Reports of Cases

JUDGMENT OF THE GENERAL COURT (First Chamber)

21 September 2012*

(Community trade mark — Opposition proceedings — Application for Community word mark WESTERN GOLD — Earlier national, international and Community word marks WESERGOLD, Wesergold, and WeserGold — Relative grounds for refusal — No likelihood of confusion — Article 8(1)(b) of Regulation (EC) No 207/2009 — Distinctiveness of the earlier marks)

In Case T-278/10,

Wesergold Getränkeindustrie GmbH & Co. KG, established in Rinteln (Germany), represented by P. Goldenbaum, T. Melchert and I. Rohr, lawyers,

applicant,

v

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

defendant,

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

Lidl Stiftung & Co. KG, established in Neckarsulm (Germany), represented by A. Marx and M. Schaeffer, lawyers,

ACTION brought against the decision of the First Board of Appeal of OHIM of 24 March 2010 (Case R 770/2009-1) concerning opposition proceedings between Wesergold Getränkeindustrie GmbH & Co. KG and Lidl Stiftung & Co. KG,

THE GENERAL COURT (First Chamber),

composed of J. Azizi (Rapporteur), President, S. Frimodt Nielsen and M. Kancheva, Judges,

Registrar: C. Heeren, Administrator,

having regard to the application lodged at the Court Registry on 21 June 2010,

having regard to the response of OHIM lodged at the Court Registry on 12 November 2010,

having regard to the response of the intervener lodged at the Court Registry on 30 September 2010,

* Language of the case: German.

further to the hearing on 27 June 2012,

gives the following

Judgment

Background to the dispute

1 On 23 August 2006, the intervener — Lidl Stiftung & Co. KG — filed an application for registration of 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 (replaced by Council Regulation (EC) No 207/2009 of 26 February 2009 on the Community trade mark (OJ 2009 L 78, p. 1)).

2 The mark in respect of which registration was sought is the word sign WESTERN GOLD.

3 The goods in respect of which registration was sought are in Class 33 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 correspond to the following description: ‘Spirits, in particular whisky’.

4 The application for a Community trade mark was published in Community Trade Marks Bulletin No 3/2007 of 22 January 2007.

5 On 14 March 2007, the applicant — Wesergold Getränkeindustrie GmbH & Co. KG — filed a notice of opposition, under Article 42 of Regulation No 40/94 (now Article 41 of Regulation No 207/2009), against registration of the mark applied for in respect of the goods referred to in paragraph 3 above.

6 The opposition was based on various earlier marks.

7 The first earlier trade mark relied upon was the Community word sign WeserGold, filed on 3 January 2003 and registered on 2 March 2005 under No 2994739, in respect of goods in Classes 29, 31 and 32 and corresponding, for each of those classes, to the following description:

— Class 29: ‘Preserved, dried and cooked fruits and vegetables; jellies, jams, compotes; milk products, namely yoghurt drinks, consisting mainly of yoghurt, fruit juices or vegetable juices’;

— Class 31: ‘Fresh fruits’;

— Class 32: ‘Mineral and aerated waters; other non-alcoholic beverages, namely lemonades, carbonated drinks and cola drinks; fruit juices, fruit drinks, vegetable juices and vegetable drinks; syrups and other preparations for making beverages’.

8 The second earlier trade mark relied upon was the German word mark WeserGold, filed on 26 November 2002 and registered on 27 February 2003 under No 30257995, in respect of goods in Classes 29, 31 and 32 and corresponding, for each of those classes, to the following description:

— Class 29: ‘Preserved, dried and cooked fruits and vegetables; jellies, jams, compotes; milk products, namely yoghurt drinks, consisting mainly of yoghurt, fruit juices or vegetable juices’;

— Class 31: ‘Fresh fruits’;

— Class 32: ‘Mineral and aerated waters; other non-alcoholic beverages, namely lemonades, carbonated drinks and cola drinks; fruit juices, fruit drinks, vegetable juices and vegetable drinks; syrups and other preparations for making beverages’.

9 The third earlier trade mark relied upon was the international word mark No 801149 Wesergold, filed on 13 March 2003, and producing its effects in the Czech Republic, Denmark, Spain, France, Italy, Hungary, Austria, Poland, Portugal, Slovenia, Sweden, the United Kingdom and the Benelux countries, in respect of goods in Classes 29, 31 and 32 and corresponding, for each of those classes, to the following description:

— Class 29: ‘Preserved, dried and cooked fruits and vegetables; jellies, jams, compotes; milk products, namely yoghurt drinks, consisting mainly of yoghurt, fruit juices or vegetable juices’;

— Class 31: ‘Fresh fruits’;

— Class 32: ‘Mineral and aerated waters; other non-alcoholic beverages, namely lemonades, carbonated drinks and cola drinks; fruit juices, fruit drinks, vegetable juices and vegetable drinks; syrups and other preparations for making beverages’.

10 The fourth earlier trade mark relied upon was the German word mark WESERGOLD, filed on 12 June 1970, registered on 16 February 1973 under No 902472 and renewed on 13 June 2000, in respect of goods in Class 32 and corresponding to the following description: ‘Ciders, lemonades, mineral water, vegetable juice beverages, fruit juice’.

11 The fifth earlier trade mark relied upon was the Polish word mark WESERGOLD, filed on 26 June 1996 and registered on 11 May 1999 under No 161413, in respect of goods in Class 32 and corresponding to the following description: ‘Mineral water and eaux de source; table water; non-alcoholic beverages, fruit juices, fruit nectars, fruit syrups, vegetable juices, vegetable nectars, soft drinks, fruit-based beverages, mineral beverages, iced teas, aromatised water, mineral water with added fruit juice – all the abovementioned beverages as dietary preparations for non-medical purposes’.

12 The ground relied on in support of the opposition was that referred to in Article 8(1)(b) of Regulation No 40/94 (now Article 8(1)(b) of Regulation No 207/2009).

13 On 11 June 2009, the Opposition Division upheld the opposition and rejected the application for the Community trade mark. For reasons of procedural economy, the Opposition Division limited its examination of the opposition to the earlier Community word sign for which proof of genuine use was not required.

14 On 13 July 2009, the intervener filed a notice of appeal with OHIM, pursuant to Articles 58 to 64 of Regulation No 207/2009, against the decision of the Opposition Division.

15 By decision of 24 March 2010 (‘the contested decision’), the First Board of Appeal of OHIM upheld the action and annulled the Opposition Division’s decision. It found that the relevant public consisted of the general public of the European Union. In its view, the goods covered by the mark applied for, in Class 33 – namely, ‘spirits and, in particular whisky’ – were not similar to the goods covered by the earlier trade marks, in Classes 29 and 31 (see paragraphs 20 and 21 of the contested decision). The Board of Appeal found that there was a low degree of similarity between the goods covered by the mark applied for in Class 33 and those covered by the earlier marks in Class 32 (see paragraphs 22 to 28 of the contested decision). The signs at issue showed a medium degree of visual (see paragraph 33 of the contested decision) and phonetic (see paragraph 34 of the contested decision) similarity, but were conceptually different (see paragraphs 35 to 37 of the contested decision). As regards the distinctiveness of the earlier trade marks, the Board of Appeal considered, in essence, that this was slightly below average owing to the presence of the word ‘gold’, which has a low

distinctiveness (see paragraphs 38 to 40 of the contested decision). Lastly, it stated that the evaluation of all the circumstances of the case, in the assessment of the likelihood of confusion, led to the conclusion that there was no likelihood of confusion between the signs at issue (see paragraphs 41 to 47 of the contested decision).

Forms of order sought

16 The applicant claims that the General Court should:

— annul the contested decision;

— order OHIM to pay the costs.

17 OHIM and the intervener contend that the Court should:

— dismiss the action;

— order the applicant to pay the costs.

Law

18 In support of its action, the applicant puts forward four pleas in law, alleging infringement of Article 8(1)(b), Article 64 and the second sentence of Article 75 of Regulation No 207/2009, respectively, and, in the alternative, infringement of the first sentence of Article 75 of that regulation. It claims, in essence, that the signs at issue are visually, phonetically, and conceptually similar; that the earlier marks have an inherent enhanced distinctiveness acquired through use; and that the goods covered by the signs at issue are similar. It submits, therefore, that there is a likelihood of confusion between the signs at issue for the relevant public.

19 OHIM and the intervener contest the merits of the pleas in law raised by the applicant. They contend that there is no likelihood of confusion between the signs at issue.

Preliminary observations

20 As a preliminary, it should be noted that Article 8(1)(b) of Regulation No 207/2009 provides that, 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.

21 According to settled case-law, the risk that the public might believe that the goods or services in question come from the same undertaking or from economically-linked undertakings constitutes a likelihood of confusion. According to that same line of authority, the likelihood of confusion must be assessed globally, according to the relevant public's perception of the signs and of the goods or services concerned and account being taken of all factors relevant to the circumstances of the case, in particular the interdependence between the similarity of the signs and that of the goods or services covered (see Case T-162/01 *Laboratorios RTB* v *OHIM - Giorgio Beverly Hills* (*GIORGIO BEVERLY HILLS*) [2003] ECR II-2821, paragraphs 30 to 33 and the case-law cited).

22 For the purposes of applying Article 8(1)(b) of Regulation No 207/2009, a likelihood of confusion presupposes both that the marks at issue are identical or similar and that the goods or services which they cover are identical or similar. Those conditions are cumulative (see Case T-316/07 *Commercy* v *OHIM - easyGroup IP Licensing* (*easyHotel*) [2009] ECR II-43, paragraph 42 and the case-law cited).

The relevant public

23 It is settled case-law that, in the global assessment of the likelihood of confusion, account should be taken of the average consumer of the category of goods concerned, who, as a rule, is reasonably well informed and reasonably observant and circumspect. It should also be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods or services in question (see, to that effect, Case T-256/04 *Mundipharma* v *OHIM - Altana Pharma* (*RESPICUR*) [2007] ECR II-449, paragraph 42 and the case-law cited).

24 In the present case, given the goods at issue, it is appropriate to confirm the Board of Appeal's definition of the relevant public — which, moreover, was not contested by the parties — according to which the relevant public is the general public.

25 As the contested decision is based, inter alia, on an earlier Community trade mark, the relevant public is the average European Union consumer.

The comparison of the goods

26 According to settled case-law, in order to assess whether the goods or services concerned are similar, all the relevant factors characterising the relationship between those goods or between those services should be taken into account. Those factors include, in particular, their nature, their intended purpose, their method of use, and whether they are in competition with each other or are complementary. Other factors may also be taken into account, such as the distribution channels of the goods concerned (see Case T-443/05 *El Corte Inglés* v *OHIM - Bolaños Sabri* (*PiraÑAM diseño original Juan Bolaños*) [2007] ECR II-2579, paragraph 37 and the case-law cited).

27 In the contested decision, the Board of Appeal found that the goods covered by the trade mark applied for in Class 33 were different from the goods covered by the earlier trade marks in Classes 29 and 31 (see paragraphs 20 and 21 of the contested decision). Furthermore, it found that the goods designated by the trade mark applied for in Class 33 and the goods covered by the earlier trade marks in Class 32 showed only a low degree of similarity (see paragraph 28 of the contested decision).

28 The applicant contests the Board of Appeal's finding that there is only a low degree of similarity between the goods designated by the trade mark applied for in Class 33 and those covered by the earlier trade marks in Class 32. It claims that there is a normal degree of similarity between those goods.

29 Accordingly, the applicant does not call into question the Board of Appeal's finding that the goods covered by the mark applied for in Class 33 are different from the goods covered by the earlier marks in Classes 29 and 31, but limits its plea to the Board of Appeal's finding regarding the similarity between the goods in Class 33 designated by the mark applied for and the goods in Class 32 covered by the earlier trade marks.

30 As regards that comparison, the applicant claims, first, that the fact that certain consumers are mindful of the difference between alcoholic beverages and non-alcoholic beverages does not mean that the other similarities between the goods in question can be overlooked. It submits that, for the great majority of consumers, the fact that a beverage contains, or does not contain, alcohol does not make a difference: rather, they make a spontaneous, impulsive choice from a selection of beverages proposed

to them, in particular, on the menu of a bar or restaurant. The applicant disputes the aptness of invoking, in that context, Case T-175/06 *Coca-Cola* v *OHIM- San Polo* (*MEZZOPANE*) [2008] ECR II-1055, since that decision concerned wine, and not spirits.

31 In that respect, it should be observed that the Board of Appeal was correct in considering that the very nature of goods is different in light of the presence or absence of alcohol in their composition. The presence, or absence, of alcohol in a beverage is perceived by the relevant public as a significant difference as regards the nature of the beverages at issue. Contrary to the assertions made by the applicant, members of the general public of the European Union are observant, and differentiate between alcoholic and non-alcoholic beverages even when they choose a beverage on impulse. Accordingly, the Board of Appeal was correct to find in the contested decision, taking as its point of reference the *MEZZOPANE* case (paragraph 30 above, paragraphs 80 to 82), that the average consumer makes that distinction when comparing the spirits of the mark applied for with the non-alcoholic beverages of the earlier marks.

32 Secondly, the applicant claims that there is a significant overlap between the intended purpose or method of use of the goods covered by the signs at issue, on the ground that spirits are often mixed with non-alcoholic beverages. Accordingly, those drinks are sometimes pre-prepared in a mixed form, such as 'alcopops', or even drunk together in the form of cocktails or long drinks.

33 In that respect, it should be pointed out that the Board of Appeal did not err in finding that the goods at issue overlapped partially as regards their intended purpose or method of use. The fact that spirits are often mixed with non-alcoholic drinks, whether in a pre-packaged form or in the form of cocktails and long drinks, does not call into question the fact that spirits — and whisky, in particular — are also often packaged and consumed unmixed.

34 Thirdly, the applicant contests the Board of Appeal's finding that, because of the particular process for producing spirits, which is completely different from the process used for non-alcoholic beverages, the relevant public does not assume that spirits and non-alcoholic beverages are produced by the same undertaking. The applicant claims that this finding does not correspond to reality and, in support of its argument, puts forward examples of producers of both fruit juices and fruit-based eaux-de-vie, and internet sites.

35 In that respect, it should be noted first of all that the applicant has produced the abovementioned evidence for the first time before the General Court. However, the purpose of actions before the Court is to secure review of the legality of decisions of the Boards of Appeal of OHIM for the purposes of Article 65 of Regulation No 207/2009 and, accordingly, the role of the Court is not to re-evaluate the facts in the light of documents produced for the first time before it. The abovementioned documents must therefore be disregarded, there being no need to assess their probative value (see, to that effect, Case T-346/04 *Sadas* v *OHIM - LTJ Diffusion* (*ARTHUR ET FELICIE*) [2005] ECR II-4891, paragraph 19 and the case-law cited). Moreover, the fact that, in a certain number of cases, producers of eaux-de-vie or other spirits also produce non-alcoholic beverages does not call into question the finding that the average consumer does not assume that spirits and non-alcoholic beverages are produced by the same undertaking. Given the entirely different methods of production, the Board of Appeal was entitled to find that the relevant public does not usually believe that alcoholic and non-alcoholic beverages come from the same undertaking.

36 The applicant also submits that the similarity of the goods does not depend on whether or not the goods at issue have been manufactured on the same production sites, but rather on whether the relevant public may believe that they come from the same undertaking or from connected undertakings. In the present case, the difference, relied upon by the Board of Appeal, between the production processes for spirits and those for non-alcoholic beverages supports the inference that the relevant public will not believe that the two types of product come from the same undertaking or from connected undertakings.

37 Fourthly, the applicant contests the Board of Appeal's finding that spirits are beverages consumed for pleasure whereas non-alcoholic beverages are beverages consumed to quench thirst. The applicant submits that, because of their high sugar content, many non-alcoholic beverages are not consumed to quench thirst, but are deliberately consumed for their taste and for pleasure.

38 In that respect, it should be observed that the relevant public will not perceive spirits as beverages intended to quench thirst. Furthermore, even if it is true that many non-alcoholic beverages with high sugar content are not thirst-quenching, the relevant public will nevertheless perceive them as such, especially when they are served chilled. Given the effects of alcohol on health as well as on physical and intellectual performance, the average consumer will only occasionally consume spirits, for pleasure and for their taste. In contrast, non-alcoholic beverages are generally consumed to quench thirst, despite the fact that the average consumer may choose them according to their taste. In any event, the Board of Appeal was correct to find that, for the relevant public, the presence or absence of alcohol and the differences in taste between spirits and the non-alcoholic beverages designated by the earlier trade marks were more significant than their common intended purpose and method of use.

39 Fifthly, the applicant claims that the goods at issue are complementary, in that spirits are consumed in many forms and mainly in a mixed form.

40 In that respect, it should be noted that complementary goods are goods which are closely connected in the sense that the purchase of one is indispensable or important for the use of the other (see, to that effect, *MEZZOPANE*, paragraph 30 above, paragraph 67). However, the purchase of non-alcoholic beverages cannot be considered indispensable for the purchase of spirits, or vice versa. While there is admittedly a link between those two types of product, it is limited to the case of mixed beverages. It is only in those circumstances that a purchaser of one of those products would be led to purchase the other or vice versa. However, as was noted in paragraph 33 above, spirits and non-alcoholic beverages are often consumed unmixed.

41 In view of all the above, the Board of Appeal did not make an error of assessment in finding that there is only a low degree of similarity between the spirits covered by the mark applied for and the non-alcoholic beverages covered by the earlier marks.

42 That conclusion cannot be called into question by the decision of the Fourth Board of Appeal of OHIM (Case R 83/2003-4), invoked by the applicant. According to settled case-law, 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 207/2009 are adopted in the exercise of circumscribed powers and are not a matter of discretion. The legality of decisions of the Boards of Appeal must therefore be assessed solely by reference to that regulation, and not to the practice of the Boards in earlier cases (Case C-412/05 P *Alcon* v *OHIM* [2007] ECR I-3569, paragraph 65, and *ARTHUR ET FELICIE*, paragraph 35 above, paragraph 71).

The comparison of the signs at issue

Preliminary remarks

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

44 As a preliminary point, it should be pointed out that the fact that the earlier marks composed of the same word — 'wesergold' — are written sometimes in upper-case letters, sometimes in lower-case letters, and sometimes with a capital letter at the beginning and in the middle of the word, is irrelevant for the comparison of the signs at issue. It is settled case-law that a word mark is a mark composed entirely of letters, of words or of combinations of words, written in printed characters in normal font, without any specific figurative element. As a consequence, the protection which results from registration of a word mark relates to the word mentioned in the application for registration and not to the specific figurative or stylistic elements which that mark might have (see, to that effect, Case T-254/06 *Radio Regenbogen Hörfunk in Baden* v *OHIM* (*RadioCom*), not published in the ECR, paragraph 43 and the case-law cited).

The visual comparison

45 The applicant contests the Board of Appeal's finding that the level of visual similarity between the signs at issue is average. It claims that there is a high degree of visual similarity between the signs at issue, on the ground that the use of a capital letter does not constitute a figurative element, but causes the word mark to be divided into two words. If it were otherwise, the space between two words within a word mark would have no significance and marks consisting of two or more words would be regarded as one-word marks. In the alternative, it submits that the mark applied for and all the earlier marks must, according to the above approach, each be regarded as a single word. Moreover, it claims that the earlier marks are clearly composed of two elements and that they are not pronounced differently according to whether they are written separately or together. The signs at issue can be pronounced in different ways, none of which is more likely than another and visual differences cannot be inferred from the way in which they are written.

46 In that respect, in the light of the case-law cited in paragraph 44 above, it is necessary to confirm the finding of the Board of Appeal that the alternate use of upper-case letters and lower-case letters within one of the earlier marks is irrelevant for the comparison of signs, since the earlier marks are word marks. Visually, therefore, a division of the earlier marks into two words cannot be relied upon, as the applicant claims, and it must be held that the earlier marks are composed of a single word.

47 The fact that the single word of the earlier marks may be perceived as a contraction of the words 'weser' and 'gold' has no bearing on the Board of Appeal's finding that the mark applied for will be visually perceived as comprising two words while the earlier mark comprises only one. Moreover, as the Board of Appeal noted, even if the order of the other letters is identical, the mark applied for is distinguished from the earlier marks by the letters 't' and 'n'. In view of those elements and the fact that the signs at issue contain the sequence of letters 'w', 'e', and 's' as well as 'e' and 'r', and the element 'gold', the Board of Appeal did not err in finding that the level of visual similarity between the signs at issue is average.

The phonetic comparison

48 The applicant contests the Board of Appeal's finding that the level of phonetic similarity between the signs at issue is average (see paragraph 34 of the contested decision). It claims that the mark applied for and the earlier marks have a strong phonetic similarity since they have the same number of syllables, the same final syllable, the same first three letters, and the same nine consecutive sounds which determine their pronunciation. According to the applicant, in the mark applied for, the letter 't' is merged with the preceding letter, 's', to form a single sound [s] and the letter 'n' is barely audible.

49 In that respect, it should be pointed out that the signs at issue both contain, in the same order, the sequences of letters 'w' 'e' 's' and 'e' 'r', as well as the word 'gold'. However, because of the presence of the letters 't' and 'n' in the mark applied for, WESTERN GOLD, that mark will be pronounced by the relevant public in a manner different from that of the earlier marks. Contrary to the applicant's claim,

the letters ‘n’ and ‘t’ are audible and produce a difference of rhythm and sound in the pronunciation of that mark for at least a part of the relevant public, in particular for the English, Spanish, French, and German general public. Accordingly, the final syllable of the first word of the mark applied for — the syllable ‘stern’ — will be pronounced and perceived phonetically as longer than the syllable ‘ser’ in the earlier marks. Furthermore, depending on the language of the relevant consumer, the letter ‘s’ in the mark applied for might or might not be pronounced in the same way as the letter ‘s’ in the earlier marks, that is to say, like [s] or [z].

50 Accordingly, the Board of Appeal did not err in finding that the level of phonetic similarity between the signs at issue is average.

The conceptual comparison

51 In the contested decision, the Board of Appeal found that the signs at issue were conceptually different (see paragraph 37 of the contested decision).

52 The applicant contests that finding, claiming that the signs at issue are conceptually similar. The meaning of the expression ‘western gold’ is uncertain and enigmatic and accordingly gives rise to multiple associations — abstract associations, however, which are not likely to make it more obviously different. The element ‘gold’, present in both marks, triggers a positive association which is liable to establish a subconscious link between the marks and, in that way, makes them closer in meaning.

53 In that respect, it must be found that the word ‘western’ will be understood as meaning the direction ‘west’ or a film genre, since western films are a film genre widely known by the relevant public. Moreover, the two meanings of the word ‘western’ are strongly linked, since the name of the film genre comes from the fact that the action in such films takes place in the west of the United States of America. Furthermore, the Board of Appeal noted, correctly, that many consumers connect whisky with those films, since often the main characters in those films drink whisky. Accordingly, the relevant public will attribute one or more specific meanings to the word ‘western’.

54 The word ‘weser’, as the Board of Appeal correctly pointed out, will be understood by a section of the German public as a reference to the name of the river which flows through the town of Bremen (Germany), among others. For the rest of the relevant European public, the word will be perceived as a fantasy word.

55 The word ‘gold’ in the marks at issue will be understood as a reference to a precious metal — gold — whose colour is close to that of whisky. The relevant public may also associate the word ‘gold’ with superior quality and therefore understand it as a promotional element. For the English-speaking section of the relevant public, including British and Irish consumers, the mark applied for will be perceived as meaning ‘gold of the west’. However, the presence of the word ‘gold’ in both of the signs at issue is not enough to counteract the significant differences between those signs because of the difference in meaning between the words ‘western’ and ‘weser’.

56 Accordingly, the Board of Appeal did not err in finding that the signs at issue were conceptually different.

Interim assessment

57 As regards the comparison of the signs, it follows from the above that the Board of Appeal was correct in finding that the signs at issue are visually and phonetically similar, and conceptually different.

58 In that respect, it should be noted that, where marks are phonetically and visually similar, they are similar overall, unless there are significant conceptual differences. Such differences may counteract aural and visual similarities, provided that, for the relevant public, the meaning of at least one of the signs is clear and specific, so that the public is capable of grasping it immediately (Case C-234/06 P *Il Ponte Finanziaria* v *OHIM* [2007] ECR I-7333, paragraph 34). This applies to the present case, given the conceptual differences between the signs at issue. It follows that the signs are different overall, despite their visual and phonetic similarities.

59 It is necessary, therefore, to examine the Board of Appeal's assessment of the distinctiveness of the earlier marks, which is contested by the applicant.

The distinctiveness of the earlier marks

The inherent distinctiveness of the earlier marks

60 In the contested decision, the Board of Appeal found that the distinctiveness of the earlier marks was slightly lower than the average distinctiveness which the Opposition Division had found, on the ground that the 'gold' element would be perceived by the relevant public as a promotional element or as a reference to the golden colour of certain beverages (see paragraph 39 of the contested decision).

61 The applicant contests that finding of the Board of Appeal, claiming that the beverages covered by the earlier marks do not have a golden colour and that the earlier marks, taken together, have at least average distinctiveness, independently of the lower distinctiveness of the word 'gold'.

62 In that respect, it should be pointed out that, independently of the fact that certain beverages covered by the earlier marks do not have a golden colour, the word 'gold' is a promotional word commonly used to indicate the superior quality of goods and, accordingly, that word has a low distinctiveness. In that way, this element of the earlier marks reduces their distinctiveness. It follows from an overall assessment of each of the earlier marks that the Board of Appeal did not err in finding that the distinctiveness of the earlier marks was slightly lower than average.

The enhanced distinctiveness acquired through use

63 As regards the enhanced distinctiveness of the earlier marks, acquired through use, the applicant contests the Board of Appeal's finding that the applicant had not raised that point. The applicant refers to its statement submitted to the Opposition Division on 10 March 2008, and to its statement submitted to the Board of Appeal on 22 December 2009 in which it made reference to the statement of 10 March 2008. The applicant considers that it was entitled to make such a reference before the Board of Appeal on the ground that, since the Opposition Division had acknowledged the normal intrinsic distinctiveness of the earlier trademarks, it was not necessary for the applicant to repeat its written pleadings explicitly. It claims that it did not see any need to submit the documents concerning the use of its mark since it could legitimately assume that the subject-matter of the appeal proceedings was defined by the decision of the Opposition Division relating solely to the earlier Community mark and the mark applied for.

64 In that respect, several points must be noted.

65 Following an application by the trade mark applicant during the proceedings before the Opposition Division, the applicant was asked, in accordance with Article 42(2) of Regulation No 207/2009, to provide proof of the genuine use of its earlier marks, which had been registered for over five years at the date of the opposition.

66 In response to that request, the applicant attached to its statement of 10 March 2008 evidence to show the genuine use of its earlier marks. In that statement, it also stated that 'the marketing of those goods, sold practically everywhere in the European Union and Switzerland, proves not only the genuine use of the mark on which the opposition is based, but also its enhanced distinctiveness acquired through use'. Moreover, the applicant stated that it maintained that 'the goods [were] partially identical, and that the words of the marks [were] similar and that, in addition, the earlier WESERGOLD marks, on which the opposition was based, [had] a normal intrinsic distinctiveness, considerably enhanced by use, so that there [was] a risk of confusion between the marks'.

67 In its decision of 11 June 2009, the Opposition Division found for the applicant in holding that there was a risk of confusion between the signs at issue. The trade mark applicant — intervener in the present proceedings — brought an action before the Board of Appeal against that decision of the Opposition Division. The applicant in the present proceedings intervened in the proceedings before the Board of Appeal in order to defend its opposition and the decision of the Opposition Division.

68 In its defence of 22 December 2009 before the Board of Appeal, the applicant referred to the documents presented in the opposition procedure, including the statement of 10 March 2008.

69 Lastly, in the contested decision, the Board of Appeal found that the 'the opposing party [had] not invoked an increase in the distinctiveness of the earlier marks resulting from their use' (see paragraph 40 of the contested decision).

70 As is clear from the above, the applicant did not expressly raise arguments regarding the enhanced distinctiveness of the earlier marks, acquired through use, in its defence before the Board of Appeal. The applicant merely referred to its written submissions before the Opposition Division. However, those written submissions contained a claim, supported by evidence, to the effect that the earlier marks had an enhanced distinctiveness acquired through use.

71 Under Article 64(1) of Regulation No 207/2009, following the examination as to the merits of the appeal, the Board of Appeal is to decide on that appeal and, in doing so, it may 'exercise any power within the competence of the department which was responsible for the contested decision', that is to say, in the case before it, it may make a ruling itself on the opposition either by rejecting it or by declaring it to be well founded, thereby either upholding or reversing the contested decision. Thus, it follows from Article 64(1) of Regulation No 207/2009 that, by virtue of the effects of the appeal brought before it, the Board of Appeal is called upon to carry out a new, comprehensive examination of the merits of the opposition, in terms both of law and of fact (Case C-29/05 P *OHIM* v *Kaul* [2007] ECR I-2213, paragraph 57; Case T-308/01 *Henkel* v *OHIM - LHS (UK)* (*KLEENCARE*) [2003] ECR II-3253, paragraph 29; and Case T-504/09 *Völkl* v *OHIM - Marker Völkl* (*VÖLKL*) [2011] ECR II-8179, paragraph 53).

72 Independently of the fact that the applicant made express reference, before the Board of Appeal, to its written submissions before the Opposition Division, the Board of Appeal was under a duty to examine all the arguments presented to the Opposition Division. Accordingly, in so far as the applicant raised the point regarding the enhanced distinctiveness of the earlier marks, acquired through use, in the proceedings before the Opposition Division, the Board of Appeal could not legitimately find that the applicant had not invoked an increase in the distinctiveness of the earlier marks resulting from their use.

73 It follows that, in the present case, the Board of Appeal erred in the application of Article 8(1)(b) of Regulation No 207/2009.

74 That conclusion is not called into question by the various arguments of OHIM and the intervener.

75 Accordingly, as regards OHIM's argument that the applicant had not mentioned the distinctive character enhanced by use except in a subordinate clause in the context of the discussion regarding the evidence of the genuine use of the earlier marks, hence out of time, the following must be noted.

76 It is clear from the OHIM file that, in a letter of 8 January 2008, the Opposition Division called upon the applicant to state its position on the question of the genuine use of the earlier Polish trade mark registered under No 161413 and the earlier German trade mark registered under No 902472. The applicant was asked, inter alia, to state its position and to provide proof of that genuine use within a period of two months from the date of that letter, that is to say, before 9 March 2008. Furthermore, it was specified that the time which the applicant had been allowed for submitting facts, evidence, or observations in support of its opposition was also extended to 9 March 2008.

77 The applicant replied to that letter by its statement of 10 March 2008, sent by fax on the same day to OHIM. As indicated in paragraph 66 above, the applicant provided evidence in that statement of the genuine use of its earlier marks and claimed that its marks had acquired enhanced distinctiveness through use.

78 Contrary to the assertions made by OHIM before the Court, the fact that the applicant argued for the enhanced distinctiveness of the earlier marks, acquired through use, in its reply to the request for evidence of the genuine use of those earlier marks does not make its argument concerning the enhanced distinctiveness of the earlier marks, acquired through use, belated. In its letter of 8 January 2008, the Opposition Division expressly authorised the applicant to submit facts, evidence, or observations in support of its opposition until 9 March 2008.

79 Moreover, it cannot be found that the applicant's statement of 10 March 2008 was transmitted to OHIM out of time. Pursuant to Rule 72 of Commission Regulation (EC) No 2868/95 of 13 December 1995 implementing Council Regulation (EC) No 40/94 on the Community trade mark (OJ 1998 L 303, p. 1), if a time-limit expires on a day on which it is not possible to lodge documents with OHIM, the time-limit is to be deferred until the first day thereafter on which documents may be lodged and on which ordinary mail is delivered. That rule provides that the days on which it is not possible to lodge documents with OHIM are to be determined by the President of OHIM before the commencement of each calendar year. As it is, for the year 2008, the President of OHIM adopted Decision EX-07-05 on 17 December 2007, concerning the days on which OHIM would not be open for the receipt of documents and on which ordinary mail would not be delivered. In that decision, reference is made to Decision ADM-95-23 of the President of OHIM of 22 December 1995 (OJ OHIM 1995, p. 487), determining that OHIM would not be open to the public on Saturdays or Sundays. As 9 March 2008 was a Sunday, the lodging of the applicant's statement on 10 March 2008 was not out of time. This was acknowledged by OHIM at the hearing.

80 In addition, inasmuch as OHIM points to the absence, in the defence submitted to the Board of Appeal, of any specific invocation of distinctive character enhanced by use, it should be observed that that fact does not affect the obligation incumbent upon the Board of Appeal, where it decides on the opposition itself, to carry out a new, comprehensive examination of the merits of the opposition, in terms both of law and of fact. The extent of the examination which the Board of Appeal must undertake in relation to the decision under appeal is not, in principle, delimited by the pleas relied on by the party who has brought the appeal (see *KLEENCARE*, paragraph 71 above, paragraph 29). A fortiori, the extent of the examination which the Board of Appeal must undertake is not limited by the lack of precision of certain pleas raised before it. For the reasons set out in paragraph 76 et seq. above, the comprehensive examination of the merits of the opposition required an assessment of the enhanced distinctiveness of the earlier marks, acquired through use.

81 Inasmuch as the intervener and OHIM contend that the applicant's argument concerning enhanced distinctiveness acquired through use is unfounded and unsupported by adequate evidence, it should be pointed out that those were not the reasons given by the Board of Appeal in the contested

decision. Since the Board of Appeal, wrongly, did not state its findings on the arguments and evidence concerning enhanced distinctiveness acquired through use, it is not for the General Court to carry out an assessment of those arguments and that evidence in the context of an action for annulment of the contested decision. In the context of such an action, the General Court may not, in the exercise of its jurisdiction to review legality, act in lieu of the Board of Appeal in undertaking a factual assessment that the Board of Appeal failed to carry out. However, in the context of an action for annulment, such as the present case, if the General Court holds that a decision of the Board of Appeal, called into question in an action brought before it, is vitiated by illegality, it must annul it. It may not dismiss the action, substituting its own reasoning for that of the competent OHIM adjudicatory body responsible for the contested measure (Case T-70/08 *Axis* v *OHIM — Etra Investigación y Desarrollo* (*ETRAX*) [2010] II-4645, paragraph 29).

82 In the light of all of the foregoing, it must be concluded that the Board of Appeal erred in finding that the applicant had not claimed that the earlier marks had acquired enhanced distinctiveness through use. That error means that the Board of Appeal failed to examine a potentially relevant factor in the global assessment as to whether there was a likelihood of confusion between the contested mark and the earlier marks (see, to that effect, Case T-424/10 *Dosenbach-Ochsner* v *OHIM - Sisma* (*Representation of elephants in a rectangle*) [2012] ECR II-0000, paragraph 55 et seq. and the case-law cited).

83 It should be noted that, under the first sentence of Article 62(1) of Regulation No 40/94 (now the first sentence of Article 64(1) of Regulation No 207/2009), following the examination as to whether the appeal should be allowed, the Board of Appeal is to decide on the appeal. That obligation to examine the appeal includes the taking into account of enhanced distinctiveness acquired through use, where that argument is raised. It is possible that the assessment of the merits of the arguments and the evidence submitted by the applicant during the proceedings before OHIM as regards the enhanced distinctiveness acquired through use could have led the Board of Appeal to adopt a decision different from the contested decision. Consequently, in failing to carry out such an assessment, the Board of Appeal acted in breach of essential procedural requirements, which means that the contested measure must be annulled (see, to that effect, Case T-85/07 *Gabel Industria Tessile* v *OHIM - Creaciones Garel* (*GABEL*) [2008] ECR II-823, paragraph 20).

84 The applicant's first plea in law must therefore be upheld and, accordingly, the contested decision must be annulled, without it being necessary to rule on the other pleas in law raised by the applicant.

Costs

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

86 In the present case, OHIM and the intervener have been unsuccessful. Consequently, OHIM must be ordered to bear its own costs and also to pay the costs of the applicant, in accordance with the form of order sought by the latter. The intervener must be ordered to bear its own costs.

On those grounds,

THE GENERAL COURT (First Chamber)

hereby:

1. **Annuls the decision of the First Board of Appeal of the Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM) of 24 March 2010 (Case R 770/2009-1);**

2. Orders OHIM to bear its own costs and also to pay the costs of the applicant;

3. Orders Lidl Stiftung & Co. KG to bear its own costs.

Azizi

Frimodt Nielsen

Kancheva

Delivered in open court in Luxembourg on 21 September 2012.

[Signatures]

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