OPINION OF ADVOCATE GENERAL JACOBS

delivered on 19 February 2004 [1]

1. In the present appeal, [2] the issue is essentially whether the term 'New Born Baby' may be registered as a Community trade mark for dolls and their accessories, or whether it must be refused registration on the ground that it consists exclusively of indications which may be used in trade to designate characteristics of such goods and/or that it lacks any distinctive character in relation to them.

Legislation

2. Article 4 of the Community Trade Mark Regulation [3] provides: 'A Community trade mark may consist of any signs capable of being represented graphically, particularly words, ... provided that such signs are capable of distinguishing the goods or services of one undertaking from those of other undertakings.'

3. Under Article 7:

'1. The following shall not be registered:

(a) signs which do not conform to the requirements of Article 4;

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

(c) trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, ... or other characteristics of the goods or service;

...'

1 — Original language: English.

2 — Against the judgment of the Court of First Instance of 3 October 2001 in Case T-140/00 *Zapf Creation* v *OHIM* (New Born Baby) [2001] ECR II-2927.

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

4. Under Article 12(b), a Community trade mark does not entitle the proprietor to prohibit others from using in the course of trade indications of the kind listed in Article 7(1)(c), provided they are used in accordance with honest practices in industrial or commercial matters.

Proceedings

5. On 6 October 1997, Zapf Creation AG ('Zapf') applied to the Office for Harmonisation in the Internal Market (Trade Marks and Designs) ('the Office') to register 'New Born Baby' as a Community trade mark for 'dolls to play with and accessories for such dolls in the form of playthings' in Class 28 of the Nice Agreement. [4]

6. The Office's examiner refused the application on the ground that 'New Born Baby' was descriptive of the goods in question and devoid of any distinctive character. The Third Board of Appeal held that the examiner had properly applied Article 7(1)(b) and (c) of the Trade Mark Regulation. The words 'New Born Baby' had a clear meaning in English; the relevant sector of the public would instantly understand that the dolls had the characteristic of looking like new-born babies; such words must remain available for competitors to inform the public of the characteristics of their products. The accessories were specifically designed for that type of doll. The term as a whole was clearly descriptive of characteristics of the goods in question and lacked any fanciful element which might render it distinctive.

7. Zapf challenged that decision before the Court of First Instance. It put forward three substantive pleas, alleging infringement of Article 7(1)(b) of the Trade Mark Regulation, infringement of Article 7(1)(c) and failure to take prior national registrations into account, together with a procedural plea alleging infringement of its right to be heard. That Court upheld the two pleas of infringement of the Trade Mark Regulation and annulled the Board of Appeal's decision without ruling on the other two pleas.

8. With regard to Article 7(1)(c), the Court of First Instance found that the words 'New Born Baby' did not designate the quality, intended purpose or any other characteristic of dolls or accessories for dolls. In any event, a sign descriptive of what a toy represents could not be considered descriptive of the toy itself unless in their purchasing decision the persons targeted conflated the toy and

4 — Nice Agreement concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957.

what it represented — and no such conflation was either demonstrated in the Board of Appeal's decision or alleged in the Office's pleadings before the Court. The accessories neither represented nor were intended for new-born babies, nor was there any direct and specific link between the mark and the accessories as such. [5]

9. With regard to Article 7(1)(b), the Court noted that the Board of Appeal had concluded that the sign was not distinctive because it was descriptive and because it comprised no fanciful element at all. But, first, the Board had been wrong to consider that the sign fell within the prohibition laid down by Article 7(1)(c), so that its further reasoning based on that error could not be upheld, and, second, it was clear from the case-law that lack of distinctiveness did not arise merely because a sign was unimaginative. [6]

10. The Office has appealed against that judgment on three grounds, set out below.

11. The United Kingdom has intervened in support of the appellant.

Admissibility of the appeal

12. Zapf submits that, since Article 111(3) of the Trade Mark Regulation stipulates that '[t]he Office shall be represented by its President', it is the President who must lodge any action or appeal before the Court. However, the appeal was brought by the Office 'represented by its agents Detlef Schennen, head of service in the legal department, and Carina Røhl Søberg, member of the legal department'.

13. The Office has produced a decision of its President, dated 30 November 1998, based on Articles 111(3) and 119(2)(f) [7] of the Regulation. That decision authorises the director of the legal department, after consulting the vice-president for legal affairs, to appoint the agents who are to represent the Office before the Court of Justice and the Court of First Instance. Mr Schennen and Ms Søberg, like Mr von Mühlendahl who

5 — Paragraphs 21 to 33 of the judgment.

6 — Paragraphs 37 to 42 of the judgment, citing on the last point Case T-135/99 *Taurus-Film(CINE ACTION)* [2001] ECR II-379, paragraph 31 of the judgment, and Case T-136/99 *Taurus-Film(CINE COMEDY)* [2001] ECR II-397, paragraph 31.

7 — Under which the President 'may delegate his powers'.

represented the Office at the hearing, appear to have been appointed in compliance with that decision.

14. Zapf maintains that a distinction must be drawn between the lodging of an appeal, for which purpose the President represents the Office, and the conduct of the appeal by an agent.

15. In my view, Zapf's objection should not be upheld.

16. The first paragraph of Article 19 of the Statute of the Court of Justice provides: 'The Member States and the institutions of the Communities shall be represented before the Court by an agent appointed for each case; the agent may be assisted by an adviser or by a lawyer.' The first subparagraph of Article 37(1) of the Rules of Procedure states: 'The original of every pleading must be signed by the party's agent or lawyer.'

17. It seems perfectly in accordance with those provisions that the appeal should have been lodged and signed by two members of the Office's legal staff appointed in compliance with the Office's relevant internal procedures.

Windsurfing Chiemsee and *'Baby-Dry'*

18. On a general point, both the Office and the United Kingdom express concern over the *'Baby-Dry'* judgment, [8] in so far as it might be interpreted to the effect that Article 12(b) of the Trade Mark Regulation obviates any need to keep descriptive terms free for general use, thus conflicting with the Court's earlier judgment in *Windsurfing Chiemsee*, [9] to the effect that Article 7(1)(c) [10] 'pursues an aim which is in the public interest, namely that descriptive signs or indications relating to the categories of goods or services in respect of which registration is applied for may be freely used by all'. In Zapf's view, that statement in *Windsurfing Chiemsee* is no longer valid following *Baby-Dry*.

19. It is however now clear that any possible conflict between the two judgments has been settled by the Court's recent judgment in

8 — Case C-383/99 P *Procter & Gamble* v *OHIM* [2001] ECR I-6251, in particular at paragraph 37 of the judgment.

9 — Joined Cases C-108/97 and C-109/97 [1999] ECR I-2779, in particular at paragraph 25 of the judgment.

10 — In fact, in that judgment, Article 3(1)(c) of the Trade Marks Directive (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), which is identical in wording to Article 7(1)(c) of the Trade Mark Regulation.

Doublemint. [11] The aim of Article 7(1)(c) is to ensure that descriptive terms may be freely used by all.

21. Registration must be refused under Article 7(1)(c) if a term consists only of elements which, in normal use and from the consumer's point of view, may serve to designate a product of the kind in question, either directly or by mentioning one of its essential characteristics. However, any perceptible difference between the terms submitted for registration and those used in common parlance by the relevant class of consumers can render them distinctive and capable of registration. [12] The descriptive content must 'enable the public concerned to establish immediately and without further reflection a concrete and direct relationship' with the products in question. [13]

First ground of appeal

Arguments

20. The Office submits that the judgment under appeal misapplies Article 7(1)(c) of the Trade Mark Regulation with regard to 'dolls as playthings'. That provision precludes the registration of terms which may serve to inform potential customers of the nature or possible uses of the product. It refers to terms which may designate characteristics not only of a product as such but also of that which a product represents. What matters is whether a term is perceived as a description, regardless of its influence on purchasing decisions, and whether the description is of a type of product as opposed to a feature distinguishing the products of one trader.

22. The United Kingdom states that the test used by the Court of First Instance, that 'the persons targeted will, without further reflection, instantly take the sign "New Born Baby" to designate a quality or other characteristics of dolls', is too strict and not justified by the language of Article 7(1)(c). Nor does the term have to be descriptive of the dolls themselves in order to be refused; 'New Born Baby' is clearly descriptive of an essential characteristic of dolls which represent new-born babies.

11 — Case C-191/01 P *OHMI* v *Wrigley* [2003] ECR I-12447, at paragraphs 31 and 32; see also paragraphs 25 and 26 of the judgment and paragraphs 91 to 98 of my Opinion in that case. With regard to the Trade Marks Directive, see also the even more recent judgments of 12 February 2004 in Case C-363/99 *Koninklijke KPN Nederland ('Postkantoor')* [2004] ECR I-1619, paragraph 55, and Case C-265/00 *Campina Melkunie ('Biomild')* [2004] ECR I-1699, paragraph 35.

12 — *Baby Dry*, at paragraph 40 of the judgment.

13 — *CINE-ACTION* and *CINE-COMEDY*, both cited in note 6, at paragraph 27 of the judgment in both cases.

23. In Zapf's submission, the Office has not established that 'New Born Baby' appears as such in dictionaries or is common parlance formed in accordance with conventional English structure; the Court of First Instance has not found that to be the case; nor is it the case. But even if it were, the term could designate only living babies and not dolls. Any descriptive content with regard to a doll can only be indirect, and therefore does not 'enable the public concerned to establish immediately and without further reflection a concrete and direct relationship'. The Court of First Instance applied the correct criterion. Moreover, its findings to the effect that 'New Born Baby' is not directly descriptive of either dolls or accessories for dolls are findings of fact and cannot be reviewed by the Court of Justice. [14]

Assessment

24. Whilst the Court of Justice does not have jurisdiction to review findings or assessments of fact made by the Court of First Instance, it may review the way in which the Court of First Instance has applied the law to its findings of fact. [15]

25. Zapf is in any event wrong if and to the extent that it seeks to imply that the Court of First Instance stated that the term 'New Born Baby' did not have the meaning of 'new-born baby'. That meaning as found by the Board of Appeal, even if not endorsed, remains the factual premiss on which the Court of First Instance bases its reasoning in law. Paragraphs 24 to 27 of the judgment under appeal read as follows:

'As regards dolls, the Board of Appeal confined itself to finding, at paragraphs 19 and 20 of the contested decision, that the words "New Born Baby" signify a "new-born baby" and that "upon encountering the mark claimed, the relevant persons will, without any particular thought, instantly understand from the overall impression conveyed that the ... dolls ... have a particular characteristic, namely that they look like new-born babies".

As to that finding, even if the sign "New Born Baby" could be regarded as descriptive of that which the dolls represent, this would not be sufficient to prove that the sign in question is descriptive of the dolls themselves.

A sign which is descriptive of that which a toy represents cannot be considered to be descriptive of the toy itself, other than in so far as the persons targeted, when making

14 — See Case C-104/00 P *DKV Deutsche Krankenversicherung* v *OHIM* [2002] ECR I-7561 (*'Companyline'*), at paragraph 22 of the judgment, and the case-law cited there.

15 — See, for example, *Companyline*, cited in note 14, at paragraph 21 of the judgment.

their purchasing decision, conflate the toy and what it represents. But the contested decision makes no finding to that effect. It must also be observed that neither in its response nor in its replies to the questions put by the Court of First Instance at the hearing did the Office contend that the persons targeted, that is to say persons wishing to purchase toys, perceived the goods concerned in that way.

The Board of Appeal has not therefore shown that the persons targeted will, without further reflection, instantly take the sign "New Born Baby" to designate a quality or other characteristics of dolls.'

26. That reasoning is in my view clearly wrong in law.

27. It is true that a term which is descriptive of what a toy represents is not directly descriptive of the toy itself. However, Article 7(1)(c) precludes registration of 'trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin or the time of production of the goods or of rendering of the service, *or other characteristics* of the goods or service' (emphasis added).

28. It is an essential characteristic of many toys, and of all those normally classed as dolls, that they represent something. The characteristics of a toy motorcycle differ from those of a toy giraffe, and are certain to be perceived immediately by potential purchasers as defining the nature of the toy (and as relevant to their purchasing choice). In trade, the terms 'motorcycle' and 'giraffe' (or 'racing motorcycle', 'baby giraffe' etc.) are important to both buyer and seller in identifying the class or subclass of toy in question. It would surely not be compatible with Article 7(1)(c) to register 'Giraffe' or 'Motorcycle' for the relevant class of toy. The situation is the same for a child's doll representing a new-born baby, a princess, a soldier or any other kind of person.

29. It is thus not necessary, in order for Article 7(1)(c) to apply, that potential customers should conflate [16] what is represented with the item which represents it. It seems clear that, where an essential characteristic of a product is to represent something else, a term consisting exclusively of elements which designate that something else may not be registered as a trade mark. The Court of First Instance's reasoning based on the absence of a finding of conflation in the Board of Appeal's decision is therefore

16 — French *'assimiler'*; German *'gleichsetzen'*.

erroneous and the judgment under appeal should be set aside to the extent that it is based on that reasoning.

31. The United Kingdom considers that the Court of First Instance perpetuated with regard to accessories its errors in relation to dolls. In applying Article 7(1)(c), regard must be had to commercial reality and the point of view of the average consumer. People purchase dolls' accessories for use with dolls. A term which designates a doll's characteristics may be taken, if used in relation to accessories, to indicate that they are intended to be used with dolls having those characteristics.

Second ground of appeal

Arguments

30. The Office submits that the judgment under appeal similarly misapplies Article 7(1)(c) with regard to accessories for dolls. When accessories are intended to be used with a product and trade in the two is linked, the result of the assessment of the mark must be the same for both; [17] if it were not, traders could circumvent the non-registrability of a mark descriptive of the principal product. In addition, the judgment under appeal misinterprets the Board of Appeal's decision as asserting that 'New Born Baby' is directly descriptive of accessories for dolls or of those likely to play with dolls.

32. Zapf submits that accessories for dolls are not ancillary to dolls. They include such items as dolls' houses and furniture, toy shops, prams and cars. Even accessories such as feeding bottles or nappies are suitable for use not only with dolls which resemble new-born babies but also with those which resemble older babies. In *Ellos* [18] the Court of First Instance specifically held that 'there are no categories of products or services which are subordinate, or ancillary, to others ... each product or service, or category thereof, must be analysed separately'. From such an assessment it is clear that the term 'New Born Baby' does not designate any characteristic of the relevant goods.

17 — *CINE-COMEDY*, cited in note 6, paragraphs 27 and 29 of the judgment.

18 — Case T-219/00 *Ellos* v *OHIM* [2002] ECR II-753, in particular at paragraph 41 of the judgment; see also Case T-356/00 *DaimlerChrysler* v *OHIM (Carcard)* [2002] ECR II-1963, at paragraph 46.

Assessment

33. The Court of First Instance dealt with accessories as follows, in paragraphs 28 to 31 of its judgment:

'As regards accessories for dolls in the form of playthings, the Board of Appeal found, at paragraph 20 of the contested decision, that "without any particular thought, the relevant persons will instantly understand that the goods claimed in the application, in this case ... accessories for ... dolls in the form of playthings ... have a particular characteristic, namely that they look like new-born babies".

That contention cannot be accepted. Accessories for dolls in the form of playthings do not represent new-born babies but other items, such as miniature clothes or shoes.

Furthermore, at the end of paragraph 20 of the contested decision the Board of Appeal found that: "As regards the accessories, the application contains a descriptive indication of their intended purpose since they are specifically designed for this type of doll."

On that point, the Court finds that accessories for dolls in the form of playthings are not intended for new-born babies. New-born babies are not yet able to play with dolls, much less handle dolls' accessories. Even if the words "New Born Baby" were descriptive in relation to dolls and the accessories mentioned above were intended for the dolls, it does not follow that the public targeted perceive a direct and specific link between the sign in question and those accessories. The fact that goods are intended to be accessories for other goods, in relation to which the sign in question is descriptive, is not in itself sufficient to render the sign descriptive in relation to the accessories.'

34. There are three parts to that reasoning.

35. First, the Court of First Instance dismisses the assertion in the Board of Appeal's decision that accessories for dolls look like new-born babies. Stated thus, the assertion is indeed untenable. I agree however with the Office that the criticism is based on a misunderstanding of an unfortunately-worded paragraph of the decision. The Board's real meaning is expressed in the assertion at the end of the paragraph that 'New Born Baby' is descriptive of the intended purpose of accessories specifically

designed for use with dolls which look like new-born babies.

36. Second, the Court finds that dolls' accessories are not intended for real new-born babies. That does not seem challengeable and is in any event a finding of fact not subject to appeal.

37. Neither of those points however can be viewed as the basis for the Court's decision to uphold Zapf's plea. That decision was based on the third part of the reasoning, that in order for Article 7(1)(c) to apply there must be a direct and specific link between the sign and the accessories as such and that here, even supposing 'New Born Baby' to be descriptive of dolls and the accessories to be intended for such dolls, there is not necessarily any such link.

38. Again that reasoning is faulty. The intended use of an accessory for any product is by definition intimately linked to the product itself. A term which is used in trade to designate that product may also be used in trade to indicate the intended purpose of the accessory. 'Shoe' is descriptive in relation to shoes; it is also descriptive in relation to shoe brushes or shoe trees or shoe polish and, pursuant to the aim of Article 7(1)(c), must be freely available to be used by all in relation to such items.

39. That view does not conflict with the *Ellos* or *Carcard* judgments cited by Zapf, which concern ostensibly unrelated categories of products. Whilst in such situations it may be valid to say that a sign's descriptiveness must be assessed separately by reference to each of the categories listed in the application for registration and that the applicant's overall commercial strategy is irrelevant, the same approach cannot apply where one category of goods is expressly stated to consist of 'accessories' for those in another category.

40. I therefore take the view that the Court of First Instance erred in considering that there was not necessarily a link between the accessories and the dolls. The Office's second ground of appeal must consequently also be upheld and the judgment under appeal must be set aside in so far as it concerns Zapf's plea of infringement of Article 7(1)(c) of the Trade Mark Regulation.

Third ground of appeal

Arguments

41. The Office submits that since the Board of Appeal was in fact correct in its reasoning on Article 7(1)(c), the Court of First Instance erred in stating that the reasoning with regard to Article 7(1)(b) could not be upheld inasmuch as it was based on the former. In any event, subparagraphs (b) and (c) provide two separate grounds of refusal, so that the conclusion with regard to one ground does not determine the result with regard to the other. Finally, the Court of First Instance held that a sign cannot be found to lack distinctiveness merely because it is unimaginative. That too, according to the Office, is wrong. In order to be distinctive (as an indication of trade origin) a sign based on common descriptive language must be differentiated from it by something more than 'any perceptible difference'. [19] That something is aptly described as fantasy, or imagination.

42. The United Kingdom submits that, following the Court of Justice's settled approach in *Canon*, [20] *Windsurfing Chiemsee* [21] and *Philips*, [22] a sign should be regarded as sufficiently distinctive for registration only if goods or services identified by it would by reason of its distinctiveness be thought by the average consumer to come from one and the same undertaking. The *Baby-Dry* judgment [23] should not be read as depriving Article 7(1)(b) of any effect independent of Article 7(1)(c). The question which the Court of First Instance should have asked is whether the average consumer would regard 'New Born Baby' as distinctive of the origin of the dolls and accessories in respect of which registration was sought.

43. Zapf points out that Article 7(1)(b) precludes registration of trade marks which

19 — *Baby-Dry*, cited in note 8, paragraph 40 of the judgment.

20 — Case C-39/97 *Canon Kabushiki Kaisha* [1998] ECR I-5507.

21 — Cited in note 9, in particular at paragraph 46 of the judgment.

22 — Case C-299/99 *Koninklijke Philips Electronics* [2002] ECR I-5475, in particular at paragraph 77 of the judgment.

23 — Cited in note 8, at paragraph 40 of the judgment, where the Court stated that 'descriptiveness must be determined not only in relation to each word taken separately but also in relation to the whole which they form. Any perceptible difference between the combination of words submitted for registration and the terms used in the common parlance of the relevant class of consumers to designate the goods or services or their essential characteristics is apt to confer distinctive character on the word combination enabling it to be registered as a trade mark.'

are *devoid of any* distinctive character, so that only minimum distinctiveness is required for a mark to qualify for registration. The Court of First Instance has consistently held that a sign cannot be found to lack distinctive character merely because it lacks an additional element, or a minimum amount, of imagination; a Community trade mark is not necessarily a work of invention; the criterion is not originality or imagination but ability to distinguish goods or services on the market from goods or services of the same kind offered by competitors. [24] Moreover, absence of distinctiveness generally flows from the descriptive nature of a term, rather than the reverse. [25]

Assessment

44. At paragraphs 39 to 41 of the judgment under appeal, the Court of First Instance stated that the Board of Appeal:

'... concluded that the sign in question was not distinctive because it was descriptive and otherwise confined itself to finding that there was "no fanciful element at all".

However, it has been held above that the Board of Appeal was wrong to consider that the sign in question fell within the prohibition laid down by Article 7(1)(c) of Regulation No 40/94. Accordingly, the reasoning of the Board of Appeal in relation to Article 7(1)(b) of Regulation No 40/94 cannot be upheld since it is based on that error.

Next, it is clear from the case-law of the Court of First Instance that lack of distinctiveness cannot be found merely because it is found, in the contested decision, that a sign is unimaginative ...'

45. Since in my view the judgment under appeal must be set aside in so far as it considers the Board of Appeal's decision to be wrong with regard to Article 7(1)(c), it follows that the adverse conclusion drawn as to the validity of the Board's reasoning with regard to Article 7(1)(b) cannot stand either.

24 — Case T-34/00 *Eurocool* v *OHIM* (EUROCOOL) [2002] ECR II-683, at paragraph 45 of the judgment.

25 — Citing paragraph 43 of Advocate-General Ruiz-Jarabo's Opinion in *Companyline*, cited in note 14, together with the case-law of the German Bundesgerichtshof (Federal Supreme Court) on the German legislation transposing the equivalent provisions of the Trade Marks Directive.

46. None the less, three points may be made in this regard.

47. First, I do not read the Board of Appeal's decision as concluding that the sign in question was not distinctive because it was descriptive. However, this issue has not been raised by the Office, and I shall not pursue it.

48. Second, as the Office has rightly pointed out, Article 7(1)(b) and (c) in any event lay down different grounds for refusal of registration. There is admittedly a considerable area of overlap between the two: in general, that which can be used descriptively in trade is not distinctive, and the greater the degree of descriptiveness, the more likely it is that a sign will lack distinctive character. However, a sign clearly does not have to meet the definition in Article 7(1)(c) in order to lack distinctiveness for the purposes of Article 7(1)(b). Thus a failure to establish descriptiveness cannot determine, one way or the other, the question of distinctiveness.

49. Third, even though a sign cannot be found to lack distinctiveness merely because it is unimaginative, the presence or absence of any fanciful element is none the less a factor to be taken into account when assessing distinctiveness. If the sign also has some limited descriptive power, the criterion of imaginativeness could tip the balance of the assessment. In this case the Board of Appeal demonstrated the absence of a fanciful element by stressing the ordinariness of the term 'New Born Baby' in English.

50. Consequently, I reach the view that all three of the Office's grounds of appeal should be upheld and that the judgment of the Court of First Instance should be set aside.

Outstanding issues

51. The Court of First Instance examined only two of Zapf's four pleas in law. It must be considered, in accordance with Article 61 of the Statute of the Court, whether the remaining two pleas, and any outstanding issues related to the two already considered, can be dealt with by the Court of Justice or whether the case should be referred back for final judgment.

52. With regard to the plea of infringement of Article 7(1)(c) of the Trade Mark Regulation, it seems clear that there is only one possible outstanding issue arising from Zapf's application at first instance. Zapf relied essentially on the claim that 'New Born Baby' was not currently used in trade to designate dolls and that there was no overriding need to keep it free for such use. That claim, on the one hand, fails to take account of the wording of Article 7(1)(c) ('may' serve in trade) and, on the other hand, seems based on the German-law concept of *Freihaltebedürfnis* ('real, current or serious need to keep an indication free') which, as the Court held in *Windsurfing Chiemsee*, [26] is not a determining criterion for the application of that provision.

53. In the appeal proceedings, Zapf has argued that the Office is wrong to assume that the application for registration concerned dolls reminiscent of new-born babies or even of babies at all. It is true that the analysis under Article 7(1)(c) would be different if it proceeded on the basis that the dolls in respect of which registration was sought were of some other kind. However, that contention does not appear to have been made in the application at first instance, and cannot be relied on at a later stage.

54. With regard to both Article 7(1)(b) and (c), Zapf argued at first instance that 'New Born Baby' was an invented term. However, as the Board of Appeal correctly pointed out, it is one of a number of equally usual variants of a normal English term. Zapf's contention that it is not a normal English construction (that 'newly born baby' would be more usual) is belied by the consultation of any reputable English dictionary, from which it is clear that 'new' is regularly used as an adverb, especially in constructions in which it precedes a past participle. The term 'new laid eggs' is an example in constant and everyday use. The *Shorter Oxford English Dictionary* lists 'new-born', *Chambers English Dictionary* has 'newborn', and the most cursory of internet searches reveals hundreds of thousands of occurrences of the term in two separate words.

55. Zapf's third plea at first instance alleged a failure to take account of its prior registrations of the trade mark 'New Born Baby' in Denmark and Sweden, where English is widely known. The Office however pointed out that those registrations were for figurative marks, and that national registrations, whilst useful indicators, can have no decisive value.

26 — Cited in note 9, paragraph 35 of the judgment, with regard to Article 3(1)(c) of the Trade Marks Directive.

56. I agree with the Office. What is at issue in the present case is the registrability of a word mark, lacking the additional elements which are by definition present in a figurative mark. Zapf's assertion that the Danish and Swedish public have an excellent knowledge of English is not relevant. According to Article 7(2) of the Trade Mark Regulation, the absolute grounds for refusal in Article 7(1) apply even if they obtain in only part of the Community. The possibility that they may not obtain in Denmark or Sweden cannot override the fact that they obtain in other Member States where English is the native language of the vast majority of the population.

57. Finally, Zapf alleged infringement of its right to be heard: it was neither granted a hearing nor allowed to submit observations on the Board of Appeal's unfavourable assessment, in which it could have provided further clarification concerning its marketing of dolls under the brand name 'New Born Baby' over a period of years in several Member States. The Office pointed out that the procedure was entirely in conformity with Rule 11(1) of the Implementing Regulation [27] and Articles 73 [28] and 75(1) [29] of the Trade Mark Regulation. The Board of Appeal's decision had been based only on facts on which Zapf had been able to comment and on Zapf's own observations; the holding of oral proceedings was at the Board's discretion. In any event, the observations which Zapf wished to have the opportunity to present were not relevant to an assessment under Article 7(1)(b) or (c).

58. Again, the Office's submissions are clearly right. Zapf was able to submit whatever observations it saw fit on the examiner's decision and those two elements alone (decision and observations) formed the basis of the Board of Appeal's findings. Moreover, submissions concerning prior use in Member States could only be relevant in the context of Article 7(3) of the Trade Mark Regulation, [30] on which Zapf does not appear to have sought to rely.

27 — Commission Regulation (EC) No 2868/95 of 13 December 1995 implementing Council Regulation (EC) No 40/94 on the Community trade mark, OJ 1995 L 303, p. 1: 'Where, pursuant to Article 7 of the Regulation, the trade mark may not be registered ..., the office shall notify the applicant of the grounds for refusing registration. ...'

28 — 'Decisions of the Office 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.'

29 — 'If the Office considers that oral proceedings would be expedient they shall be held either at the instance of the Office or at the request of any party to the proceedings.'

30 — '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.'

Conclusion

59. I am therefore of the opinion that the Court should:

— set aside the judgment of the Court of First Instance in Case T-140/00;

— dismiss the application in that case;

— order Zapf Creation AG to bear the costs at first instance and on appeal;

— order the United Kingdom as intervener to bear its own costs in the appeal.