JUDGMENT OF THE COURT OF FIRST INSTANCE (Third Chamber)

9 November 2005 *

In Case T-275/03,

Focus Magazin Verlag GmbH, established in Munich (Germany), represented by U. Gürtler, lawyer,

applicant,

v

Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM), represented by A. von Mühlendahl, B. Müller and G. Schneider, acting as Agents,

defendant,

* Language of the case: German.

the other party to the proceedings before the OHIM Board of Appeal having been

ECI Telecom Ltd, established in Petah Tikva (Israel),

ACTION brought against the decision of the Fourth Board of Appeal of OHIM of 30 April 2003 (Case R 913/2001-4) concerning opposition proceedings between Focus Magazin Verlag GmbH and ECI Telecom Ltd,

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

composed of M. Jaeger, President, V. Tiili and O. Czúcz, Judges,

Registrar: K. Andová, Administrator,

having regard to the application and reply lodged at the Registry of the Court of First Instance on 4 August 2003 and 2 April 2004, respectively,

having regard to the response and rejoinder lodged at the Registry of the Court of First Instance on 10 December 2003 and 8 July 2004, respectively,

further to the hearing on 12 May 2005,

gives the following

Judgment

Background to the case

1 On 1 October 1999, ECI Telecom Ltd ('ECI Telecom') filed an application for a Community trade mark at the Office for Harmonisation 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.

2 The trade mark in respect of which registration was sought is the word sign Hi-FOCuS.

3 The goods and services in respect of which registration of the trade mark was sought are in Classes 9 and 38 of the Nice Agreement concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, as revised and amended, and correspond to the following description:

— Class 9: 'Telecommunication and switching systems for transporting a variety of telephone services and consisting of a scaleable broadband access system; telecommunication systems utilising copper technology; telecommunication systems utilising optical fibres; telecommunication and switching systems

utilising an asynchronous transfer mode; telecommunication systems for transporting a variety of telephone services between an area network and a subscriber including a central office and a subscriber unit';

— Class 38: 'Transporting a variety of telephone services in a scaleable broadband access system; transporting telecommunication in systems utilising copper technology; transporting telecommunication in systems utilising optical fibres; transporting telecommunication and providing switching services in asynchronous transfer mode systems; providing telephone services between an area network and a subscriber including a central office and a subscriber unit'.

4 The application was filed in English. French was designated as the second language under Article 115(3) of Regulation No 40/94.

5 That application was published in *Community Trade Marks Bulletin* No 41/00 of 22 May 2000.

6 On 18 July 2000, Focus Magazin Verlag GmbH gave notice of opposition under Article 42 of Regulation No 40/94 against the registration of the trade mark applied for. The opposition was based on the national word mark FOCUS, registered in Germany on 23 May 1996 under No 394 07 564, in respect of goods and services coming within Classes 3, 5, 6, 7, 8, 9, 14, 15, 18, 20, 21, 24, 25, 26, 28, 29, 30, 33, 34, 36, 38, 39, 41 and 42.

7 Notice of opposition was given against all the goods and services covered by the Community trade mark application and was based on all the goods and services covered by the earlier mark. In the notice of opposition, the applicant relied on the relative grounds for refusal laid down in Article 8(1)(b) and Article 8(5) of Regulation No 40/94.

8 The notice of opposition contained, by way of proof of registration of the earlier mark, a certificate of registration of the German mark on which the opposition was based, issued in German, and also a certificate of registration of the international trade mark FOCUS bearing No 663 349, of which the applicant was also the proprietor, drawn up in French. The applicant had chosen French as the language of the proceedings.

9 On 19 September 2000, the Opposition Division gave the applicant until 19 November 2000 to provide the list of goods and services in French, failing which the notice of opposition would be rejected as inadmissible. The document by which that period was granted contained the words 'Notification to the opponent of the deficiencies noted in the notice of opposition (Rules 15 and 18(2) of [Commission Regulation (EC) No 2868/95 of 13 December 1995 implementing Regulation No 40/94 (OJ 1995 L 303, p. 1)])'.

10 By fax of 27 September 2000, the applicant informed OHIM that it had already produced the translation requested, at the same time as the notice of opposition. It again provided the certificate of registration of international trade mark No 663 349, stating that it was the official translation of the international registration of the German trade mark on which the opposition was based, as established by the World Intellectual Property Organisation (WIPO).

11 On 15 January 2001, the Opposition Division sent the applicant another document entitled 'Notification to the opponent of the date of opening of the adversarial phase of the opposition proceedings and of the time-limit for providing the facts, evidence

and arguments in support of an opposition (Rules 19(1), 16(3), 17(2) and 20(2) of Regulation [No 2868/95])'. That document was accompanied by an explanatory note on the evidence to be provided in support of the opposition.

12 By letter of 21 March 2001, ECI Telecom informed the applicant of its wish to settle the matter amicably.

13 On 15 May 2001, the applicant provided additional documents containing facts, evidence and arguments in support of its opposition.

14 On 12 July 2001, OHIM informed the applicant that it had forwarded those documents to ECI Telecom, but noted that, as the applicant had not provided a complete translation into the language of the proceedings of the certificate of registration of the only trade mark on which the opposition was based, namely German trade mark No 394 07 564, OHIM would take a decision on the opposition.

15 On 16 July 2001, the applicant once again sent OHIM its letter of 27 September 2000, according to which the list of goods and services covered by the earlier German trade mark was the same as that for the international trade mark. It stated that the international certificate of registration referred explicitly to the earlier German mark as the basic trade mark, and to the date of priority, that the certificate of registration for the earlier mark contained all the information along with standardised codes and that, accordingly, ECI Telecom was in a position to take cognisance of all the necessary information.

16 By decision of 27 August 2001, the Opposition Division rejected the opposition on the ground that, since it had failed to provide a complete translation of the certificate of registration of its German trade mark, the applicant had not adduced proof of the existence of its earlier mark. It found that the reference to the list of goods and services covered by the international trade mark could not be regarded as a complete translation into French of the German certificate of registration.

17 On 15 October 2001, the applicant filed a notice of appeal with OHIM against the decision of the Opposition Division, pursuant to Articles 57 to 62 of Regulation No 40/94. Attached to the notice of appeal was the French translation of the German certificate of registration of the earlier mark.

18 By decision of 30 April 2003 ('the contested decision'), the Fourth Board of Appeal dismissed the appeal. It held that the applicant was required to provide proof of the existence of its earlier mark by submitting the translation of its certificate of registration and that the evidence submitted in the case was insufficient. The Board of Appeal further held that OHIM was not required to inform the opponent that a document, or a translation thereof, was insufficient for the purposes of proving the existence of an earlier right. The Board of Appeal also refused to take into consideration the translation of the German certificate of registration, which was produced for the first time before it.

Forms of order sought

19 The applicant claims that the Court should:

— annul the decision of the Opposition Division;

— annul the contested decision;

— order OHIM to rule on the merits of the case having regard to the judgment of the Court of First Instance;

— order OHIM to pay the costs.

20 OHIM contends that the Court should:

— dismiss the action;

— order the applicant to pay the costs.

Admissibility of the applicant's third head of claim

21 By its third head of claim, the applicant asks the Court to order OHIM to rule on the merits of the case having regard to the judgment of this Court.

22 The Court notes in this connection that under Article 63(6) of Regulation No 40/94, OHIM is required to take the measures necessary to comply with the judgments of

the Community courts. Accordingly, the Court of First Instance is not entitled to issue directions to OHIM. It is for the latter to draw the consequences of the operative part of the judgments of the Court of First Instance and the grounds on which they are based (Case T-331/99 *Mitsubishi HiTec Paper Bielefeld* v *OHIM (Giroform)* [2001] ECR II-433, paragraph 33; Case T-34/00 *Eurocool Logistik* v *OHIM (EUROCOOL)* [2002] ECR II-683, paragraph 12; and Case T-129/01 *Alejandro* v *OHIM — Anheuser-Busch (BUDMEN)* [2003] ECR II-2251, paragraph 22).

23 The applicant's third head of claim is therefore inadmissible.

Substance

24 The applicant relies essentially on three pleas in law in support of its action: first, failure by the Opposition Division to take into account the evidence submitted; second, breach of the obligation to examine the evidence produced by the applicant before the Board of Appeal, and, third, disregard of the rules governing proof of the existence of the earlier mark.

25 It is appropriate to begin by considering the second plea.

Arguments of the parties

26 The applicant submits that proof of the earlier right may still be furnished at the stage of the appeal before the Board of Appeal.

27 Rules 16 to 20 of Regulation No 2868/95, which limit the period during which proof may be furnished, apply only to opposition proceedings. Moreover, the principle of effective judicial protection would be infringed if it was not possible to put forward other evidence of the existence of the earlier mark during appeal proceedings.

28 The applicant submits that it follows from Case T-308/01 *Henkel* v *OHIM — LHS (UK) (KLEENCARE)* [2003] ECR II-3253 that proof of the existence of the earlier mark may still be produced at the appeal stage. The issue of whether or not new evidence is to be taken into account is to be decided on a case-by-case basis and, in the present case, that decision should have led to the translation provided being taken into account.

29 According to the applicant, far from reducing OHIM's workload, the failure to take new evidence and facts into account only serves to increase that workload, which runs counter to the principle of legal certainty. If oppositions were to be rejected due to mere errors of form, holders of earlier marks could immediately submit applications for a declaration of invalidity pursuant to Articles 52 and 55 of Regulation No 40/94, which would entail a re-examination of all the facts.

30 Moreover, as ECI Telecom did not challenge at first instance the existence of the earlier mark, it should also accept that other evidence may be produced. The balancing of interests provided for under Article 74(2) of Regulation No 40/94 thus requires that the translation of the German certificate of registration be taken into account. Since the applicant produced evidence during the opposition proceedings, albeit in a language other than that of the proceedings, it would be fair to allow it to produce the corresponding translation at the appeal stage. ECI Telecom also has the possibility of bringing proceedings before this Court and thus its rights of the defence are not infringed.

31 OHIM submits that the judgment in *KLEENCARE*, cited above, is not applicable to the present case. Taking account of the facts and legal situation on the date of the Board of Appeal's decision cannot have the effect of remedying procedural deficiencies or supplementing a file after the prescribed time-limit. In inter partes proceedings, OHIM would have a discretion as to the admissibility of new facts or evidence only if it had not previously laid down a period for their submission, which was not the case here. This interpretation is supported by Case T-388/00 *Institut für Lernsysteme* v *OHIM — Educational Services (ELS)* [2002] ECR II-4301, paragraph 29), concerning the production of evidence of use of the earlier mark (Case T-232/00 *Chef Revival USA* v *OHIM — Massagué Marín (Chef)* [2002] ECR II-2749).

32 OHIM submits that, if the parties were free to remedy the failure to comply with time-limits before the first authority of OHIM by presenting facts or evidence for the first time before the Board of Appeal, the procedure for registering Community trade marks would be made considerably longer, to the detriment of legal certainty.

33 OHIM adds that the decisions ruling on oppositions do not have binding effect, whereas a decision to reject an application for a declaration of invalidity, once definitive, is res judicata. The two procedures are distinct and derive from a Community regulation; the applicant's line of argument results in that distinction being undermined.

34 It would be unacceptable to restrict ECI Telecom's rights of defence to the appellate authority within OHIM (order in Case T-235/02 *Strongline* v *OHIM — Scala*

(SCALA) [2003] ECR II-4903). The continuity in terms of functions between the departments of OHIM requires that the legal consequences of a failure to comply with a time-limit continue to have their effect before the Board of Appeal. The lack of opportunity to make submissions before one department due to the admissibility of new pleas at the appeal stage cannot be remedied by the possibility of bringing a case before the Court of First Instance and, in certain cases, the Court of Justice, because proceedings before the Community courts are considerably more complex and costly than the administrative proceedings before OHIM.

Findings of the Court

35 In the present case it is common ground that the applicant submitted, together with the notice of opposition, the German certificate of registration of the earlier mark, as well as the certificate of registration of its international trade mark No 663 349, which was based on the earlier mark and drawn up in French. It is also common ground that the applicant supplied, by way of annex to its appeal against the Opposition Division's decision, the French translation of the German certificate of registration of the earlier mark.

36 The latter document was produced by the applicant because the Opposition Division had found that the certificate of registration of the international trade mark, based on the earlier national mark, could not be regarded as a complete translation of the German certificate of registration into the language of the proceedings, even though the applicant had informed it that it was the official translation, as drawn up by WIPO, of the international registration of the German mark on which the opposition was based.

37 The Court notes that it follows from the continuity in terms of functions between the departments of OHIM that, within the scope of application of Article 74(1) in fine of Regulation No 40/94, the Board of Appeal is required to base its decision on all the matters of fact and of law which the party concerned introduced either in the proceedings before the department which heard the application at first instance or, subject only to Article 74(2), in the appeal (*KLEENCARE*, cited above, paragraph 32). Thus, contrary to OHIM's assertions, as regards inter partes proceedings the continuity in terms of their functions between the various departments of OHIM does not mean that a party which, before the department hearing the application at first instance, did not produce certain matters of fact or of law within the time-limits laid down before that department would not be entitled, under Article 74(2) of Regulation No 40/94, to rely on those matters before the Board of Appeal. On the contrary, the continuity in terms of functions means that such a party is entitled to rely on those matters before the Board of Appeal, subject to compliance with Article 74(2) of that regulation before the Board (Case T-164/02 *Kaul* v *OHIM — Bayer (ARCOL)* [2004] ECR II-3807, paragraph 29).

38 Accordingly, in the present case, since the document in question was not submitted out of time for the purposes of Article 74(2) of Regulation No 40/94, but was annexed to the pleading lodged by the applicant before the Board of Appeal on 15 October 2001, that is, within the four-month time-limit laid down in Article 59 of Regulation No 40/94, that board could not refuse to take account of that document.

39 In those circumstances, there is no relevance in the reference made by OHIM to *Chef*, cited above, which did not concern evidence produced before the Board of Appeal, but whether the Opposition Division was under an obligation to draw the opponent's attention to the deficiency consisting in its failure to produce, within the period laid down for that purpose, the translation of the registration certificate for the earlier national mark. Moreover, in that case, since the opponent had also not

produced the translation after the expiry of the time-limit, the Court of First Instance did not find it necessary to rule on whether and to what extent facts or evidence produced after the expiry of a time-limit set by OHIM might or might not be taken into account by it under Article 74(2) of Regulation No 40/94 (*Chef*, cited above, paragraphs 63 to 65).

40 Nor can the reference made by OHIM to the *ELS* case, cited above, be of help in respect of the production of evidence of use of the earlier mark after expiry of the time-limit set by OHIM in the proceedings before the Opposition Division since, if evidence has been produced before the Board of Appeal within the time-limits, the Board of Appeal is required to take it into consideration in examining the appeal (*KLEENCARE*, cited above, paragraph 32; and *ARCOL*, cited above, paragraph 29). In any event, in must be borne in mind that, in the present case, the applicant had already produced before the Opposition Division, within the time-limits, evidence of the existence of its earlier right and, subsequently, before the Board of Appeal, an additional translation, since the Opposition Division had not regarded the international certificate of registration as a complete translation of the earlier mark.

41 Nor is the reference made by OHIM to the order in *SCALA*, cited above, relevant. In that case, the applicant had produced the documents and necessary translations for the first time before the Court of First Instance whereas, in the present case, the production and taking into account of the translation in question before the Board of Appeal would have enabled ECI Telecom to exercise its rights of defence in the inter partes proceedings and the Board of Appeal to verify with sufficient certainty the genuineness of the rights relied on (order in *SCALA*, cited above, paragraph 45). Moreover, given the nature of the international certificate of registration, drawn up in the language of the proceedings, the possibility cannot be excluded that that certificate, combined with the German certificate of registration, in German, would have enabled ECI Telecom, as from the proceedings before the Opposition Division, to exercise its rights of defence in the inter partes proceedings and the Board of Appeal to verify with sufficient certainty the genuineness of the rights relied on.

42 Moreover, OHIM's argument to the effect that the procedure for registering Community trade marks would be made considerably longer if the parties were able to produce facts or evidence for the first time before the Board of Appeal cannot be accepted in this case. On the contrary, since a number of pieces of concordant evidence in favour of the existence of the earlier right were produced at the stage of the proceedings before the Opposition Division, the refusal to accept the additional translation produced before the Board of Appeal has had the effect of making these proceedings longer.

43 It follows that, by failing to take into consideration the document produced by the applicant before it within the time-limit laid down by Article 59 of Regulation No 40/94, the Board of Appeal infringed Article 74 of that regulation. Accordingly, the contested decision must be annulled, without its being necessary to rule on the other pleas and without the Court having to rule on the admissibility of the plea for annulment of the Opposition Division's decision.

Costs

44 Under Article 87(2) of the Rules of Procedure of the Court of First Instance, the unsuccessful party is to be ordered to pay the costs if they have been applied for in the successful party's pleadings.

45 Since OHIM has been unsuccessful, it must be ordered to pay the costs, as applied for by the applicant.

On those grounds,

THE COURT OF FIRST INSTANCE (Third Chamber)

hereby:

1. **Annuls the decision of the Fourth Board of Appeal of the Office for Harmonisation in the Internal Market (Trade Marks and Designs) of 30 April 2003 (Case R 913/2001-4);**

2. **Orders the defendant to pay the costs.**

Jaeger Tiili Czúcz

Delivered in open court in Luxembourg on 9 November 2005.

E. Coulon M. Jaeger

Registrar President