JUDGMENT OF THE GENERAL COURT (Fourth Chamber)

7 April 2011 *

In Case T-84/08,

Intesa Sanpaolo SpA, established in Turin (Italy), represented by A. Perani and P. Pozzi, lawyers,

applicant,

v

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

defendant,

* Language of the case: English.

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

MIP Metro Group Intellectual Property GmbH & Co. KG, established in Düsseldorf (Germany), represented by R. Kaase, J-C. Plate and M. Berger, lawyers,

ACTION brought against the decision of the Fourth Board of Appeal of OHIM of 19 December 2007 (Case R 138/2006-4) concerning opposition proceedings between MIP Metro Group Intellectual Property GmbH & Co. KG and Intesa Sanpaolo SpA,

THE GENERAL COURT (Fourth Chamber),

composed of O. Czúcz, President, I. Labucka and K. O'Higgins (Rapporteur), Judges,

Registrar: N. Rosner, Administrator,

having regard to the application lodged at the Court Registry on 18 February 2008,

having regard to the response of OHIM lodged at the Court Registry on 9 June 2008,

having regard to the response of the intervener lodged at the Court Registry on 30 May 2008,

further to the hearing on 21 September 2010,

gives the following

Judgment

Background to the dispute

1 On 21 March 2003, the applicant — Intesa Sanpaolo SpA ('Intesa Sanpaolo') — filed an application for registration of a Community trade mark at the Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM) under Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark (OJ 1994 L 11, p. 1), as amended (replaced by Council Regulation (EC) No 207/2009 of 26 February 2009 on the Community trade mark (OJ 2009 L 78, p. 1)).

2 The trade mark in respect of which registration was applied for is the word mark COMIT.

3 The goods and services in respect of which registration was applied for fall within, inter alia, Classes 16, 35, 36, 41 and 42 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, for each of those classes, to the following description:

— Class 16: 'Paper, cardboard and goods made from these materials, not included in other classes; prints; bookbinding material; photographs; stationery; adhesives for stationery or household purposes; artists' materials; paint brushes; typewriters and office requisites (except furniture); instructional and teaching material (except apparatus); plastic materials for packaging (not included in other classes); printers' type; printing blocks';

— Class 35: 'Advertising; business management; business administration; office functions';

— Class 36: 'Insurance; financial affairs; monetary affairs; real-estate affairs';

— Class 41: 'Providing of education; training; amusements; sporting and recreational activities';

— Class 42: 'Scientific and technological services and research and design relating thereto; industrial analysis and research; legal services'.

4 The application was published in *Community Trade Marks Bulletin* No 80/2003 of 3 November 2003.

5 On 29 January 2004, the predecessor to MIP Metro Group Intellectual Property GmbH & Co. KG ('MIP Metro Group'), the intervener in the present case, filed a notice of opposition to the registration of the mark applied for, invoking a likelihood of confusion within the meaning of Article 8(1)(b) of Regulation No 40/94 (now Article 8(1)(b) of Regulation No 207/2009).

6 The opposition was based upon the following German figurative mark, registered under number 39920459:



7 Of the goods and services covered by the earlier mark, the opposition was based on goods and services falling within Classes 9, 16, 35, 36, 41 and 42 and corresponding, for each of those classes, to the following description:

— Class 9: 'Apparatus for the recording, transmission and reproduction of sound or images; magnetic data carriers, gramophone-records';

— Class 16: 'Paper, cardboard (carton) and products made from these materials, as far as contained in Class 16, printed matter; bookbinding materials; photographs; stationery; adhesives for paper and stationery or for household purposes; artists' requisites; brushes; typewriters and office articles (excepting furniture); instructional and teaching aids (excepting apparatus); packaging material from synthetics, as far as contained in Class 16; playing cards; printing letters; printing blocks';

— Class 35: 'Advertising; management; business administration; office services';

— Class 36: 'Insurance services; financial services; cash transactions; real estate services';

— Class 41: 'Education, training, entertainment; sporting and cultural activities';

— Class 42: 'Technical project planning, construction planning; building advice; all services excepting those relating to the tool and machine tool sectors'.

8 By decision of 12 January 2006, the Opposition Division allowed the opposition in part. It refused the application for a Community trade mark in relation to the goods in Class 16 on the ground that, in German territory, there was a likelihood of confusion in relation to those goods.

9 On 20 January 2006, MIP Metro Group brought an appeal before OHIM in respect of the decision of the Opposition Division in so far as that decision rejected its opposition with regard to the services in Classes 35, 36, 41 and 42. In its response to the appeal, Intesa Sanpaolo contended that the decision of the Opposition Division should be varied in so far as it upheld the opposition in respect of the goods in Class 16.

10 By decision of 19 December 2007 ('the contested decision'), the Fourth Board of Appeal held that the appeal was well founded and refused, in respect of all the services referred to therein, the application for a Community trade mark. According to the Board of Appeal, the services to be compared were identical. As regards the two signs at issue, the Board of Appeal found that the Opposition Division had underestimated the degree of phonetic similarity between them. It observed that the visual similarities between the signs at issue, but above all their phonetic similarities, were so strong that consumers would think that the services provided under the mark applied for had the same commercial origin as the identical services protected by the earlier mark. According to the Board of Appeal, the attention of the relevant public will be drawn primarily to the first part of the word, which is identical in both signs. As regards Intesa Sanpaolo's claim that the decision of the Opposition Division should be varied, the Board of Appeal rejected it as inadmissible on the ground that it amounted to an appeal separate from the appeal lodged by MIP Metro Group, which is not provided for in Regulation No 40/94.

Forms of order sought

11 In the application, Intesa Sanpaolo claims that the Court should:

— vary the contested decision;

— confirm the decision of the Opposition Division to the extent that it allows registration of the trade mark applied for in respect of the services in Classes 35, 36, 41 and 42;

— vary the decision of the Opposition Division to the extent that it refuses registration of the trade mark applied for in respect of the goods in Class 16;

— allow registration of the trade mark applied for in respect of all the goods and services in Classes 16, 35, 36, 41 and 42;

— order OHIM to pay the costs incurred for the purposes of these proceedings, as well as the costs of the opposition and appeal proceedings before OHIM.

12 OHIM contends that the Court should:

— dismiss the action;

— alternatively, if the first plea is upheld, vary the contested decision as regards the admissibility of the 'ancillary appeal';

— order Intesa Sanpaolo to bear all the costs in both cases or, alternatively, order OHIM to bear only its own costs, pursuant to Article 136(1) of the Rules of Procedure.

13 MIP Metro Group contends that the Court should dismiss the action.

14 At the hearing, Intesa Sanpaolo stated that it is seeking only the annulment of the contested decision and an order that OHIM bear the costs incurred before the Court and before the Board of Appeal of OHIM. These points were noted by the Court in the minutes of the hearing.

Law

15 In support of its action, Intesa Sanpaolo relies on two pleas in law: (i) infringement of Article 8(3) of Commission Regulation (EC) No 216/96 of 5 February 1996 laying down the rules of procedure of the Boards of Appeal of OHIM (OJ 1996 L 28, p. 11), as amended, and (ii) infringement of Article 8(1)(b) of Regulation No 40/94.

The first plea in law: infringement of Article 8(3) of Regulation No 216/96

16 In the course of the proceedings before the Board of Appeal, Intesa Sanpaolo claimed in its response that the Board of Appeal should vary the decision of the Opposition Division with regard to the goods in Class 16. Intesa Sanpaolo argues that the Board of Appeal refused, wrongly, to examine that 'ancillary appeal', contrary to Article 8(3) of Regulation No 216/96.

17 Intesa Sanpaolo submits that, in accordance with that provision, the defendant before the Board of Appeal has the right to bring an 'ancillary appeal'. A number of Boards of Appeal have recognised that there is such a right under Article 8(3) of Regulation No 216/96. At the hearing, Intesa Sanpaolo stated that it had a right to have its case examined at both levels of adjudication before OHIM and that, in refusing to examine the 'ancillary appeal', the Board of Appeal had acted in breach of that right.

18 OHIM contends that the grounds stated by the Board of Appeal with regard to the applicability of Article 8(3) of Regulation No 216/96 are ambiguous. According to OHIM, the Board of Appeal meant to state that an 'ancillary appeal', such as that lodged before it, is admissible only if it concerns a question, of law or of fact, which has already been raised in the context of the main appeal, or that such an appeal is inadmissible where the issues raised are not connected to the main appeal and that the defendant before the Board of Appeal could have brought an independent appeal with regard to those issues.

19 OHIM contends that Article 8(3) of Regulation No 216/96 must be applied broadly, without the implicit limitations introduced by the Board of Appeal in the present case. Thus, Intesa Sanpaolo's claims are well founded. That does not mean, however, that the contested decision must be annulled, since the reasons stated in the contested decision also apply to the goods concerned by the 'ancillary appeal'.

20 In its response, MIP Metro Group contends that, despite the fact that Article 8(3) of Regulation No 216/96 provides for the possibility of an 'ancillary appeal', the assessment of the existence of a likelihood of confusion was unaffected in the present case by the fact that the Fourth Board of Appeal of OHIM declined to examine the ancillary appeal.

21 As a preliminary point, it should be noted that the claim made by MIP Metro Group at the hearing that, in the present case, Article 8(3) of Regulation No 216/96 does not permit any ancillary claim to be made by Intesa Sanpaolo before the Board of Appeal is inadmissible, since it does not relate to pleas in law and arguments put forward in its response (see, to that effect, order in Case C-481/08 P *Alcon* v *OHIM and *Acri. Tec* [2009] ECR I-151, paragraph 17).

22 Article 8(3) of Regulation No 216/96 provides:

'In *inter partes* proceedings, the defendant may, in his or her response, seek a decision annulling or altering the contested decision on a point not raised in the appeal. Such submissions shall cease to have effect should the appellant discontinue the proceedings.'

23 It is apparent from the wording of that provision that, in the context of proceedings before the Board of Appeal, the defendant may, in its submissions, exercise its right to challenge the decision that is contested. Thus, simply by virtue of its status as a defendant, it is allowed to challenge the validity of the Opposition Division's decision, as Intesa Sanpaolo has rightly submitted. Nor does Article 8(3) of Regulation No 216/96 limit that right to the pleas in law already raised in the appeal: it provides, in fact, that the submissions are to relate to a point not raised in the appeal. Moreover, that provision does not make any reference to the fact that the defendant could itself have brought an appeal against the contested decision. Both remedies are available for challenging the decision upholding an opposition and refusing an application for registration of a Community trade mark.

24 In the present case, in the light of the above, Intesa Sanpaolo had the right under Article 8(3) of Regulation No 216/96 to challenge the refusal to register the trade mark applied for in respect of the goods in Class 16 and the Board of Appeal was wrong to dismiss its appeal as inadmissible.

25 The first plea in law, alleging infringement of Article 8(3) of Regulation No 216/96, must therefore be upheld.

The second plea in law: infringement of Article 8(1)(b) of Regulation No 40/94

26 Intesa Sanpaolo disputes the existence of a similarity between the signs at issue and submits that there is accordingly no likelihood of confusion in relation to the services concerned and that the Board of Appeal therefore erred in annulling the Opposition Division's decision in that regard. Intesa Sanpaolo claims that:

— the earlier mark contains additional figurative and coloured elements which distinguish it from the word sign COMIT;

— the two signs are also different from a phonetic point of view, since the ending of the words is pronounced differently by German consumers, given that the second vowels ('e' and 'i') differ from each other;

— the two signs are conceptually different: the mark applied for — COMIT — is an invented word which, in Italian, means '*commerciale*' and '*Italiana*', whereas the earlier mark Comet, which means 'comet' in English, evokes the German word 'Komet', which has the same meaning;

— on account of those differences, the two signs are different overall; there is no likelihood of confusion on the part of the public, either for the goods in Class 16 or for the services in Classes 35, 36, 41 and 42, since the average consumer is deemed to be reasonably well informed and reasonably observant and circumspect.

27 OHIM disputes Intesa Sanpaolo's arguments, as does MIP Metro Group.

28 Under Article 8(1)(b) of Regulation No 40/94, upon opposition by the proprietor of an earlier trade mark, the trade mark applied for is not to be registered 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 two trade marks, there exists a likelihood of confusion on the part of the public in the territory in which the earlier trade mark is protected. The likelihood of confusion is to be understood as including the likelihood of association with the earlier trade mark.

29 Moreover, under Article 8(2)(a)(ii) of Regulation No 40/94 (now Article 8(2)(a)(ii) of Regulation No 207/2009), 'earlier trade marks' means trade marks registered in a Member State, with a date of application for registration which is earlier than the date of application for registration of the Community trade mark.

30 It is settled law that the risk that the public might believe that the goods or services at issue come from the same undertaking or from economically linked undertakings constitutes a likelihood of confusion. According to the same line of authority, the likelihood of confusion must be assessed globally, account being taken of the perception of the relevant public of the signs and of the goods or services at issue, and of all factors relevant to the circumstances of the case and, in particular, the interdependence of the similarity of the signs and the similarity of the goods or services covered (see Case T-162/01 *Laboratorios RTB* v *OHIM - Giorgio Beverly Hills (GIORGIO BEVERLY HILLS)* [2003] ECR II-2821, paragraphs 30 to 33 and the case-law cited).

31 For the purposes of applying Article 8(1)(b) of Regulation No 40/94, a likelihood of confusion presupposes both that the two marks are identical or similar and that the goods or services which they cover are identical or similar. Those conditions are cumulative (see Case T-316/07 *Commercy* v *OHIM - easyGroup IP Licensing (easyHotel)* [2009] ECR II-43, paragraph 42 and the case-law cited).

32 According to the case-law, in the global assessment of the likelihood of confusion, account should be taken of the average consumer of the category of goods or services concerned, who is reasonably well-informed and reasonably observant and circumspect. 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 Case T-256/04 *Mundipharma* v *OHIM - Altana Pharma (RESPICUR)* [2007] ECR II-449, paragraph 42 and the case-law cited).

33 In the present case, given that the services at issue are services offered to the general public and that the earlier trade mark is registered in Germany, the target public is the

average German consumer. That consumer is deemed to be reasonably well informed and reasonably observant and circumspect (Case C-342/97 *Lloyd Schuhfabrik Meyer* [1999] ECR I-3819, paragraph 26).

34 According to the contested decision, the services at issue in Classes 35, 36, 41 and 42 are identical. It should be noted that the parties do not dispute that finding.

Comparison of the signs

35 The global assessment of the likelihood of confusion must, as regards the visual, phonetic or conceptual similarity of the signs at issue, be based on the overall impression given by the signs, account being taken, in particular, of their distinctive and dominant elements. The perception of marks by the average consumer of the goods or services in question plays a decisive role in the global assessment of that likelihood of confusion. In that regard, the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details (see Case C-334/05 P *OHIM* v *Shaker* [2007] ECR I-4529, paragraph 35 and the case-law cited).

36 First, as regards the visual comparison, the Board of Appeal correctly found, in paragraph 15 of the contested decision, that the signs at issue were similar.

37 It should also be noted in that connection that there is nothing to prevent a finding that a word mark and a figurative mark are visually similar, since both types of mark have a graphic form which is capable of creating a visual impression (see Case T-359/02 *Chum* v *OHIM - Star TV (STAR TV)* [2005] ECR II-1515, paragraph 43 and the case-law cited).

38 It must be stated that the visual differences between the two signs at issue are minor. The word mark applied for is the word 'comit'. The earlier figurative mark is the word 'comet' written in bold print, with red letters and red and green underlining. Four out of five letters of the signs are identical. The only difference between the two words is the penultimate letter: 'i' and 'e' respectively. Contrary to the assertions made by Intesa Sanpaolo, the figurative differences between the two signs are slight and do not alter the impression of similarity between the almost identical words which form the signs and which dominate them.

39 Secondly, as regards the phonetic comparison, the signs at issue must, as the Board of Appeal stated in paragraph 15 of the contested decision, be regarded as similar in this respect also. The first syllable 'com', which will be perceived and heard first, is identical in the first part of both signs. Moreover, the second syllables, 'it' and 'et' respectively, each contain a short vowel and both end with the letter 't'.

40 It should therefore be noted that the signs at issue are visually and phonetically similar.

41 Thirdly, as regards the conceptual comparison, the Board of Appeal stated, in paragraph 15 of the contested decision, that there was a difference between the signs

owing to the fact that a section of the German public would perceive the earlier mark as the English noun corresponding to the German word 'Komet' ('comet'), but that that difference was not so obvious and significant as to override the strong visual and phonetic similarities between the two signs.

42 It should be noted that, conceptually, there are differences between the marks at issue. The connotation of 'comet' attaching to the earlier mark leads a certain distinction to be made. As regards the trade mark applied for, the word 'comit' will, as OHIM noted, be understood by the German public as an invented word, which accordingly has no meaning. Nevertheless, account must be taken of the fact that the shared prefix 'com', denoting 'commerce' or 'commercial', is an abbreviation widely used in the world of business, as Intesa Sanpaolo noted at the hearing. As a consequence, given that the first parts of the signs have an identical meaning, the conceptual difference is not significant enough as to cancel out the visual and phonetic similarities.

43 Accordingly, it must be held that the marks at issue, assessed globally, are similar. Consequently, it must be held that the Board of Appeal was correct in finding, in paragraph 16 of the contested decision, that the signs at issue produced a similar overall impression.

The likelihood of confusion

44 A global assessment of the likelihood of confusion implies some interdependence between the relevant factors and, in particular, a similarity between the trade marks and between the goods or services covered. Thus, a lesser degree of similarity between those goods or services may be offset by a greater degree of similarity between the

marks, and vice versa (Case C— 39/97 *Canon* [1998] ECR I-5507, paragraph 17, and Joined Cases T-81/03, T-82/03 and T-103/03 *Mast-Jägermeister* v *OHIM - Licorera Zacapaneca (VENADO with frame and others)* [2006] ECR II-5409, paragraph 74).

45 In the present case, given that the services at issue are identical and that the signs at issue are similar, the Board of Appeal was correct in holding that there was a likelihood of confusion on the part of the public concerned.

46 Because of the strong similarities between the signs at issue, in particular the visual and phonetic similarities, and the established fact that the services at issue are identical, it is likely that the public will confuse the marks at issue, given that the 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 (*Lloyd Schuhfabrik Meyer*, paragraph 26).

47 It follows from the above that, in the circumstances of the present case, notwithstanding the fact that there is a certain conceptual difference and irrespective of the level of attention of the average German consumer, the Board of Appeal did not infringe Article 8(1)(b) of Regulation No 40/94 in holding that there was a likelihood that that public might think that the services at issue come from the same undertaking or, as the case may be, from economically linked undertakings.

48 The second plea in law must therefore be rejected as being unfounded.

49 It follows from the above that the contested decision must be annulled to the extent that the Board of Appeal dismissed the claim made by Intesa Sanpaolo in respect of the goods in Class 16.

Costs

50 Pursuant to Article 87(3) of the Rules of Procedure, the Court may order that the costs be shared or that each party bear its own costs where each party succeeds on some and fails on other heads. In the present case, the applicant has been partially successful.

51 Under the third subparagraph of Article 87(4) of the Rules of Procedure, the Court may order an intervener to bear his own costs.

52 In that regard, it should be noted that, under Article 136(2) of the Rules of Procedure, costs necessarily incurred by the parties for the purposes of the proceedings before the Board of Appeal are to be regarded as recoverable costs.

53 Accordingly, OHIM should be ordered to bear its own costs, as well as half of the costs incurred by Intesa Sanpaolo, including the costs relating to the proceedings before the Board of Appeal. MIP Metro Group should be ordered to bear its own costs.

On those grounds,

THE GENERAL COURT (Fourth Chamber)

hereby:

1. **Annuls the decision of the Fourth Board of Appeal of the Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM) of 19 December 2007 (Case R 138/2006-4) to the extent that it dismisses the claim made by Intesa Sanpaolo SpA in respect of the goods in Class 16;**

2. **Dismisses the action as to the remainder;**

3. **Orders OHIM to bear its own costs, together with half of the costs incurred by Intesa Sanpaolo;**

4. **Orders MIP Metro Group Intellectual Property GmbH & Co. KG to bear its own costs.**

Czúcz Labucka O'Higgins

Delivered in open court in Luxembourg on 7 April 2011.

[Signatures]