# JUDGMENT OF THE COURT OF FIRST INSTANCE (Fifth Chamber)

19 October 2006 *

In Joined Cases T-350/04 to T-352/04,

**Bitburger Brauerei Th. Simon GmbH,** established in Bitburg (Germany), represented by M. Huth-Dierig, lawyer,

applicant,

v

**Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM),** represented by A. Folliard-Monguiral, acting as Agent,

defendant,

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

**Anheuser-Busch, Inc.,** established in Saint Louis, Missouri (United States), represented by A. Renck, V. von Bomhard, A. Pohlmann, D. Ohlgart and B. Goebel, lawyers,

* Language of the case: English.

APPLICATIONS against the decisions of the Second Board of Appeal of OHIM of 22 June 2004 in cases R 447/2002-2, R 451/2002-2 and R 453/2002-2 concerning opposition proceedings between Bitburger Brauerei Th. Simon GmbH and Anheuser-Busch, Inc.,

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

composed of M. Vilaras, President, F. Dehousse and D. Šváby, Judges,

Registrar: K. Andová, Administrator,

having regard to the applications lodged at the Registry of the Court of First Instance on 24 August 2004,

having regard to the statements in response of OHIM lodged at the Registry on 9 February 2005,

having regard to the statements in response of the intervener lodged at the Registry on 17 February 2005,

having regard to the Order of the President of the Fifth Chamber of the Court of First Instance of 26 October 2005 joining the present cases for the purposes of the oral procedure and the judgment,

further to the hearing on 17 January 2006,

gives the following

## Judgment

### Background to the dispute

I — *Applications for Community trade marks by Anheuser-Busch*

1 Anheuser-Busch, Inc., made three applications for Community trade marks ('the trade marks applied for') to the Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM), pursuant to Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark (OJ 1994 L 11, p. 1), as amended:

— an application for registration of the word trade mark BUD made on 1 April 1996 for goods within Class 32 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 ('the Nice Agreement'), corresponding to the following description: 'Beer, ale, porter, malted alcoholic and non-alcoholic beverages';

— an application for registration of a figurative trade mark ('figurative mark No 1'):




— an application for registration of a figurative trade mark ('figurative mark No 2'):



2 The two latter applications for registration were made on 16 October 1999 for goods in Classes 16, 25 and 32 of the Nice Agreement, corresponding to the following descriptions:

— Class 16: 'Paper, cardboard and goods made from these materials (included in class 16); printed matter; bookbinding materials; stationery; adhesives for stationery or household purposes; instructional and teaching material (except apparatus); plastic materials for packaging (included in class 16); playing cards';

— Class 25: 'Clothing, footwear, headgear';

— Class 32: 'Beer, ale, porter, malted alcoholic and non-alcoholic beverages'.

3 The applications for figurative marks Nos 1 and 2 were published on 23 March 1998 in *Community Trade Marks Bulletin* Nos 20/98 and 21/98.

4 The application for a word trade mark was published on 7 December 1998 in *Community Trade Marks Bulletin* No 93/98.

II — *Oppositions brought by Bitburger Brauerei against the applications for Community trade marks*

5 On 10 June 1998 Bitburger Brauerei Th. Simon GmbH ('Bitburger Brauerei') brought two oppositions (Nos 48 274 and 49 173) under Article 42 of Regulation

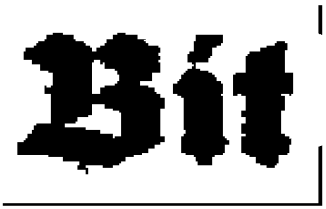
No 40/94 against the registration of figurative marks Nos 1 and 2, for all the goods specified in the application for registration.

6 On 3 March 1999 Bitburger Brauerei brought an opposition (No 138 281) under Article 42 of Regulation No 40/94 against the registration of the BUD word mark applied for, for all the goods specified in the application for registration.

7 In the first place, the three oppositions were based on the existence of the following earlier trade marks:

— the national word mark BIT registered in Germany on 17 September 1996 (No 39 615 324) for 'beers; mineral waters and carbonated waters and other non-alcoholic drinks; fruit drinks and fruit juices; syrups and other preparations for making beverages' in Class 32;

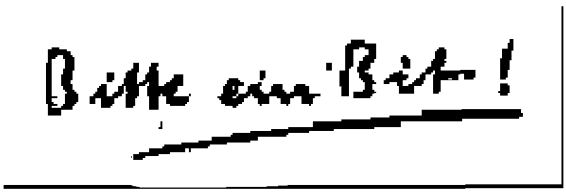
— the word and figurative mark Bit registered in Germany on 12 December 1938 (No 505 912) for 'beer' in Class 32, reproduced below:



— the word and figurative mark Bitte ein Bit! registered in Germany on 5 July 1957 (No 704 211) for the following products: 'beer and non-alcoholic beverages' in Class 32, reproduced below:




— the word and figurative mark Bitte ein Bit! registered in Germany on 3 November 1987 (No 1 113 784) for various products in Classes 16, 18, 20, 21, 24, 25, 28, 32, 34 and 42, reproduced below:




8 The three oppositions were based on all the goods covered by trade marks No 505 912, No 39 615 324 (BIT) and No 704 211 (Bitte ein Bit!).

9 The opposition (No 138 281) against the BUD word mark applied for was also based on the following goods and services covered by word and figurative mark No 1 113 784 (Bitte ein Bit!), in various classes: beer and non-alcoholic drinks; serving of customers in particular with drinks in all types of restaurants and bars; hiring out of drinks dispense equipment, mobile bars, garden and party furniture. The two oppositions (Nos 48 274 and 49 173) brought against the two figurative marks applied for were also based on the following products covered by word and

figurative mark No 1 113 784 (Bitte ein Bit!), in various classes: beer and non-alcoholic beverages; brochures, beermats, advertising cards, posters, ballpoint pens, waiters' aprons, T-shirts, ties, towels, sweatshirts and blousons.

10 In the second place, with respect specifically to the figurative marks applied for, Bitburger Brauerei relied, in addition to the trade marks described in paragraph 7 above, on the trade mark BIT 'well known' in Germany for the following products: beer, including non-alcoholic beer; brochures, beermats, advertising cards, posters, ballpoint pens, T-shirts, ties, towels, sweatshirts and blousons.

11 In the third place, with respect specifically to the word mark BUD applied for, Bitburger Brauerei relied, in addition to the trade marks described in paragraph 7 above, on the following applications for Community trade marks:

— an application for a Community figurative trade mark made on 1 April 1996 (No 121 608) for goods in Class 32 of the Nice Agreement corresponding to the following description: 'beers, beer-like beverages, ales, porters (all aforesaid goods also in non-alcoholic, low alcohol or reduced alcohol form); non-alcoholic drinks; fruit syrups and other raw materials for making non-alcoholic and alcoholic drinks; fruit juices, table waters', reproduced below:



— an application for a Community figurative trade mark made on 1 April 1996 (No 139 634) for goods in Class 32 of the Nice Agreement corresponding to the following description: 'beers, beer-like beverages, ales, porters (all aforesaid goods also in non-alcoholic, low alcohol or reduced alcohol form); non-alcoholic drinks; fruit syrups and other raw materials for making non-alcoholic and alcoholic drinks; fruit juices, table waters', reproduced below:




12 In support of its oppositions, Bitburger Brauerei relied on the relative grounds for refusal referred to in Article 8(1)(b) and (5) of Regulation No 40/94.

III — *Decisions of the Opposition Division*

13 By three decisions of 27 March 2002, the Opposition Division rejected Bitburger Brauerei's oppositions.

14 With respect to Article 8(1)(b) of Regulation No 40/94, the Opposition Division considered that, in view of the fact that they had been lodged on the same date as the word mark BUD applied for (1 April 1996), applications Nos 121 608 and 139 634 for Community figurative trade marks could not be regarded as earlier rights within the meaning of Article 8(1)(b) of Regulation No 40/94.

15 Moreover, the Opposition Division considered that proof of use of German word and figurative mark No 505 912 (BIT), in the form registered, had not been provided, and that proof of use of German word and figurative marks Nos 704 211 and 1 113 784 (Bitte ein Bit!) had been provided only for 'beer' and 'non-alcoholic beer' (for the two marks) and for 'beermats, T-shirts, jackets, beer glasses, bottle openers, ballpoint pens and waiters' aprons' (for mark No 1 113 784).

16 Taking those elements into account, the Opposition Division concluded that there was no likelihood of confusion between the marks applied for on the one hand and German word mark No 39 615 324 (BIT) and German word and figurative marks Nos 704 211 and 1 113 784 (Bitte ein Bit!) on the other.

17 In this respect, the Opposition Division considered essentially that, despite the highly distinctive character of word mark No 39 615 324 (BIT) on the German market and the identity of the products concerned (for Class 32), the visual, aural and conceptual differences between the signs in question were sufficient to exclude any likelihood of confusion within the meaning of Article 8(1)(b) of Regulation No 40/94. The Opposition Division therefore concluded that there was no likelihood of confusion, in Germany, between German word mark No 39 615 324 (BIT) and the marks for which registration was sought. The same conclusion followed, according to the Opposition Division, if a mark BIT 'with a reputation' in Germany, relied on by Bitburger Brauerei in connection with its oppositions against the two figurative marks applied for, had to be taken into account.

18 As regards German word and figurative marks Nos 704 211 and 1 113 784 (Bitte ein Bit!), the Opposition Division found that they contained additional elements in relation to German word mark No 39 615 324 (BIT) and were consequently different in all respects from the marks applied for. The Opposition Division thus concluded that there was no likelihood of confusion in Germany between German word and figurative marks Nos 704 211 and 1 113 784 (Bitte ein Bit!) and the marks applied for.

19 With respect to Article 8(5) of Regulation No 40/94, Bitburger Brauerei submitted, in connection with the word mark BUD applied for, that word and figurative marks No 505 912 (BIT), No 704 211 and No 1 113 784 (Bitte ein Bit!), word mark No 39 615 324 (BIT), and application No 121 608 for a Community figurative mark were marks with a reputation, and based its opposition on that point. The Opposition Division considered for its part that proof of use of German word and figurative mark No 505 912 (BIT) had not been provided and that Article 8(5) of Regulation No 40/94 could not be relied on. Moreover, with regard to Community trade mark application No 121 608, the Opposition Division considered that, in view of the fact that it had been lodged on the same date as the word mark BUD applied for (1 April 1996), it was not an earlier right within the meaning of Article 8(5) of Regulation No 40/94, read in the light of Article 8(2)(a)(i) of that regulation. Finally, since Article 8(5) of Regulation No 40/94 presupposes that the marks in question are identical or similar, the Opposition Division concluded that German word mark No 39 615 324 (BIT) and German word and figurative marks Nos 704 211 and 1 113 784 (Bitte ein Bit!) could not serve as a basis for opposition under that provision.

20 In addition, in connection with the figurative marks applied for, Bitburger Brauerei relied on the BIT mark well known in Germany. Since Article 8(5) of Regulation No 40/94 presupposes that the marks in question are identical or similar, the Opposition Division concluded that the sign BIT could not serve as a basis for opposition under that provision.

IV — *Decisions of the Board of Appeal*

21 On 24 May 2002 Bitburger Brauerei appealed against each of the three decisions of the Opposition Division.

22 Bitburger Brauerei sought for those decisions to be set aside in so far as the oppositions had been rejected for goods in Class 32.

23 By three decisions of 22 June 2004 (Case R 453/2002-2 for the application for the word mark BUD, Case R 447/2002-2 for the application for figurative mark No 1, and Case R 451/2002-2 for the application for figurative mark No 2), served on Bitburger Brewery on 29 June 2004 ('the contested decisions'), the Second Board of Appeal of OHIM dismissed the appeals against the decisions of the Opposition Division.

24 With respect, first, to the two applications for Community trade marks relied on by Bitburger Brauerei against the word mark BUD applied for, the Board of Appeal considered that they could not be classified as 'earlier marks' within the meaning of Article 8(1) and (2) of Regulation No 40/94 and thus be the basis of the grounds of opposition referred to in Article 8(1)(b) and (5) of Regulation No 40/94. In addition, in the three contested decisions, the Board of Appeal considered, contrary to the Opposition Division, that German word and figurative mark No 505 912 (BIT) had been the subject of use such as to preserve the rights attached to it.

25 As regards the likelihood of confusion, the Board of Appeal concluded that no such likelihood existed in Germany between the marks applied for and the earlier German marks Nos 505 912 and 39 615 324 (BIT), notwithstanding a certain high distinctive character of the earlier German marks and the identity or similarity of the goods concerned in Class 32. The Board of Appeal's assessment was based in particular on the visual and aural differences observed between the signs and the absence of conceptual similarity.

26 According to the Board of Appeal, the same conclusion follows — to an even greater extent — as regards the comparison of the marks applied for with German marks Nos 704 211 and 1 113 784 (Bitte ein Bit!), which are composed of several words.

27 With respect to Article 8(5) of Regulation No 40/94, the Board of Appeal considered, in the three contested decisions, that the difference between the signs was such that there could be no question of taking unfair advantage of or being detrimental to the distinctive character or repute of the earlier marks. Moreover, Bitburger Brauerei had not explained why there should be such unfair advantage or detriment.

**Procedure and forms of order sought by the parties**

28 On hearing the report of the Judge-Rapporteur, the Court (Fifth Chamber) decided to open the oral procedure and, by way of measures of organisation of procedure, requested the parties to reply to certain questions and to produce certain documents, which they did within the time-limits set.

29 The parties presented oral arguments and replied to the questions put at the hearing on 17 January 2006.

30 Bitburger Brauerei claims that the Court should:

— annul the contested decisions;

— order OHIM to pay the costs.

31 OHIM and Anheuser-Busch contend that the Court should:

— dismiss the applications;

— order Bitburger Brauerei to pay the costs.

**Law**

I — *Reference to pleadings before OHIM*

32 Anheuser-Busch, at the end of its statements in response, refers generally to all the arguments, facts and evidence submitted to OHIM in its pleadings dated 30 March 1999, 2 February 2000, 18 July 2000, 18 November 2002 and 19 August 2003.

33 It should be recalled in this respect that, under Article 44(1) of the Rules of Procedure of the Court of First Instance, which applies to intellectual property matters by virtue of Articles 130(1) and 132(1) of those rules, applications must include a brief statement of the grounds relied on. It is settled case-law that although specific points in the text of the application can be supported and completed by references to specific passages in the documents attached, a general reference to other documents cannot compensate for the failure to set out the essential elements of the legal argument which must, under those provisions, appear in the application itself (Case T-183/03 *Applied Molecular Evolution* v *OHIM (APPLIED MOLECULAR EVOLUTION)* [2004] ECR II-3113, paragraph 11).

34 That case-law can be applied to the response of the other party to opposition proceedings before the Board of Appeal, intervener before the Court of First Instance, under Article 46 of the Rules of Procedure, which applies to intellectual property matters in accordance with the second subparagraph of Article 135(1) of those rules (Case T-115/02 *AVEX* v *OHIM — Ahlers (a)* [2004] ECR II-2907, paragraph 11).

35 It follows that Anheuser-Busch's statements in response, in so far as they refer to pleadings submitted to OHIM, are inadmissible to the extent that the general references in them cannot be linked to the pleas and arguments put forward in the statements in response.

II — *References to certain decisions of the Boards of Appeal of OHIM*

36 At several points in their pleadings, Bitburger Brauerei and Anheuser-Busch refer to the decision-making practice of the Board of Appeal of OHIM.

37 It should be recalled in this respect that the decisions concerning registration of a sign as a Community trade mark which the Boards of Appeal of OHIM are called on to take under Regulation No 40/94 are adopted in the exercise of circumscribed powers and are not a matter of discretion. Accordingly, the lawfulness of those decisions must be assessed solely on the basis of that regulation and not on the basis of a previous decision-making practice of those boards (Case C-37/03 P *BioID* v *OHIM* [2005] ECR I-7975, paragraph 47, and Case C-173/04 P *Deutsche SiSi-Werke* v *OHIM* [2006] ECR I-551, paragraph 48).

38 The references made by Bitburger Brauerei and Anheuser-Busch are therefore ineffective.

III — *Lawfulness of the contested decisions*

39 The applications lodged by Bitburger Brauerei in Joined Cases T-350/04 to T-352/04 are based on two pleas in law. The first plea alleges a breach of Article 8(1)(b) of Regulation No 40/94. The second plea alleges a breach of Article 8(5) of Regulation No 40/94.

A — *First plea in law: breach of Article 8(1)(b) of Regulation No 40/94*

40 Bitburger Brauerei's first plea is divided into two parts.

41 In the first part, Bitburger Brauerei argues that the Board of Appeal erred in concluding that there was no likelihood of confusion between the marks applied for and the earlier German marks Nos 505 912 and 39 615 324 (BIT).

42 In the second part, Bitburger Brauerei argues that the Board of Appeal erred in concluding that there was no likelihood of confusion between the marks applied for and the earlier German marks Nos 704 211 and 1 113 784 (Bitte ein Bit!).

1. First part of the first plea, concerning the likelihood of confusion between the marks applied for and the earlier German marks Nos 505 912 and 39 615 324 (BIT)

(a) Arguments of Bitburger Brauerei

The relevant public

43 Referring to the case-law on the likelihood of confusion, Bitburger Brauerei points out that the earlier marks are registered in Germany and the goods in question are everyday consumer goods. Consequently, Bitburger Brauerei considers that the target public is the average German consumer, who is deemed to be reasonably well informed and reasonably observant and circumspect. As regards the assertion in the contested decisions that the average consumer of beer generally knows the brands of beer he likes and is able to distinguish between the various brands, Bitburger Brauerei says that, if the Board of Appeal intended thereby to state that a higher degree of attention should be taken to exist for the goods in question, that reasoning is incorrect. In particular, it is contrary to the judgment in Case T-99/01 *Mystery Drinks* v *OHIM — Karlsberg Brauerei (MYSTERY)* [2003] ECR II-43, paragraph 37, which held that, for the goods 'beer' and 'non-alcoholic beverages' in Class 32, German consumers do not have a particularly high degree of attention.

Distinctive character of the mark BIT

44 Bitburger Brauerei stresses the distinctive character of the mark BIT. Referring to the judgment in Case C-39/97 *Canon* [1998] ECR I-5507, Bitburger Brauerei observes that the distinctive character of a trade mark derives from its intrinsic

qualities or degree of recognition on the market. In the present case, the Board of Appeal considered that the term 'bit' had at first had ordinary distinctive character. As a result of the extensive use of the marks demonstrated by Bitburger Brauerei, that distinctive character was increased by the reputation acquired in German territory. According to Bitburger Brauerei, the Board of Appeal was therefore right to consider that German trade marks Nos 505 912 and 39 615 324 (BIT) possessed high distinctive character. However, the classification by the Board of Appeal as a 'certain' enhanced distinctive character is not correct. The uninterrupted use for decades of the BIT mark and the high degree of publicity, proved by the corresponding documents, had the result that already in July 1993 BIT was a concept known to 83.3% of German beer drinkers, on unprompted questioning, and, on prompted questioning, to 94.8%. It follows that BIT is an extremely well-known mark which thus has an enhanced distinctive character.

Comparison of the signs

45 Bitburger Brauerei concentrates on the aural comparison of the signs in question and, to begin with, in Cases T-351/04 and T-352/04, contests the Board of Appeal's conclusion that the figurative marks applied for cannot be reduced aurally to the term 'bud' alone.

46 In this respect, Bitburger Brauerei considers that the Board of Appeal erred in concluding that the relevant average consumer would designate the figurative marks applied for as American Bud or Anheuser Busch Bud.

47 Bitburger Brauerei states, first, that the assessment of the likelihood of confusion, in the case of complex marks, means more than taking into consideration only one component of a complex trade mark and comparing it with another mark. On the contrary, such a comparison must be made by examining the marks in question,

each considered as a whole. However, that does not mean that the overall impression created in the mind of the relevant public by a complex trade mark may not, in certain circumstances, be dominated by one or more of its components (order in Case C-3/03 P *Matratzen Concord* v *OHIM* [2004] ECR I-3657, paragraph 32, and Case T-6/01 *Matratzen Concord* v *OHIM — Hukla Germany (MATRATZEN)* [2002] ECR II-4335, paragraphs 33 and 34). With regard to the assessment of the dominant character of one or more given components of a complex trade mark, account must be taken in particular of the intrinsic qualities of each of those components by comparing them with those of the other components (Case T-6/01 *MATRATZEN*, paragraph 35).

48 Bitburger Brauerei submits, moreover, that the case-law of the Court of First Instance suggests that, in the case of a combination of two words, there is a likelihood of confusion with an earlier single-word trade mark if one of the components of the combination of words is identical with or similar to the earlier word mark. In support of this assertion, it relies on the judgment in Case T-286/02 *Oriental Kitchen* v *OHIM — Mou Dybfrost (KIAP MOU)* [2003] ECR II-4953, paragraph 39).

49 In the present case, Bitburger Brauerei submits that the dominant element of the figurative marks applied for is formed by the term 'bud'. In particular, in the case of figurative mark No 1, which includes the terms 'american' and 'bud', Bitburger Brauerei argues that the term 'american' is a mere indication of geographical origin and hence descriptive. The term 'bud' is thus more capable of being retained in the mind of the target public. In the case of figurative mark No 2, which includes the terms 'anheuser busch' and 'bud', Bitburger Brauerei states that the term 'bud' is emphasised graphically by its central position and the fact that it is accompanied by an arrow to the left and to the right. Furthermore, the term 'bud' imposes itself on the consumer as the easiest to pronounce and remember.

50 Having concluded that the word element 'bud' is the dominant element of the figurative marks applied for (Cases T-351/04 and T-352/04), and given that the word mark BUD applied for (Case T-350/04) consists exclusively of the word 'bud', Bitburger Brauerei puts forward identical arguments in the three cases, and disputes the contested decisions' conclusion that there is no likelihood of confusion in the present case with the earlier BIT marks.

51 In this respect, the Board of Appeal, in considering from the aural point of view that the differences between 'bud' and 'bit' were sufficient in view of the vowels 'u' and 'i', wrongly carried out a fragmented analysis of the letters taken individually instead of examining the pronunciation of the word as a whole. Bitburger Brauerei refers here to the *MYSTERY* judgment, cited in paragraph 43 above, paragraph 46. In the present case, the elements common to the two signs are in a majority quantitatively: each sign consists of a monosyllabic word of three letters; the intonation and the aural rhythm are identical; both signs start with the letter 'b'; and their final sounds are pronounced identically. In those circumstances, it is incomprehensible that the Board of Appeal could conclude, in paragraph 51 of the contested decisions, that there were 'considerable differences' between the signs to be compared.

52 Bitburger Brauerei points out that in German the consonant 'd' is pronounced like the consonant 't' when it occurs at the end of a word. The only difference is therefore in the vowels 'u' and 'i' of the signs in question. Bitburger Brauerei, recalling that account must be taken of the overall aural impression of the signs, states that 'bit' and 'bud' have a short intonation and are pronounced 'bitt' and 'butt' respectively. Since the vowels 'i' and 'u' are surrounded by the dominant plosives 'b' and 't', Bitburger Brauerei considers that the overall aural impression of the signs is dominated by the consonants.

53 In those circumstances, the elements common to both signs are dominant, and a consumer who has an unclear recollection of one of the two marks will confuse the

marks in question, as they are monosyllables and have the same number of letters and identical initial and final sounds. Bitburger Brauerei adds that monosyllabic trade marks are rare in the beer sector. A consumer who encounters a monosyllabic mark is therefore likely to be reminded of the earlier marks in question, particularly as the marks to be compared coincide almost completely.

54 Finally, after concentrating its arguments on the aural similarity of the signs in question, Bitburger Brauerei states that, visually, the figurative elements and the secondary word elements ('american' and 'anheuser busch' in the case of the figurative marks applied for) are of no importance when determining the visual likelihood of confusion. In those circumstances, Bitburger Brauerei submits that the visual comparison must be made between the signs 'bit' and 'bud', which have at least a distant typographical resemblance. Both signs have the same initial letter 'b' and consist of three letters. The letters 'i' and 'u' are characterised by ascending lines and the letters 't' and 'd' consist of a vertical basic element and a horizontal bar. There is thus at least a distant visual similarity between the signs in question which is also sufficient to identify a likelihood of confusion in view of the interdependence of the factors concerned.

Likelihood of confusion

55 Bitburger Brauerei submits, on the basis of Case C-342/97 *Lloyd Schuhfabrik Meyer* [1999] ECR I-3819, paragraph 28, that the aural similarity of the signs concerned is sufficient to produce a likelihood of confusion. It is particularly important in the present case because beer, especially in bars, is ordered orally. Bitburger Brauerei refers on this point to the judgment in *MYSTERY*, cited in paragraph 43 above, paragraph 48, which stated as follows: 'It is sufficient that there is a likelihood of confusion and not that confusion be established. Since the goods in question are also consumed after being ordered orally, the aural similarity of the signs in question is in

itself sufficient to give rise to the likelihood of confusion.' Bitburger Brauerei also observes that there is a noise factor in bars and that factor affects the aural perception of the signs in question. The Board of Appeal did not attach sufficient importance to the specific conditions under which the goods in question are sold.

56 On that basis, Bitburger Brauerei submits that a likelihood of confusion exists simply because of the similarity of the signs concerned as a result of the elements they have in common aurally. Where, as in the present case, the earlier marks furthermore have above-average distinctive character and the products are identical, Bitburger Brauerei, referring to *Lloyd Schuhfabrik Meyer*, cited in paragraph 55 above, paragraph 21, Case T-388/00 *Institut für Lernsysteme* v *OHIM — Educational Services (ELS)* [2002] ECR II-4301, paragraph 77, and Case T-129/01 *Alejandro* v *OHIM — Anheuser-Busch (BUDMEN)* [2003] ECR II-2251, paragraph 59, considers that the earlier marks enjoy extended protection. In particular, Bitburger Brauerei points out that the Court of Justice has taken the view that a high distinctive character of the earlier mark argues for — not against — a likelihood of confusion.

57 Moreover, Bitburger Brauerei submits that the Board of Appeal's conclusion contradicts the judgment of the German Bundesgerichtshof (Federal Court of Justice) of 26 April 2001 in Case I ZR 212/98 *Bit/Bud* ('the Bundesgerichtshof judgment'). In particular, Bitburger Brauerei observes that the Bundesgerichtshof considered that there was a likelihood of aural confusion between the words 'bit' and 'bud' in that the initial sounds were identical and the final sounds coincided in normal German pronunciation. The different sound of the vowels of the two words was moreover offset by the above-average distinctive character of the earlier mark and by the fact that the goods covered were identical.

58 Bitburger Brauerei acknowledges that decisions of national courts have no binding effect in the context of the present proceedings. However, the Bundesgerichtshof's

assessment of the likelihood of confusion between BIT and BUD is based precisely on the rules developed by the Court of Justice, in particular those relating to the taking into account of all the circumstances of a case and the interdependence of the various factors concerned. Bitburger Brauerei adds that the Second Board of Appeal of OHIM took account, in another case, of a judgment of a national court (Case R 70/2002-2, 11 September 2003, *Kabel 1/ARD 1*).

(b) Arguments of OHIM and Anheuser-Busch

59 OHIM and Anheuser-Busch contest Bitburger Brauerei's arguments and submit essentially that the visual and aural differences and the lack of conceptual similarity between the signs in question are sufficient to eliminate any likelihood of confusion, despite the identity or similarity of the goods concerned.

60 Anheuser-Busch challenges the conclusion of the Board of Appeal that the earlier German marks Nos 505 912 and 39 615 324 (BIT) have high distinctive character. Anheuser-Busch submits in particular that the documents produced to OHIM refer to the mark Bitburger, not the mark BIT. Anheuser-Busch also contests the relevance of the declaration of an employee of Bitburger Brauerei and the market study carried out in July 1996 for demonstrating the reputation of the mark BIT in Germany.

61 Anheuser-Busch also points out the characteristics of the German beer market, in particular the very high consumption of beer. Anheuser-Busch concludes from that that the average German consumer of beer is an 'expert'.

62 Finally, OHIM points out that the contested decisions depart from the Bundesgerichtshof's judgment as regards the overall assessment of the likelihood of confusion. Anheuser-Busch considers for its part that the decisions of national courts are not binding on OHIM or the Court in the context of the application of Regulation No 40/94.

(c) Findings of the Court

63 According to 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 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 includes the likelihood of association with the earlier trade mark'.

64 It is settled case-law that the risk that the public might believe that the goods or services in question come from the same undertaking or, as the case may be, from economically linked undertakings constitutes a likelihood of confusion.

65 That case-law also states that the likelihood of confusion must be assessed globally, according to the perception by the relevant public of the signs and the goods or services in question, and taking into account all factors relevant to the circumstances of the case, in particular the interdependence between similarity of the signs and similarity of the goods or services designated (see Case T-162/01 *Laboratorios RTB* v *OHIM — Giorgio Beverly Hills (GIORGIO BEVERLY HILLS)* [2003] ECR II-2821, paragraphs 31 to 33 and the case-law cited).

66 It should be recalled, moreover, that the more distinctive the earlier mark, the greater will be the likelihood of confusion (Case T-164/03 *Ampafrance* v *OHIM — Johnson & Johnson (monBéBé)* [2005] ECR II-1401, paragraph 70, and, by analogy, Case C-251/95 *SABEL* [1997] ECR I-6191, paragraph 24). Marks with a highly distinctive character, either per se or because of the recognition they possess on the market, thus enjoy broader protection than marks with a less distinctive character (*monBéBé*, paragraph 70, and, by analogy, *Canon*, cited in paragraph 44 above, paragraph 18, and *Lloyd Schuhfabrik Meyer*, cited in paragraph 55 above, paragraph 20).

67 Since the earlier marks were registered with effect in Germany, the public to be taken into consideration for the assessment of the likelihood of confusion is the public of that Member State.

68 It must also be noted that the goods in question are usually subject to widespread distribution, from the food section of a department store to bars and cafes (see, to that effect, for classes of goods including beer, Case T-33/03 *Osotspa* v *OHIM — Distribution & Marketing (Hai)* [2005] ECR II-763, paragraph 44). In those circumstances, the target public is the average consumer, who is deemed to be reasonably well informed and reasonably observant and circumspect (see, in a case also concerning beer, *MYSTERY*, cited in paragraph 43 above, paragraphs 32 and 37, and, in a case concerning alcoholic beverages, Case T-296/02 *Lidl-Stiftung* v *OHIM — REWE-Zentral (LINDENHOF)* [2005] ECR II-563, paragraph 45).

69 The Board of Appeal was thus rightly able to consider in the present case that 'the relevant consumer of the goods in question is the average German consumer' (paragraph 40 of the contested decision in Case T-352/04 and paragraph 41 of the contested decisions in Cases T-350/04 and T-351/04). For the same reasons, the Board of Appeal's conclusion that the relevant public does not consist of 'experts' can only be concurred with (same paragraphs of the contested decisions).

70 In addition, it must be borne in mind when making the global assessment of the likelihood of confusion that the average consumer only rarely has the opportunity to make a direct comparison between the different marks but must place his trust in the imperfect picture of them which he has kept in his mind (*Lloyd Schuhfabrik Meyer*, cited in paragraph 55 above, paragraph 26).

71 In the light of the above considerations, it must be ascertained whether, as Bitburger Brauerei submits, the Board of Appeal erred in its assessment of the likelihood of confusion in the present case.

(i) Similarity of the goods at issue

72 Bitburger Brauerei brought proceedings before the Board of Appeal against each of the decisions of the Opposition Division only in so far as the oppositions had been rejected for goods in Class 32. Those are the goods concerned by the present cases.

73 In this respect, the contested decisions rightly observe that '[t]he goods at issue are identical or similar' (paragraph 40 of the contested decisions in Cases T-350/04 and T-351/04 and paragraph 39 of the contested decision in Case T-352/04). That assessment by the Board of Appeal is not contested by the parties.

(ii) Similarity of the marks at issue

74 According to the case-law, the global appreciation of the likelihood of confusion, in relation to the visual, aural or conceptual similarity of the marks in question, must be based on the overall impression given by the marks, bearing in mind in particular their distinctive and dominant components (*SABEL*, cited in paragraph 66 above, paragraph 23, and *Lloyd Schuhfabrik Meyer*, cited in paragraph 55 above, paragraph 25).

Visual similarity of the marks

— Visual similarity between the word mark BUD applied for and the earlier German marks Nos 505 912 and 39 615 324 (BIT)

75 The Board of Appeal, following the reasoning of the Opposition Division and Anheuser-Busch, stated as follows:

'The two marks admittedly are of identical length, but the differences between them are greater than their similarities. The two marks indeed have the same initial letter, but the remainder is different. The consumer will perceive that graphically' (paragraph 42 of the contested decision in Case T-350/04).

76 First, as the Board of Appeal correctly observed, the elements 'bud' and 'bit' have in common the same initial letter, namely 'b'.

77 Second, as the Board of Appeal also correctly observed, the monosyllabic terms 'bud' and 'bit' are of identical length, each consisting of three letters. A more precise analysis would indeed, as Anheuser-Busch argues, allow the conclusion that the sign BUD is in fact longer than the sign BIT. However, such a difference will not be perceivable by the average German consumer.

78 Third, it is correct, as the Board of Appeal essentially states, that the signs at issue differ in their final two letters ('ud' for the word sign BUD applied for and 'it' for the earlier German marks), even though, as Bitburger Brauerei submits, the letters in question have the common feature of consisting partly of vertical lines.

79 Taking account of all those factors, it must be considered that the signs at issue have noticeable differences, in particular in that two of the three letters they are made up of are different. As the Board of Appeal rightly observed, those differences are greater than the similarity of the signs in question. The relevant consumer will perceive the differences. The conclusion must therefore be that the word mark BUD applied for and the earlier German marks Nos 505 912 and 39 615 324 (BIT) show a degree of visual similarity that can be classified at most as slight. Bitburger Brauerei itself observes, moreover, in its applications that the visual similarity of the marks in question is 'distant'.

80 It should be added, with respect to the earlier German word and figurative mark No 505 912, which has a style of lettering that means that the degree of visual similarity with the word mark BUD can be reduced even further, that, as the Board of Appeal noted, that mark has been used by Bitburger Brauerei in different forms, including one with no particular style.

— Visual similarity between the figurative marks applied for and the earlier German marks Nos 505 912 and 39 615 324 (BIT)

81 The Board of Appeal considered as follows:

'The mark applied for is a complex label which cannot be reduced to the concept "bud" alone. "Bud" may indeed be a distinctive component of the mark, but it does not visually dominate the mark applied for to such an extent that the other elements contained in it, in particular the detailed graphic design in the upper part of the mark and the interesting colouring, are completely relegated to the background. The consumer perceives the mark as a whole and remembers an overall impression. Even if the mark applied for were reduced to the word elements [American Bud or Anheuser-Busch Bud], there would still be a significant visual difference between that combination of words and the short opposing mark [BIT]' (paragraph 42 of the contested decision in Case T-351/04 and paragraph 41 of the contested decision in Case T-352/04).

82 It should be noted that, while the average consumer normally perceives the mark as a whole and does not proceed to analyse its various details, the global assessment of the likelihood of confusion takes account in particular of the distinctive and dominant components of the marks in question (*SABEL*, cited in paragraph 66 above, paragraph 23), and that in general it is the dominant and distinctive features of a sign which are more easily remembered (see, to that effect, Case T-104/01 *Oberhauser* v *OHIM — Petit Liberto (Fifties)* [2002] ECR II-4359, paragraphs 47 and 48, and Joined Cases T-117/03 to T-119/03 and T-171/03 *New Look* v *OHIM — Naulover (NLSPORT, NLJEANS, NLACTIVE and NLCollection)* [2004] ECR II-3471, paragraph 39).

83 In the present case, the word elements 'american' and 'bud' (figurative mark No 1) and 'anheuser busch' and 'bud' (figurative mark No 2) are in the centre of the

figurative marks applied for. Furthermore, they are written in large characters, in blue on white, which makes them stand out visually, especially as the background of the mark applied for is red.

84 The other word elements which appear on a white background, in particular the name and address of Anheuser-Busch, are placed below the terms 'american' and 'bud' (figurative mark No 1) or 'anheuser busch' and 'bud' (figurative mark No 2) and are in much smaller characters. The same is true of the word elements which appear in the upper part of the figurative marks, in particular the letters 'ab', which are moreover placed on the centre of a shield. The word 'genuine' for its part appears twice, on either side of the white rectangle on which the terms 'american' and 'bud' (figurative mark No 1) or 'anheuser busch' and 'bud' (figurative mark No 2) are placed. However, the word is placed vertically, making it less easy to read.

85 As to the figurative elements which appear in the upper part of the marks, they represent a shield set off by a motto. Those elements correspond to the decorative parts of a label and are not thus regarded as the principal component.

86 It must therefore be considered that the dominant elements of the two trade marks at issue are constituted by the word elements 'american' and 'bud' (figurative mark No 1) or 'anheuser busch' and 'bud' (figurative mark No 2).

87 In this context, even if it could be concluded that the term 'bud' was the only distinctive element among the dominant word elements and thus attracted the attention of the relevant public more, it could at the most be considered that a slight

verbal similarity existed between the figurative marks applied for and the earlier German marks Nos 505 912 and 39 615 324 (BIT), since a slight visual similarity has already been found, in paragraph 79 above, between the word mark BUD applied for and those earlier German marks.

88 However, in the overall visual assessment of the signs in question, the relative complexity of the figurative marks applied for, which are mixed signs containing not only the verbal components already described but also a number of figurative elements in very varied colours, must be noted (see, to that effect, *Fifties*, cited in paragraph 82 above, paragraph 38).

89 In the light of all those factors, it must be considered that the figurative marks applied for and the earlier German marks Nos 505 912 and 39 615 324 (BIT) are not visually similar.

Aural similarity of the marks

— Aural similarity between the word mark BUD applied for and the earlier German marks Nos 505 912 and 39 615 324 (BIT)

90 The Board of Appeal considered in paragraphs 43 and 44 of the contested decision relating to the word mark BUD applied for:

'43. With respect to the aural comparison of the marks, the Board is of the opinion that the "BUD" mark applied for and the opposing mark "BIT" keep a sufficient

distance from each other. The vowels "i" and "u" are clearly distinguished aurally. The difference in that letter in the terms "BUD" and "BIT" which consist of three letters suffices to enable the consumer to distinguish them.

44. Nor does a different conclusion follow from the judgment of the Court of First Instance [in *ELS*, cited in paragraph 56 above]. In that case the Court of First Instance found that that "e" and "i" are pronounced similarly in German and that the consonant phonemes "l" and "s" are pronounced exactly the same in each sign (see paragraph 71). By contrast, the vowels "i" and "u" (or "a" if pronounced as in English) are not pronounced similarly. Moreover, the consonants are not exactly the same. The differences are sufficient even if the products are ordered in pubs.'

91 First, it must be noted that the initial letters of the signs in question are the same and will not be pronounced differently in German.

92 Second, the letters 'i' (in the sign BIT) and 'u' (in the sign BUD) are pronounced differently in German. That difference in pronunciation is not contested by Bitburger Brauerei.

93 Third, the letters 't' (in the sign BIT) and 'd' (in the sign BUD) resemble each other in pronunciation in the present case, even if the pronunciation may not be strictly identical. Evidence to that effect was produced during the proceedings before OHIM.

94 Fourth, it must be pointed out that the reasoning of the Board of Appeal is not based on the mere fact that the letters 'i' and 'u' are pronounced differently. The Board of Appeal rightly took into account that the terms 'bit' and 'bud' both 'consist of three letters' (paragraph 43 of the contested decisions). Contrary to Bitburger Brauerei's assertion, there is nothing to suggest that the letters 'i' and 'u', the only vowels of the signs in question, play a negligible part in the pronunciation of the terms 'bit' and 'bud'.

95 Seen in the context of the overall pronunciation, the above elements lead to the conclusion that there is a limited degree of aural similarity between the word mark BUD applied for and the earlier German marks Nos 505 912 and 39 615 324 (BIT). However, as the Board of Appeal rightly observed, the difference in pronunciation between the vowels 'i' and 'u' in the two signs in question, consisting of three letters, is sufficient to allow the relevant consumer to distinguish them aurally.

— The aural similarity between the figurative marks applied for and the earlier German marks Nos 505 912 and 39 615 324 (BIT)

96 The Board of Appeal held, in paragraph 43 of the decision on figurative mark No 1:

'... the Board considers that the relevant consumer would designate the trade mark applied for as "American bud" which establishes a sufficient distance from the one-

syllable opposing mark, "BIT". However, even if the trade mark applied for were reduced to the word "bud" the two marks would maintain sufficient distance between them. The vowels "i" and "u" are clearly distinguished aurally. The difference in that letter in the terms "bud" and "bit" which consist of three letters suffices to enable the consumer to distinguish them.'

97 The Board of Appeal held, in paragraphs 42 and 43 of the decision on figurative mark No 2:

'42. ... The Board considers that the relevant consumer would designate the trade mark applied for as "anheuser busch bud" which establishes a sufficient distance from the short opposing mark, "BIT". The Board considers that there is no reason why the average consumer would shorten the name "anheuser busch bud" and use only its final component "bud". Moreover, there is no reason why the consumer, even if he assumed the words "anheuser" and "busch" were surnames, would fail to pronounce them. Surnames are eminently suitable for forming part of a trade mark.

43. However, even if the trade mark applied for were reduced to the word "bud" the two marks would keep a sufficient distance from each other. The vowels "i" and "u" are clearly distinguished aurally. The difference in that letter in the terms "bud" and "bit" which consist of three letters suffices to enable the consumer to distinguish them.'

98 Moreover, in paragraph 44 of the two contested decisions on the figurative trade marks applied for, the Board of Appeal added, as it did in the decision on the word mark BUD applied for:

'Nor does a different conclusion follow from the judgment of the Court of First Instance [in *ELS*, cited in paragraph 56 above]. In that case the Court of First Instance found that that "e" and "i" are pronounced similarly in German and that the consonant phonemes "l" and "s" are pronounced exactly the same in each sign (see paragraph 71). By contrast, the vowels "i" and "u" (or "a" if pronounced as in English) are not pronounced similarly. Moreover, the consonants are not exactly the same. The differences are sufficient even if the products are ordered in pubs.'

99 As a preliminary point, it must be observed that a figurative mark, inasmuch as it is composed of a verbal element, is also capable of being reproduced aurally (Case T-359/02 *CHUM* v *OHIM* [2005] ECR II-1515, paragraph 49).

100 In the present case, even if it could be concluded that the term 'bud' is the only distinctive element amongst the dominant verbal elements 'american' and 'bud' or 'anheuser busch' and 'bud', of the figurative marks applied for, in thus attracting more attention from the relevant public, it might be considered, at the most, in view of the finding recorded in paragraph 95 above of the aural similarity between the word mark BUD applied for and the earlier German marks Nos 505 912 and 39 615 324 (BIT), that there is a limited aural similarity between the figurative marks applied for and those earlier marks. However, as also observed in paragraph 95 above, the difference in pronunciation between the vowels 'i' and 'u' in the two signs in question, consisting of three letters, is sufficient to allow the consumer to distinguish them aurally.

Conceptual similarity of the marks at issue

101 In paragraph 45 of the contested decisions, the Board of Appeal expressed the view that there was no conceptual similarity between the trade marks applied for and the earlier German marks Nos 505 912 and 39 615 324 (BIT).

102 The earlier German marks Nos 505 912 and 39 615 324 (BIT) are capable of having several meanings. Anheuser-Busch states in that connection that the term 'bit' may be understood by the relevant public either as a unit used in information technology or as a reference to the town of Bitburg. Those different meanings are also apparent from the market research undertaken at the request of Bitburger Brauerei and produced in the proceedings before OHIM.

103 As regards the trade marks applied for, it must be observed, first, that the term 'bud' does not appear to have any particular significance in the mind of the relevant public. The parties have put forward nothing to contradict that conclusion.

104 Accordingly, it must be considered that the word mark BUD applied for will have no particular conceptual significance in the mind of the relevant public.

105 As regards the figurative trade marks applied for, even if the word 'american' (figurative mark No 1) could suggest that the products in question are american in origin or, in any event, in character, and the words 'anheuser busch' (figurative mark No 2) could be understood by a part of the relevant public as a reference to the undertaking which manufactured the products in question, the linking of those terms with the term 'bud' would not entail any particular conceptual significance. In any event, there is nothing to suggest that those words, taken together, would have a conceptual significance similar to the conceptual significance which can be envisaged for the earlier German marks Nos 505 912 and 39 615 324 (BIT).

106 In the light of the foregoing considerations, it must be held that the trade marks applied for and the earlier German marks Nos 505 912 and 39 615 324 (BIT) are not similar from a conceptual point of view.

Conclusion regarding the similarity of the marks at issue

107 In the light of all the foregoing considerations, and assessing the marks at issue considered as a whole, it must be held that, in view of the notable differences between the marks at issue, and the absence of conceptual similarity between them:

— although they display a slight degree of visual and aural similarity, the word mark BUD applied for and the earlier German marks Nos 505 912 and 39 615 324 (BIT) are different considered as a whole;

— although they display a slight degree of aural similarity the figurative marks applied for and the earlier German marks Nos 505 912 and 39 615 324 (BIT) are different considered as a whole.

108 Accordingly, it must be concluded that the trade marks applied for and the earlier German marks Nos 505 912 and 39 615 324 (BIT) are not similar.

(iii) The likelihood of confusion

109 In view of the differences already noted between the trade marks applied for and the earlier German marks Nos 505 912 and 39 615 324 (BIT) it must be held that, despite the existence of a slight degree of visual and aural similarity, there is no likelihood of confusion in this case, despite the fact that the products concerned are identical or similar and even though the earlier marks may have a high degree of distinctive character.

110 The arguments put forward by Bitburger Brauerei cannot call that conclusion into question.

111 First, as regards the conditions under which the products in question are sold and, in particular, the question whether those products are essentially ordered orally and whether the noise factor may affect consumers' aural perception, suffice it to observe that the arguments put forward by Bitburger Brauerei are mere statements which are not based on any evidence which has been produced, at the appropriate time, in the proceedings before OHIM.

112 Furthermore, Bitburger Brauerei has not furnished the slightest proof to show that its goods are generally sold in such a way that the public does not perceive the mark visually. In that regard, it must be borne in mind that, even if bars and restaurants are not negligible distribution channels for the products of Bitburger Brauerei, it is common ground that the consumer will be able to perceive the marks at issue visually in such places, inter alia by examining the bottle served to him or by other means (glasses, advertising posters etc.). Moreover, and above all, it is not disputed that bars and restaurants are not the only sales channels for the goods concerned. They are also sold in supermarkets or other retail outlets. Thus, clearly when purchases are made there consumers can perceive the marks visually since the drinks are presented on shelves (see, to that effect, Case T-3/04 *Simonds Farsons Cisk* v *OHIM* [2005] ECR II-4837, paragraphs 57 to 59). It follows that the argument of Bitburger Brauerei relating to the conditions under which the products in question are sold must, in any event, be rejected.

113 Second, as regards the highly distinctive character of the earlier marks and the reference by Bitburger Brauerei to *Lloyd Schuhfabrik Meyer*, cited in paragraph 55 above, it must be observed that the Court concluded, in paragraph 28 of that judgment, that, according to the degree of distinctiveness of the earlier marks 'it is possible that mere aural similarity between trade marks may create a likelihood of confusion'. It is apparent from that judgment, first, that the hypothetical case envisaged by the Court is a mere possibility which must take account of the other relevant factors in the case in question and, second, that the Court had in mind a case where the marks at issue are similar aurally. In the present cases despite the possibly high degree of distinctive character of the earlier marks, the differences between the marks noted above in the course of the overall assessment of the likelihood of confusion rule out the likelihood of such confusion between them in Germany.

114 Third, as regards the fact that the conclusion of the Board of Appeal is allegedly inconsistent with the Bundesgerichtshof judgment, it must be observed, first, that

the Community trade mark regime is an autonomous system with its own set of objectives and rules peculiar to it and it is self-sufficient and applies independently of any national system (Case T-32/00 *Messe München* v *OHIM (electronica)* [2000] ECR II-3829, paragraph 47, and Case T-312/03 *Wassen International* v *OHIM — Stroschein Gesundkost (SELENIUM-ACE)* [2005] ECR II-2897, paragraph 46).

115 The legality of decisions of the Boards of Appeal must be evaluated solely on the basis of Regulation No 40/94, as interpreted by the Community Courts, and not on the basis of a previous decision-making practice followed by a national court of a Member State, even where the latter is based on provisions analogous to those of that regulation (*GIORGIO BEVERLY HILLS*, cited in paragraph 65 above, paragraph 53; Case T-85/02 *Díaz* v *OHIM — Granjas Castelló (CASTILLO)* [2003] ECR II-4835, paragraph 37, and *a*, cited in paragraph 34 above, paragraph 30).

116 In any event, it must be observed that the Bundesgerichtshof merely found that there was a likelihood of confusion between the German trade mark No 505 912 and a figurative mark identical to figurative mark No 1, on the basis of the aural similarity of the words 'bud' and 'bit' in those marks.

117 It must be observed, moreover, that the Board of Appeal assessed the likelihood of confusion taken overall between the earlier German word and figurative mark No 505 912 (BIT) and figurative mark No 1, and did not base its decision exclusively on an aural comparison. That overall assessment must take account of all relevant factors of the case and must be based, so far as OHIM is concerned, on Regulation No 40/94 alone.

118 Fourth, as regards the reference made by Bitburger Brauerei at the hearing, to Case T-396/04 *Soffass* v *OHMI — Sodipan (NICKY)* [2005] ECR II-4789, suffice it to observe that the Court, in that case, did not conclude, contrary to what Bitburger Brauerei appears to suggest, that there was a likelihood of confusion between the trade mark applied for, NICKY, and the earlier marks, NOKY. Upholding the decision of the Board of Appeal which had referred the case back to the Opposition Division, the Court held that there was a certain similarity between the above marks and that an analysis of the similarity of the products in question should have been made (see, inter alia, paragraphs 38 and 39 of the judgment). The Court pointed out, moreover that the marks in question had the first letter 'n' and the ending 'ky' in common. According to the Court, since that ending is not usual in the French language it may be regarded as the dominant element in the two marks which draws the attention of French consumers (paragraph 34 of the judgment). That case is different from the present cases.

119 In the light of the foregoing considerations, and without it being necessary to examine the arguments put forward by Anheuser-Busch concerning the degree of distinctive character of the earlier German marks Nos 505 912 and 39 615 324 (BIT), the first part of the first plea relied on by Bitburger Brauerei must be rejected as unfounded.

2. The second part of the first plea concerning the likelihood of confusion between the trade marks applied for and the earlier German marks Nos 704 211 and 1 113 784 (Bitte ein Bit!)

(a) Arguments of the parties

120 Bitburger Brauerei takes the view that, in the light of the considerations set out in the first part of the first plea regarding the likelihood of confusion between the trade marks applied for and the earlier German marks Nos 505 912 and 39 615 324 (BIT),

there is also a similarity between the trade marks applied for and the German marks Nos 704 211 and 1 113 784 Bitte ein Bit!. Bitburger Brauerei points out in that connection that the slogan Bitte ein Bit! is understood by the public as a concise abbreviation of an order. The public will be guided, with this word order, by the terse brand word 'bit', which thus dominates the trade marks with earlier priority.

121 OHIM takes the view, rather, that German marks Nos 704 211 and 1 113 784 (Bitte ein Bit!) are more remote from the marks applied for than the earlier German marks Nos 505 912 and 39 615 324 (BIT). Therefore, if there is no likelihood of confusion between those marks and the marks applied for there can be no likelihood of confusion when the earlier marks are 'Bitte ein Bit!'

(b) Findings of the Court

122 In view of the findings of the Court regarding the likelihood of confusion between the marks applied for and the earlier German marks Nos 505 912 and 39 615 324 (BIT), it must be held that there is *a fortiori* no likelihood of confusion between the marks applied for and the earlier German marks Nos 704 211 and 1 113 784 (Bitte ein Bit!).

123 The earlier German marks Nos 704 211 and 1 113 784 (Bitte ein Bit!) contain additional word elements ('bitte', 'ein') and graphic elements ('!') and a particular style of writing compared with the earlier German word marks Nos 505 912 and 39 615 324 (BIT). Thus, in visual terms, the former are even more remote from the marks applied for than the latter. Moreover, in aural terms, and even if the earlier German marks Nos 704 211 and 1 113 784 (Bitte ein Bit!) might be designated by reference only to the term 'bit' the conclusion of the Court would be no different from that regarding the first part of the first plea. From a conceptual point of view,

the parties have not furnished evidence to suggest that the marks at issue show any degree of similarity.

124 Accordingly, assessed as a whole, the marks applied for and the earlier German marks Nos 704 211 and 1 113 784 (Bitte ein Bit!) are not similar. There can thus be no likelihood of confusion between those marks.

125 For those reasons, the second part of the first plea relied on by Bitburger Brauerei must be rejected as unfounded.

B — *The second plea, alleging breach of Article 8(5) of Regulation No 40/94*

1. Arguments of the parties

126 Bitburger Brauerei, recalling the terms of Article 8(5) of Regulation No 40/94, states that the Board of Appeal took the view, in the contested decisions, that the difference between the signs was such that there could be no question of taking unfair advantage of, or being detrimental to, the distinctive character or the repute of the earlier trade mark.

127 According to Bitburger Brauerei, the Board of Appeal disregarded the substantial degree of aural similarity between 'bit' and 'bud'. It was true that in the present cases there was also identity of goods or a high degree of similarity of goods. However, going beyond the wording of Article 8(5) of Regulation No 40/94, the Court held that that provision also applied in the case of identity or similarity of goods (Case C-292/00 *Davidoff* [2003] ECR I-389).

128 The trade mark BIT is a mark with a reputation within the meaning of Article 8(5) of Regulation No 40/94 in Germany. That reputation was proved by Bitburger Brauerei in the proceedings before OHIM.

129 The application for registration of the mark BUD is detrimental to the distinctive character of the earlier trade marks, since registration of a similar sign was applied for in respect of identical goods and, thus, the distinctive character of those earlier marks is weakened.

130 OHIM submits that, although the reputation of the earlier marks may have been established, Bitburger Brauerei has not established that the signs in question were identical or similar and that the marks applied for took unfair advantage of the distinctive character or reputation of the earlier marks.

131 Moreover, under Article 74(2) of Regulation No 40/94 the examination undertaken by OHIM is restricted to the facts, evidence and arguments provided by the parties.

Accordingly, the Board of Appeal was entitled to reject the application under Article 8(5) of Regulation 40/94 on the ground that Bitburger Brauerei had 'failed to explain why such exploitation or adverse effect should exist'.

132 Anheuser-Busch states, first, that Article 8(5) of Regulation No 40/94 requires that the signs at issue are identical or similar. In the case at hand, the marks are not similar, as, it claims, has been demonstrated.

133 Next, Anheuser-Busch points out that the earlier mark must be reputed in order to enjoy protection under Article 8(5) of Regulation No 40/94. In the present case, Bitburger Brauerei has not, it alleges, succeeded in demonstrating the reputation of the BIT mark.

134 Finally, Anheuser-Busch considers that the arguments put forward by Bitburger Brauerei are not sufficient to demonstrate an image transfer on the part of the relevant public.

2. Findings of the Court

135 Under Article 8(5) of Regulation No 40/94, 'upon opposition by the proprietor of an earlier trade mark within the meaning of paragraph 2, the trade mark applied for shall not be registered where it is identical with or similar to the earlier trade mark

and is to be registered for goods or services which are not similar to those for which the earlier trade mark is registered, where in the case of an earlier Community trade mark the trade mark has a reputation in the Community and, in the case of an earlier national trade mark, the trade mark has a reputation in the Member State concerned and where the use without due cause of the trade mark applied for would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark'.

136 That article requires inter alia that the mark applied for and the earlier mark be identical or similar. Since is has been concluded that the marks applied for and the earlier German marks Nos 505 912 and 39 615 324 (BIT), and Nos 704 211 and 1 113 784 (Bitte ein Bit!) were not identical or similar, Article 8(5) of Regulation No 40/94 cannot provide a basis for the opposition by Bitburger Brauerei in the present case.

137 The second plea relied on by Bitburger Brauerei must therefore be rejected as unfounded and, consequently, the application must be dismissed in its entirety.

## Costs

138 Under Article 87(2) of the Rules of Procedure, the unsuccessful party is to be ordered to pay the costs if they have been applied for in the successful party's pleadings. Since Bitburger Brauerei has been unsuccessful, it must be ordered to pay the costs, in accordance with the form of order sought by OHIM and Anheuser-Busch.

On those grounds,

THE COURT OF FIRST INSTANCE (Fifth Chamber)

hereby:

**1. Dismisses the actions;**

**2. Orders Bitburger Brauerei Th. Simon GmbH to pay the costs.**

Vilaras Dehousse Šváby

Delivered in open court in Luxembourg on 19 October 2006.

E. Coulon M. Vilaras

Registrar President