the distinctive character of the mark applied for subject to compliance with such a requirement.

29 Such is not the case, however. It is apparent from the same paragraph of the judgment under appeal that the Court of First Instance relied on the finding that the mark applied for consists of a combination of presentational features which come naturally to mind and which are typical of the goods in question, that it is a variation of certain basic shapes commonly used in the confectionery sector, that, since the alleged differences are not readily perceptible, it follows that the shape in question cannot be sufficiently distinguished from other shapes commonly used for sweets and that it does not enable the relevant public to distinguish immediately and with certainty the appellant's sweets from those of another commercial origin.

30 By those findings the Court of First Instance established to the requisite legal standard that the mark applied for does not depart significantly from the norm or customs of the confectionery sector. Therefore, it did not err in law in finding that the mark is devoid of any distinctive character.

31 As regards the appellant's complaint that the Court of First Instance required that the mark applied for be markedly different from similar marks which might exist in the confectionery sector, it is based on an incorrect interpretation of the judgment under appeal, since the Court of First Instance in no way sought to ascertain whether other marks used for that type of product were identical or similar to the mark applied for.

32 The first part of the first ground of appeal must therefore be dismissed as unfounded.

33 As regards the second part of the first ground, firstly, as is apparent from paragraph 27 of this judgment, the Court of First Instance did not err in law in any way by taking the shapes of sweets commonly used in trade into account in assessing whether the mark applied for is, or is not, devoid of any distinctive character.

34 Secondly, in so far as it challenges the Court of First Instance's finding that the mark applied for is devoid of any distinctive character, that part of the first ground is effectively requesting that the Court of Justice substitute its own assessment of the facts for that of the Court of First Instance.

35 The findings of the Court of First Instance in paragraphs 39 to 42 of the judgment under appeal that, first, the level of attention paid by the average consumer to the shape and colour of confectionery is not high, and, second, that the three-dimensional shape of the mark applied for is a basic geometric shape are findings of fact (see, to that effect, *Henkel* v *OHIM*, paragraph 56, and *Deutsche SiSi-Werke* v *OHIM*, paragraph 47, respectively).

36 In accordance with Article 225(1) EC and the first paragraph of Article 58 of the Statute of the Court of Justice, an appeal lies on a point of law only. The Court of First Instance thus has exclusive jurisdiction to find and appraise the relevant facts and to assess the evidence. The appraisal of those facts and the assessment of that evidence thus do not, save where the facts or evidence are distorted, constitute points of law subject, as such, to review by the Court of Justice on appeal (see Case C-104/00 P *DKV* v *OHIM* [2002] ECR I-7561, paragraph 22, and *Deutsche SiSi-Werke* v *OHIM*, paragraph 35).

37 Since distortion of the facts and evidence submitted to the Court of First Instance is not alleged in the present case, the second part of the first ground of appeal must be dismissed as being partly unfounded and partly inadmissible, and consequently the ground must be dismissed in its entirety.

The second and third grounds of appeal

Arguments of the parties

38 In the second and third grounds of appeal the appellant claims that the Court of First Instance infringed respectively Article 74(1) of Regulation No 40/94, pursuant to which OHIM is to examine the facts of its own motion, and Article 73 of that regulation, pursuant to which decisions of OHIM are to be based only on reasons or evidence on which the parties concerned have had on opportunity to present their comments.

39 First, Article 74(1) of Regulation No 40/94 requires OHIM to examine, itself, the facts on which it intends to base its decision. Thus, in not giving, as it was required to do, concrete examples of sweets which are allegedly identical in appearance to the mark applied for, the existence of which it alleged in finding that mark to be 'customary', the Board of Appeal deprived the appellant of the opportunity to challenge the relevance of those examples.

40 By approving those unsubstantiated claims of the Board of Appeal, in paragraph 40 of the judgment under appeal, and by making similar assertions itself without basing them on facts capable of being verified, in paragraphs 41 and 42 of the same judgment, the Court of First Instance infringed Article 74(1) of Regulation No 40/94.

41 Second, since the Board of Appeal failed to produce any of the sweets which it alleged to be similar to the mark applied for, the applicant could not, at any point in the proceedings, adopt a position on that matter and was therefore deprived, in particular, of the opportunity to demonstrate that those sweets do, in fact, bear decisive differences to the mark applied for. Its right to be heard was thus infringed.

42 By supporting the allegations of the Board of Appeal, on which the applicant was not able to express its opinion, and by basing its own decision on those allegations, the Court of First Instance infringed Article 73 of Regulation No 40/94.

43 OHIM submits that, since the applicant is claiming for the first time before the Court of Justice infringement of Articles 73 and 74(1) of Regulation No 40/94, the second and third grounds of appeal must be declared inadmissible.

44 It adds that, in so far as by the third ground of appeal the appellant alleges that the Court of First Instance infringed its rights of defence, that complaint is unfounded, since the hearing before the Board of Appeal centred on the findings of the Board challenged by the appellant and they were challenged by the appellant again before the Court of First Instance.

Findings of the Court

45 According to settled case-law, to allow a party to put forward for the first time before the Court of Justice a plea in law which it has not raised before the Court of First Instance would be to allow it to bring before the Court, whose jurisdiction in appeals is limited, a case of wider ambit than that which came before the Court of First Instance. In an appeal the Court's jurisdiction is therefore confined to review of the findings of law on the pleas argued before the Court of First Instance (see, in

particular, Case C-186/02 P and C-188/02 P *Ramondín and Others* v *Commission* [2004] ECR I-10653, paragraph 60).

46 In the present case, the appellant did not claim before the Court of First Instance that the Board of Appeal had infringed Articles 73 and 74(1) of Regulation No 40/94 by not producing examples of sweets identical or similar to those sold by the appellant.

47 Therefore, in so far as the second and third grounds of appeal challenge the failure by the Court of First Instance to annul the decision in dispute for those reasons, they are to be regarded as grounds which have been adduced for the first time on appeal and must accordingly be declared inadmissible.

48 Those grounds of appeal are unfounded in so far as they allege that, by its own unsubstantiated allegations, the Court of First Instance also infringed Articles 73 and 74(1) of Regulation No 40/94. Those provisions are to be complied with by bodies of OHIM in the context of assessment of applications for registration, but not in the context of proceedings before the Court of First Instance, which are governed by the Statute of the Court of Justice and by the Rules of Procedure of the Court of First Instance.

49 Moreover, the appellant was in a position to challenge before the Court of First Instance the Board of Appeal's assertion that the shape of the sweet at issue is not significantly different from numerous other shapes commonly used in the confectionery market. Accordingly, its rights of defence, and particularly its right to be heard, were observed before that court.

50 The second and third grounds of appeal must therefore be dismissed as being partly inadmissible and partly unfounded.

Fourth ground of appeal

Arguments of the parties

51 In the fourth ground of appeal, which falls into three parts, the appellant claims that the Court of First Instance infringed Article 7(3) of Regulation No 40/94 by making the evidence that the mark applied for had become distinctive through use subject to false requirements.

52 First, in paragraph 64 of the judgment under appeal, the Court of First Instance found that evidence relating to the use of a three-dimensional mark cannot be furnished by documents such as the packaging of the goods for which registration of that mark is sought or advertising material concerning those goods where, alongside that mark, other word or figurative marks appear on those documents. It thus held that a mark made up of the three-dimensional shape of the product concerned cannot acquire distinctive character if it is accompanied by a word or figurative mark.

53 That analysis does not reflect the way in which the average consumer perceives the marks. The fact that several marks appear simultaneously on a product does not prevent such a consumer from perceiving each one separately as an indication of origin. Different marks may even complement each other, so that familiarity with one contributes to familiarity with the other. In addition, in so far as it is the very nature of a three-dimensional mark to be used cumulatively with other word or figurative marks, the Court of First Instance's analysis leads to a situation where, contrary to the intention of the Community legislature, usage of a three-dimensional mark can never be proven.

54 Second, the Court of First Instance, on the one hand, wrongly confirmed, in paragraph 64 of the judgment under appeal, the assessment of the Board of Appeal that the representation of the mark applied for on the packet in which the sweets at issue are sold exists merely to show the contents of the packet, and wrongly considered, on the other hand, in paragraph 65 of that judgment, that since those sweets are sold in a packet the consumer is not in a position to see the mark applied for directly when deciding what to buy. The mark is in fact reproduced on the bags in which the sweets are packaged, and since it is, at the same time, the product itself, its reproduction is not only information as to the contents of the packet but also an indication as to the origin of the product.

55 Third, in paragraph 65 of the judgment under appeal, the Court of First Instance wrongly took into consideration the perception of the average consumer only at the time of the decision to purchase. To determine to what extent such a consumer recognises the mark it is necessary to take into account the way in which he sees that mark not only when making the decision to purchase but also before that point, for example as a result of advertising, and when consuming the product.

56 According to OHIM, the Board of Appeal and the Court of First Instance in no way required that the evidence establishing the use of a three-dimensional mark must concern that mark and that mark only, but rightly found that the advertising material submitted did not contain any proof of use of the mark as it was applied for. In particular, as pointed out in paragraph 63 of the judgment under appeal, the Board of Appeal found that it could not distinguish the specific characteristics of the shape of the sweet from the advertising material and that the representation of the sweets on the packaging submitted as evidence did not amount to representation of the mark. Similarly, in paragraph 64 of that judgment, the Court of First Instance stated that the nature of the representation of the shape of the sweet on the packaging is so unclear and obscured by various other signs that consumers cannot perceive it as a representation of the mark applied for.

Findings of the Court

57 As regards the first and second parts of the fourth ground of appeal, the Court has ruled, in Case C-353/03 *Nestlé* [2005] ECR I-6135, that a mark may acquire distinctive character within the meaning of Article 3(3) of 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) in consequence of use of that mark in conjunction with a registered trade mark.

58 The same is true in relation to distinctive character acquired through use for the purposes of Article 7(3) of Regulation No 40/94, since that provision and Article 3(3) of Directive 89/104 are essentially identical.

59 Therefore, a three-dimensional mark may in certain circumstances acquire distinctive character through use even if it is used in conjunction with a word mark or a figurative mark. Such is the case where the mark consists of the shape of the product or its packaging and where they systematically bear a word mark under which they are marketed.

60 However, it must be stressed that a three-dimensional mark is essentially different from its two-dimensional graphic representation. It follows that where, as in the present case, a picture of the product features on the packaging, consumers do not actually see the mark itself, being the mark consisting of the three-dimensional form of the product. It is possible, however, that the two-dimensional representation of such a mark may in certain circumstances facilitate awareness of the mark by the relevant public where it enables the essential elements of the three-dimensional shape of the product to be perceived.

61 Furthermore, in regard to acquisition of distinctive character through use, the identification by the relevant class of persons of the product or service as originating from a given undertaking must be as a result of the use of the mark as a trade mark (Case C-299/99 *Philips* [2002] ECR I-5475, paragraph 64, and *Nestlé*, paragraph 26). The expression 'use of the mark as a trade mark' must therefore be understood as referring to use of the mark for the purposes of the identification by the relevant class of persons of the product or service as originating from a given undertaking (*Nestlé*, paragraph 29).

62 Therefore, not every use of the mark, a fortiori use of a two-dimensional representation of a three-dimensional mark, amounts necessarily to use as a mark.

63 In the present case, the Court of First Instance did not err in law.

64 First, in paragraphs 63 and 64 of the judgment under appeal the Court of First Instance, endorsing the assessments of the Board of Appeal, found that the way in which the sweets are represented — a picture of a pile of about 15 sweets — on the packets in which the appellant markets them does not amount to a reproduction of the mark since, in particular, that representation does not show the shape of the sweet in respect of which registration as a trade mark is sought, but a realistic picture of a pile of sweets and is not intended to emphasise the characteristics which the applicant considers confer a distinctive character on the mark applied for (the central depression, the smooth lower surface and the rounded sides), so that there is a discrepancy between the representation of the sweets on the packets and the three-dimensional mark registration of which is sought.

65 That is a factual assessment which, unless the facts have been distorted, which is not alleged in the present case, is not subject to review on appeal.

66 Second, it in no way results from those paragraphs of the judgment under appeal that the Court of First Instance excluded as a matter of principle the possibility that a three-dimensional mark constituted by the shape of the product concerned may acquire distinctive character through use where it is used in conjunction with a word mark or a figurative mark.

67 The Court of First Instance expressly endorsed the findings of the Board of Appeal in paragraphs 17 to 21 of the decision in dispute. In paragraph 20 of that decision, the Board of Appeal conceded that a product may bear several marks at the same time.

68 In paragraph 64 of the judgment under appeal, the Court of First Instance merely held that, given its characteristics, the packaging used for marketing the appellant's products is not capable of furnishing proof that the mark applied for is perceived as an indication of the origin of those products. That too is a factual assessment, which, unless the facts are distorted, is not subject to review on appeal.

69 The first and second parts of the fourth ground of appeal are thus unfounded.

70 As regards the third part of that ground of appeal, it must be noted that, if a mark does not *ab initio* have distinctive character within the meaning of Article 7(1)(b) of Regulation No 40/94, Article 7(3) provides that it may acquire such character in relation to the goods or services claimed as a result of its use. Such distinctive character may be acquired, inter alia, after the normal process of familiarising the relevant public has taken place (Case C-104/01 *Libertel* [2003] ECR I-3793, paragraph 67, and *Mag Instrument* v *OHIM*, paragraph 47).

71 It follows that in order to assess whether a mark has acquired distinctive character through use all the circumstances in which the relevant public may see that mark must be borne in mind. That means not only when the decision to purchase is made but also before that point, for example as a result of advertising, and when the product is consumed.

72 None the less, it is when making his choice between different products in the category concerned that the average consumer exhibits the highest level of attention (see, to that effect, Case C-361/04 P *Ruiz-Picasso and Others* v *OHIM* [2006] ECR I-643, paragraph 41), so that the question whether or not the average consumer sees the mark at the time of purchase is of particular importance for determining whether the mark has acquired distinctive character through use.

73 In the present case, paragraph 65 of the judgment under appeal in no way implies that the Court of First Instance took account only of the moment when the decision to purchase is made in assessing whether the mark applied for has acquired distinctive character through the use which has been made of it.

74 In the context of the second plea at first instance the appellant essentially claimed that the mark applied for was displayed on every package of its sweets and challenged the Board of Appeal's assessment to the contrary. In paragraphs 63 to 65 of the judgment under appeal, the Court of First Instance was at pains to refute that argument, finding that, when the average consumer sees one of those packets, he is not directly confronted with the shape of the sweet for which registration as a three-dimensional mark is sought. The Court of First Instance thus took its stance, logically, with reference to the actual time of purchase.

75 It must be noted, however, that in paragraph 66 of the judgment under appeal the Court of First Instance analysed the surveys submitted by the appellant in order to establish how well known the mark is. Such surveys do not distinguish between the various circumstances in which consumers may have seen the mark. The Court of

First Instance found that the surveys submitted could not furnish proof that the mark applied for was known.

76 In those circumstances, the third part of the fourth ground of appeal likewise appears to be unfounded, and consequently that ground of appeal must be dismissed in its entirety.

77 Since all the appellant's grounds of appeal have failed, the appeal must be dismissed.

Costs

78 Under Article 69(2) of the Rules of Procedure, applicable in appeal proceedings by virtue of Article 118 thereof, 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 the appellant has been unsuccessful, the latter must be ordered to pay the costs.

On those grounds, the Court (First Chamber) hereby:

1. Dismisses the appeal;

2. Orders August Storck KG to pay the costs.

[Signatures]