Reports of Cases

JUDGMENT OF THE COURT (Third Chamber)

15 March 2012*

(Trade marks — Directive 2008/95/EC — Grounds for refusal or invalidity — Verbal expressions which consist of a word combination and a sequence of letters identical to the initial letters of those words — Distinctive character — Descriptive character — Assessment criteria)

In Joined Cases C-90/11 and C-91/11,

REFERENCES for a preliminary ruling under Article 267 TFEU from the Bundespatentgericht (Germany), made by decisions of 11 January 2011, received at the Court on 25 February 2011, in the proceedings

Alfred Strigl — Deutsches Patent- und Markenamt (Case C-90/11)

and

Securvita Gesellschaft zur Entwicklung alternativer Versicherungskonzepte mbH (C-91/11)

v

Öko-Invest Verlagsgesellschaft mbH,

THE COURT (Third Chamber),

composed of K. Lenaerts, President of the Chamber, R. Silva de Lapuerta (Rapporteur), E. Juhász, G. Arestis and T. von Danwitz, Judges,

Advocate General: N. Jääskinen,

Registrar: A. Calot Escobar,

having regard to the written procedure,

after considering the observations submitted on behalf of:

— Securvita Gesellschaft zur Entwicklung alternativer Versicherungskonzepte mbH, by J. Nabert, Rechtsanwalt,

— the Italian Government, by G. Palmieri, acting as Agent, assisted by G. Palatiello, avvocato dello Stato,

— the Polish Government, by M. Szpunar, acting as Agent,

— the European Commission, by T. van Rijn and F. Bulst, acting as Agents,

* Language of the cases: German.

after hearing the Opinion of the Advocate General at the sitting on 26 January 2012,

gives the following

Judgment

1 The present references for a preliminary ruling concern the interpretation of Article 3(1)(b) and (c) of Directive 2008/95/EC of the European Parliament and of the Council of 22 October 2008 to approximate the laws of the Member States relating to trade marks (OJ 2008 L 299, p. 25) ('the directive').

2 The references have been made in the course of two sets of proceedings between, first, Mr Strigl and the Deutsches Patent- und Markenamt (German Patent and Trade Mark Office) ('the Trade Mark Office') and, second, Securvita Gesellschaft zur Entwicklung alternativer Versicherungskonzepte mbH ('Securvita') and Öko-Invest Verlagsgesellschaft mbH ('Öko-Invest') concerning registration, as word marks, of the expression 'Multi Markets Fund MMF' with regard to the first set of proceedings, and of the expression 'NAI — Der Natur-Aktien-Index' in respect of the second.

Legal context

European Union ('EU') law

3 Article 3 of the directive, entitled 'Grounds for refusal or invalidity', provides:

'(1) The following shall not be registered or, if registered, shall be liable to be declared invalid:

(a) signs which cannot constitute a trade mark;

(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, value, geographical origin, or the time of production of the goods or of rendering of the service, or other characteristics of the goods or services;

…'

National law

4 Paragraph 8(2)(1) and (2) of the Law on the protection of trade marks and other distinctive signs (Gesetz über den Schutz von Marken und sonstigen Kennzeichen) of 25 October 1994 (BGBl. 1994 I, p. 3082) ('the MarkenG') provides:

'The following shall not be registered:

(1) trade marks which are devoid of any distinctive character in relation to the goods or services concerned;

(2) 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 services.'

The actions in the main proceedings and the questions referred for a preliminary ruling

Case C-90/11

5 The application for registration of the word mark 'Multi Markets Fund MMF' was filed in 2008 by Mr Strigl at the Trade Mark Office for services in Class 36 of the Nice Agreement of 15 June 1957 concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks, as revised and amended, and corresponding to the following description: 'Insurance (insurance consultancy, sales and brokerage); consultancy in insurance matters; financial affairs (services of banks and credit institutions, financial consultancy, investments, trustee transactions, monetary affairs); real estate affairs (real estate and house management, real estate brokerage); investment and financial consultancy'.

6 By orders of 23 May 2008 and of 11 September 2008, the Trade Mark Office dismissed the application for registration on the basis of Paragraph 8(2)(1) and (2) of the MarkenG.

7 So far as the word combination 'Multi Markets Fund' is concerned, the Trade Mark Office took the view that this designates an investment fund which invests in many financial markets.

8 So far as the letter sequence 'MMF' is concerned, the Trade Mark Office found, inter alia, that it was conceivable that, in so far as the relevant public was unaware of the meaning of that sequence, it would understand it as the self-evident abbreviation of the three word elements of the sign 'Multi Markets Fund', since it immediately follows those three words and comprises their initial letters.

9 While recognising that the letter sequence 'MMF' could, in isolation, be given various meanings, the Trade Mark Office found, however, that, in context with the other elements of the mark for which registration was sought and the services claimed, the range was clearly reduced.

10 Mr Strigl brought an action against that refusal before the Bundespatentgericht (Federal Patent Court). He submits that the mark applied for can have many meanings in the financial sector and does not establish a specific link with any particular financial service. The element 'MMF' could, he argues, correspond to a large number of abbreviations, a fact which serves to refute the argument that the expression is capable of descriptive use.

11 In those circumstances, the Bundespatentgericht decided to stay the proceedings and to refer the following question to the Court of Justice for a preliminary ruling:

'Is the ground for refusal under Article 3(1)(b) and/or (c) of the directive also applicable to a word sign which consists of a descriptive word combination and a non-descriptive letter sequence, if the relevant public perceives the letter sequence as an abbreviation of the descriptive words because it reproduces their initial letters, and the trade mark as a whole can thus be construed as a combination of mutually explanatory descriptive indications or abbreviations?'

Case C-91/11

12 The word mark 'NAI — Der Natur-Aktien-Index' was registered on 25 June 2001 at the Trade Mark Office on behalf of Securvita for services in Class 36 of the Nice Agreement of 15 June 1957 concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks, as revised and amended.

13 On 18 July 2007, Öko-Invest brought an application for cancellation of that mark, claiming that the letter sequence 'NAI' is used in financial affairs as an abbreviation of the word combination 'Natur-Aktien-Index'. Öko-Invest takes the view that that word combination, situated after the letter

sequence, is a descriptive indication. The letter sequence, perceived as a mere abbreviation of the word combination, could, it argues, likewise only be regarded as descriptive. According to Öko-Invest, it is clear to the relevant trade circles that the indication describes the services for which the mark is registered, in so far as those services relate to a share index showing the shares of ecologically-oriented undertakings.

14 By order of 28 May 2008, the Trade Mark Office granted the application for cancellation of that mark. In support of that order, it stated that registration of the mark was precluded by the ground for invalidity set out in Paragraph 8(2)(1) of the Markengesetz, since the mark, as a whole, amounted to a combination of purely descriptive indications preceded by an abbreviation.

15 According to the Trade Mark Office, the letter sequence 'NAI' preceding the word combination is an abbreviation which would be identified as such by the relevant public. This follows from the fact that the initial letters of each word in the combination correspond to the letter sequence 'NAI' and that the idea of an abbreviation is further reinforced by the hyphen placed after 'NAI'.

16 Securvita lodged an appeal before the Bundespatentgericht against that order, claiming that registration of the mark could not be precluded by any ground for invalidity.

17 In those circumstances, the Bundespatentgericht decided to stay the proceedings and to refer the following question to the Court of Justice for a preliminary ruling:

'Is the ground for refusal under Article 3(1)(b) and/or (c) of the directive also applicable to a word sign which consists of a letter sequence which is non-descriptive — when considered on its own — and a descriptive word combination, if the relevant public perceives the letter sequence as an abbreviation of the descriptive words because it reproduces their initial letters, and the trade mark as a whole can thus be construed as a combination of mutually explanatory descriptive indications or abbreviations?'

Procedure before the Court

18 By order of the President of the Court of 26 May 2011, the two cases were joined for the purposes of the procedure and the judgment.

Consideration of the questions referred

Preliminary observations

19 As the grounds for refusal or invalidity set out in Article 3(1)(b) and (c) of the directive are identical to the grounds for refusal referred to in Article 7(1)(b) and (c) of Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark (OJ 1994 L 11, p. 1) replaced by Council Regulation (EC) No 207/2009 of 26 February 2009 on the Community trade mark (OJ 2009 L 78, p. 1), the case-law of the Court relating to those regulations is applicable to the provisions of the directive which are at issue in the disputes in the main proceedings.

20 As the national court has referred, on either a cumulative or an alternative basis, to the two grounds for refusal to register or for invalidity set out in Article 3(1)(b) and (c) of the directive, it should be noted, first of all, that, although each of the grounds for refusal to register listed in Article 3(1) of the directive is independent of the others and calls for separate examination, there is none the less a clear overlap between the scope of each of the grounds for refusal set out in Article 3(1)(b) and (c) (see, to that effect, Case C-363/99 *Koninklijke KPN Nederland* [2004] ECR I-1619, paragraph 85).

21 Thus, a sign which, in relation to the goods or services in respect of which its registration as a mark is applied for, has descriptive character for the purposes of Article 3(1)(c) of the directive is therefore necessarily devoid of any distinctive character as regards those goods or services, within the meaning of Article 3(1)(b) of that directive (see *Koninklijke KPN Nederland*, paragraph 86, and Case C-51/10 P *Agencja Wydawnicza Technopol* v *OHIM* [2011] ECR I-1541, paragraph 33 and the case-law cited).

22 Furthermore, the various grounds for refusal must be interpreted in the light of the general interest which underlies each of them. The general interest taken into account in the examination of those grounds for refusal may, or even must, reflect different considerations, depending upon which ground for refusal is at issue (see Joined Cases C-456/01 P and C-457/01 P *Henkel* v *OHIM* [2004] ECR I-5089, paragraphs 45 and 46, and Case C-329/02 P *SAT.1* v *OHIM* [2004] ECR I-8317, paragraph 25).

23 As regards verbal expressions which consist of a combination of elements, the Court has made it clear that the descriptive character of a mark may be assessed, in part, in relation to each of those elements, taken separately, but must, in any event, also be established in relation to the whole which they comprise (see, to that effect, Case C-273/05 P *OHIM* v *Celltech R&D* [2007] ECR I-2883, paragraphs 76 and 79 and the case-law cited).

24 It is in the light of those factors that the questions referred to the Court by the Bundespatentgericht must be examined.

The word combinations at issue in the main proceedings

25 So far as concerns the two principal word combinations featuring in the marks at issue in the main proceedings, that is to say, 'Multi Markets Fund' and 'Der Natur-Aktien-Index', the referring court states that these designate, in the first case, an investment fund which invests in many financial markets and, in the second case, a share index showing the shares of ecologically-oriented undertakings.

26 According to the referring court, those word combinations, as such, must be regarded as describing characteristics of the financial services being offered, within the meaning of Article 3(1)(c) of the directive, since they designate, in trade, a type of service and certain characteristics of that service.

The letter sequences at issue in the main proceedings

27 With regard to the letter sequences at issue in the main proceedings, the referring court finds that, taken in isolation, the signs 'MMF' and 'NAI' are not descriptive within the meaning of Article 3(1)(c) of the directive.

28 Those sequences are not, as such, capable of designating any characteristic of the services concerned within the meaning of Article 3(1)(c) of the directive.

Overall assessment of the marks applied for

29 It follows from the foregoing that, by its questions, the referring court seeks to ascertain whether the grounds for refusal under Article 3(1)(b) and/or (c) of the directive are applicable to a word mark which consists of the juxtaposition of a descriptive word combination and a letter sequence which is non-descriptive in itself but which reproduces the initial letters of the words making up that word combination.

30 In that regard, it must be noted that Article 3(1)(b) of the directive is intended to preclude registration of trade marks which are devoid of the distinctive character which alone renders them capable of fulfilling the essential function of a trade mark, which is to guarantee the identity of the origin of the marked product or service to the consumer or end-user by enabling him, without any possibility of confusion, to distinguish that product or service from others which have another origin (see Case C-299/99 *Philips* [2002] ECR I-5475, paragraph 30, and *SAT.1* v *OHIM*, paragraph 23).

31 The general interest underlying Article 3(1)(c) of the directive is that of ensuring that descriptive signs relating to one or more characteristics of the goods or services in respect of which registration as a mark is sought may be freely used by all traders offering such goods or services (see *Agencja Wydawnicza Technopol* v *OHIM*, paragraph 37 and the case-law cited).

32 In the main proceedings, it must be noted that, in each of the two cases, the three capital letters at issue, that is to say, 'MMF' and 'NAI' respectively, represent the initial letters of the word combinations to which they are attached. Thus, the word combination and the letter sequence, in each case, are intended to clarify each other and to draw attention to the fact that they are linked. Each letter sequence is therefore designed to support the relevant public's perception of the word combination, by simplifying its use and by making it easier to remember.

33 In that regard, the fact that the letter sequence precedes or follows the word combination is of no importance.

34 As regards the composition 'NAI — Der Natur-Aktien-Index', it must also be noted that the letter sequence 'NAI' is followed by a hyphen which links it to the word combination. That hyphen is liable, as is apparent from the order for reference, to reinforce the overall impression that the letter sequence is merely an abbreviation of the word combination that follows it. In addition, and as the referring court points out, that conclusion is not affected by the fact that the letter sequence 'NAI' does not encompass the initial letter of the definite article 'Der' contained in the word combination that follows it, in so far as the article 'Der' is merely an accessory to the nouns the initial letters of which are repeated in the letter sequence at issue.

35 Furthermore, there is no additional element which would allow the view to be taken that the juxtaposition of the word combination and the letter sequence is unusual or might have its own meaning which, in the perception of the relevant public, distinguishes the services offered from those of a different commercial origin (see, to that effect, Case C-304/06 P *Eurohypo* v *OHIM* [2008] ECR I-3297, paragraph 69).

36 By contrast, the mere fact of bringing a letter sequence, as an abbreviation, and a word combination together, without introducing any unusual variations, is liable to result in a verbal expression consisting exclusively of signs or indications which may serve, in trade, to designate characteristics of the services concerned (see, to that effect, *Koninklijke KPN Nederland*, paragraph 98).

37 Moreover, if, as the referring court suggests, the letter sequences at issue in the main proceedings are perceived by the relevant public to be abbreviations of the word combinations to which they are juxtaposed, those sequences cannot be more than the sum of all the elements of the mark, taken as a whole, even though they may be considered to have distinctive character in themselves.

38 On the contrary, as the Advocate General has noted in point 56 of his Opinion, the letter sequence which reproduces the initial letters of the words comprising that word combination occupies only an ancillary position in relation to the word combination. As the referring court suggests, each of the letter sequences at issue, although not descriptive when considered in isolation, may be descriptive when combined, within the mark at issue, with a principal expression, which itself is descriptive as such, of which it is perceived to be an abbreviation.

39 It follows that, if the relevant public perceive the marks at issue in the main proceedings, considered overall, as providing information on the characteristics of the financial services which they designate, those marks should then be considered to be descriptive, within the meaning of Article 3(1)(c) of the directive, and, therefore, as being necessarily devoid of any distinctive character with regard to those services within the meaning of Article 3(1)(b) of the directive (see, to that effect, *Koninklijke KPN Nederland*, paragraph 86).

40 The answer to the questions referred is therefore that Article 3(1)(b) and (c) of the directive must be interpreted as meaning that it is applicable to a word mark which consists of the juxtaposition of a descriptive word combination and a letter sequence which is non-descriptive in itself, if the relevant public perceives that sequence as being an abbreviation of that word combination by reason of the fact that it reproduces the first letter of each word of that combination, and that the mark in question, considered as a whole, can thus be understood as a combination of descriptive indications or abbreviations which is therefore devoid of distinctive character.

Costs

41 Since these proceedings are, for the parties to the main proceedings, a step in the actions pending before the national court, the decisions on costs are a matter for that court. Costs incurred in submitting observations to the Court, other than the costs of those parties, are not recoverable.

On those grounds, the Court (Third Chamber) hereby rules:

Article 3(1)(b) and (c) of Directive 2008/95/EC of the European Parliament and of the Council of 22 October 2008 to approximate the laws of the Member States relating to trade marks must be interpreted as meaning that it is applicable to a word mark which consists of the juxtaposition of a descriptive word combination and a letter sequence which is non-descriptive in itself, if the relevant public perceives that sequence as being an abbreviation of that word combination by reason of the fact that it reproduces the first letter of each word of that combination, and that the mark in question, considered as a whole, can thus be understood as a combination of descriptive indications or abbreviations which is therefore devoid of distinctive character.

[Signatures]