JUDGMENT OF THE COURT (First Chamber)

16 July 2009 *

In Joined Cases C-202/08 P and C-208/08 P,

APPEALS under Article 56 of the Statute of the Court of Justice, brought on 8 and 16 May 2008 respectively,

American Clothing Associates NV, established in Evergem (Belgium), represented by P. Maeyaert, advocaat, and by N. Clarembeaux and C. De Keersmaeker, avocats,

appellant,

the other party to the proceedings being:

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

defendant at first instance (C-202/08 P),

* Language of the case: French.

and

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

appellant,

the other party to the proceedings being:

American Clothing Associates NV, established in Evergem (Belgium), represented by P. Maeyaert, advocaat, and N. Clarembeaux, and C. De Keersmaeker, avocats,

applicant at first instance (C-208/08 P),

THE COURT (First Chamber),

composed of P. Jann, President of the Chamber, A. Tizzano, A. Borg Barthet (Rapporteur), E. Levits and J.-J. Kasel, Judges,

Advocate General: D. Ruiz-Jarabo Colomer,
Registrar: C. Strömholm, Administrator,

having regard to the written procedure and further to the hearing on 26 March 2009,

after hearing the Opinion of the Advocate General at the sitting on 12 May 2009,

gives the following

Judgment

1 By their appeals, American Clothing Associates NV ('American Clothing') and the Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM) are seeking to have set aside the judgment of the Court of First Instance of the European Communities of 28 February 2008 in Case T-215/06 *American Clothing Associates* v *OHIM* (*Representation of a maple leaf*) [2008] ECR II-303, ('the judgment under appeal'), in which the Court of First Instance partially annulled the decision of the First Board of Appeal of OHIM of 4 May 2006 (Case R 1463/2005-1) rejecting the application for registration of a sign representing a maple leaf as a Community trade mark ('the decision at issue').

Legal context

2 Article 7(1) of Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark (OJ 1994 L 11, p. 1), as amended by Council Regulation (EC)

No 3288/94 of 22 December 1994, (OJ 1994 L 349, p. 83; 'Regulation No 40/94') is entitled 'Absolute grounds for refusal' and provides:

'1. The following shall not be registered:

…

(h) trade marks which have not been authorised by the competent authorities and are to be refused pursuant to Article 6*ter* of the Paris Convention;

(i) trade marks which include badges, emblems or escutcheons other than those covered by Article 6*ter* of the Paris Convention and which are of particular public interest, unless the consent of the appropriate authorities to their registration has been given.

…'

3 Article 29(1) of Regulation No 40/94 provides that 'a person who has duly filed an application for a trade mark in or for any State party to the Paris Convention or to the Agreement establishing the World Trade Organisation, or his successors in title, shall enjoy, for the purpose of filing a Community trade mark application for the same trade mark in respect of goods or services which are identical with or contained within those for which the application has been filed, a right or priority during a period of six months from the date of filing of the first application.'

4 Under Article 38(2) of that regulation,'where the trade mark contains an element which is not distinctive, and where the inclusion of said element in the trade mark could give rise to doubts as to the scope of protection of the trade mark, the Office may request, as a condition for registration of said trade mark, that the applicant state that he disclaims any exclusive right to such element....'

5 Articles 1, 6, 6*ter*, 6*sexies* and 7 of the Convention for the Protection of Industrial Property, signed in Paris on 20 March 1883, last revised at Stockholm on 14 July 1967 and amended on 28 September 1979 (*United Nations Treaty Series*, Vol. 828, No 11851, p. 305; 'the Paris Convention') provide:

'Article 1

...

(2) The protection of industrial property has as its object patents, utility models, industrial designs, trade marks, service marks, trade names, indications of source or appellations of origin, and the repression of unfair competition.

...

Article 6

(1) The conditions for the filing and registration of trade marks shall be determined in each country of the Union [composed of the countries to which the Paris Convention applies] by its domestic legislation.

…

Article 6*ter*

(1) (a) The countries of the Union agree to refuse or to invalidate the registration, and to prohibit by appropriate measures the use, without authorisation by the competent authorities, either as trade marks or as elements of trade marks, of armorial bearings, flags, and other State emblems, of the countries of the Union, official signs and hallmarks indicating control and warranty adopted by them, and any imitation from a heraldic point of view.

(b) The provisions of subparagraph (a), above, shall apply equally to armorial bearings, flags, other emblems, abbreviations, and names, of international intergovernmental organisations of which one or more countries of the Union are members, with the exception of armorial bearings, flags, other emblems, abbreviations, and names, that are already the subject of international agreements in force, intended to ensure their protection;

(c) No country of the Union shall be required to apply the provisions of subparagraph (b), above, to the prejudice of the owners of rights acquired in good faith before the entry into force, in that country, of this Convention. The countries of the Union shall not be required to apply the said provisions when the use or registration referred to in subparagraph (a), above, is not of such a nature as to suggest to the public that a connection exists between the organisation concerned and the armorial bearings, flags, emblems, abbreviations, and names, or if such use or registration is probably not of such a nature as to mislead the public as to the existence of a connection between the user and the organisation.

…

(3) (a) For the application of these provisions, the countries of the Union agree to communicate reciprocally, through the intermediary of the International Bureau, the list of State emblems, and official signs and hallmarks indicating control and warranty, which they desire, or may hereafter desire, to place wholly or within certain limits under the protection of this Article, and all subsequent modifications of such list. Each country of the Union shall in due course make available to the public the lists so communicated. Nevertheless such communication is not obligatory in respect of flags of States.

…

…

Article 6*sexies*

The countries of the Union undertake to protect service marks. They shall not be required to provide for the registration of such marks.

Article 7

The nature of the goods to which a trade mark is to be applied shall in no case form an obstacle to the registration of the mark.'

6 Article 16 of the Trade Mark Law Treaty, adopted in Geneva on 27 October 1994, provides that 'any Contracting Party shall register service marks and apply to such marks the provisions of the Paris Convention which concern trademarks.'

Facts

7 On 23 July 2002, American Clothing filed an application for a Community trade mark at OHIM under Regulation No 40/94.

8 The trade mark for which registration was sought, consisting of the image of a maple leaf with the letters 'RW' below it, is reproduced below:



9 The goods and services in respect of which registration was sought are in Classes 18, 25 and 40 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'), and correspond to the following descriptions:

— 'Leather and imitations of leather, and goods made of these materials and not included in other classes; animal skins; trunks and travelling bags; umbrellas, parasols and walking sticks; whips, harness and saddlery' (Class 18);

— 'Clothing, footwear, headgear' (Class 25); and

— 'Tailoring; taxidermy; bookbinding; dressing, processing and finishing of skins, leather, furs and textiles; photographic film development and photographic printing; woodworking; fruit pressing; grain milling; processing, tempering and finishing of metal surfaces' (Class 40).

10 By decision of 7 October 2005, the examiner refused registration of the mark applied for in respect of all the goods and services concerned, on the basis of Article 7(1)(h) of Regulation No 40/94, stating that the mark was liable to give rise to an impression on the part of the public that it was linked to Canada, as he took the view that the maple leaf in the trade mark applied for is a copy of the emblem of Canada.

11 That emblem, as it appears in the communication of the International Bureau of the World Intellectual Property Organisation (WIPO) of 1 February 1967 to the States which are parties to the Paris Convention and in the WIPO database, is the following:



12 On 6 December 2005, American Clothing filed a notice of appeal against the examiner's decision under Articles 57 to 62 of Regulation No 40/94.

13 By the decision at issue, the First Board of Appeal of OHIM dismissed the appeal filed by American Clothing and upheld the examiner's decision.

The action before the Court of First Instance and the judgment under appeal

14 By application lodged at the Registry of the Court of First Instance on 8 August 2006, American Clothing brought an action against the decision at issue on the basis of a single plea alleging infringement of Article 7(1)(h) of Regulation No 40/94.

15 In the judgment under appeal, the Court of First Instance partially annulled the decision at issue, in so far as it relates to the registration of the mark applied for in respect of services in Class 40 of the Nice Agreement, on the ground that Article 6*ter*(1)(a) of the Paris Convention, to which Article 7(1)(h) of Regulation No 40/94 directly refers, does not apply to service marks.

16 The Court effectively refused to give a wide interpretation to Article 6*ter* of the Paris Convention and, consequently, to rely on Article 7(1)(h) as the legal basis for refusing to register a service mark as a Community trade mark. At paragraph 31 of the judgment under appeal, it held, inter alia, in that connection, that it was precisely in order to extend to service marks the protection granted to trade marks for goods by the Paris Convention that a specific provision was inserted in Article 16 of the Trade Mark Law Treaty, adopted at Geneva on 27 October 1994. However, that Treaty has not been ratified by the European Community.

17 The Court also held, at paragraph 32 of the judgment under appeal, that when it adopted the original version of Regulation No 40/94 relatively recently the Community legislature was aware of the importance, in modern commerce, of service marks and could, therefore, also have extended the protection granted to State emblems by Article 6*ter* of the Paris Convention to that category of marks. As the legislature did not see fit to extend the scope of the relevant provisions in such a way, the Court of First Instance considered that it is not for the Community judicature to take the place of the Community legislature and apply an interpretation *contra legem* of those provisions, whose meaning is in no way ambiguous.

18 As to the remainder, the Court of First Instance rejected the appeal, holding that the Board of Appeal had been correct to refuse registration of the trade mark applied for in respect of the goods in Classes 18 and 25 of the Nice Agreement.

19 In order to reach that conclusion, the Court of First Instance held, in particular, at paragraph 65 of the judgment under appeal, that for the purpose of assessing a complex mark from the perspective of Article 6*ter* of the Paris Convention, regard must be had to each of the elements of that mark and it is sufficient that one of them is a State emblem or an imitation thereof 'from a heraldic point of view' to preclude registration of the mark concerned, irrespective of what the overall perception of that mark might be.

20 Concerning the maple leaf in the trade mark applied for, the Court of First Instance subsequently held, at paragraph 72 of the judgment under appeal, that, when making a comparison between the sign in that mark and a State emblem, 'from a heraldic point of view' within the meaning of Article 6*ter* of the Paris Convention, regard must be had to the heraldic description of the emblem concerned and not to a possible geometric description of the same emblem, which is by nature much more detailed. It concluded, at paragraph 75 of that judgment, that in spite of slight differences, the relevant public in the Community, that is, the average consumer at which the articles of everyday consumption covered by the trade mark applied for are directed, will perceive that mark essentially as an imitation of the Canadian emblem.

21 At paragraph 77 of the judgment under appeal, the Court of First Instance also observed that the application of Article 6*ter*(1)(a) of the Paris Convention is not subject to the condition that there be a possibility of error on the part of the public concerned as regards the origin of the goods designated by the mark applied for or as regards the existence of a connection between the proprietor of that mark and the State whose emblem appears in that mark. The Court additionally held, at paragraph 81 of that judgment, that the alleged reputation of the trade mark applied for is also irrelevant.

22 As regards the question whether earlier national registrations of trade marks identical with or comparable to the mark for which registration is sought should be taken into account, the Court of First Instance pointed out, at paragraph 84 of the judgment under appeal, that neither OHIM nor, as the case may be, the Community judicature are bound by decisions adopted in any Member State, or indeed a third country, finding the sign itself, or similar signs, to be registrable as a national trade mark. Concerning the allegedly less restrictive practice of the Canadian Intellectual Property Office, the Court, at paragraph 85 of the judgment under appeal, held that the applicant had neither proved nor even stated unequivocally that it had obtained authorisation from the competent Canadian authorities to register a mark identical to the mark applied for.

Forms of order sought in the appeal proceedings

23 In Case C-202/08 P, American Clothing claims that the Court should:

— set aside the judgment under appeal in so far as the Court of First Instance held that the First Board of Appeal of OHIM had not infringed Article 7(1)(h) of Regulation No 40/94 by adopting the decision at issue in so far as that decision relates to the registration of the trade mark applied for in respect of goods in Class 18 for the purposes of the Nice Agreement, namely 'leather and imitations of leather, and goods made of these materials and not included in other classes; animal skins; trunks and travelling bags; umbrellas, parasols and walking sticks; whips, harness and saddlery' and Class 25 for the purposes of that Agreement, namely 'clothing, footwear, headgear', and

— order OHIM to pay the costs.

24 OHIM contends that the Court, in that case, should:

— dismiss the appeal, and

— order American Clothing to pay the costs.

25 In Case C-208/08 P, OHIM claims that the Court should:

— set aside the judgment under appeal, in so far as it held that Article 7(1)(h) of Regulation No 40/94 does not apply to marks designating services;

— order American Clothing to pay the costs.

26 American Clothing contends that the Court, in that case, should:

— confirm the judgment under appeal, in so far as it held that Article 7(1)(h) of Regulation No 40/94 and Article 6*ter* of the Paris Convention do not apply to service marks, and

— order OHIM to pay the costs.

The appeals

27 The parties and the Advocate General having been heard on the point, Cases C-202/08 P and C-208/08 P were, on account of the connection between them, joined by order of the President of the Court of 11 February 2009 for the purposes of the written and oral procedures and the judgment, in accordance with Article 43 of the Rules of Procedure.

Case C-202/08 P

Arguments of the parties

28 American Clothing alleges that the Court of First Instance erred in law as regards the application of the grounds for refusal of registration of a trade mark under Article 7(1)(h) of Regulation No 40/94 and Article 6*ter*(1)(a) of the Paris Convention.

29 It states that the Court of First Instance misinterpreted the relevance of the essential function of a State emblem for the purposes of assessing the scope of its protection. The protection granted to such an emblem should be limited to situations in which its essential functions are liable be affected. The refusal to register such an emblem as a trade mark or a component of a trade mark can be justified only where the use of the trade mark or a component thereof is liable to compromise the symbols of the identity and sovereignty of a State to which that emblem refers. State emblems are thus

protected signs, like trade marks and appellations of origin, to which the same criteria for protection are applicable by analogy.

30 American Clothing argues that the protection of State emblems under Article 6*ter*(1)(a) of the Paris Convention is intended to protect those emblems from similarities with regard to other signs in a clearly defined field, namely imitations 'from a heraldic point of view'. Contrary to what the Court of First Instance held at paragraph 71 of the judgment under appeal, that concept of 'imitation from a heraldic point of view' is intended to protect not the symbol as such but a very precise artistic interpretation, a specific graphic work, which is the result of the application of the rules governing heraldic art. If an emblem has no or few heraldic characteristics, there can be no imitation within the meaning of that provision.

31 The interpretation adopted by the Court of First Instance in the judgment under appeal results in granting States an almost absolute monopoly over signs with few heraldic characteristics, thereby making those signs unavailable for use as components of trade marks. In fact, there are many registered trade marks which include signs registered as a State emblem, such as, for example, the Irish clover leaf.

32 American Clothing lastly submits that the Court of First Instance misinterpreted the relevance of certain facts in the case. Thus, it disregarded at paragraphs 64 and 65 of the judgment under appeal the overall impression produced by the trade mark, holding that that impression was irrelevant where the registration of a trade mark which consists of a State emblem, or an imitation thereof from the heraldic point of view, was at stake. American Clothing also states that Article 6*ter* of the Paris Convention does not appear to preclude a complex mark including an emblem from being registered together with a 'disclaimer' such as that provided for in Article 38 of Regulation No 40/94, by which the applicant states that it disclaims any exclusive right to an element of the mark. That corresponds, furthermore, to the practice of the Canadian Intellectual Property Office, which agreed to register trade marks with an eleven-point maple leaf provided that a 'disclaimer' was accepted in respect of them. In the present case, the Court of First Instance distorted the facts by refusing to accept that such a practice of that office

existed, in particular as regards the imposition of a 'disclaimer' for the trade mark with which these proceedings are concerned, the registration of which was subsequently abandoned for other reasons.

33 American Clothing adds that OHIM cannot thus protect State emblems more strictly than do the States themselves. The Court of First Instance should also have taken into account the practice of OHIM and the other national offices on that issue. American Clothing claims that in normal conditions of use, less pronounced heraldic characteristics such as those in the trade mark applied for are not perceived by the public, who will see only an ornamental element rather than a reference to a State emblem. Such heraldic characteristics are, furthermore, found in other signs frequently used as a trade mark.

34 OHIM points out, first of all, that in an appeal the Court of Justice is limited to questions of law and that, consequently, the question whether the representation of the maple leaf in the trade mark application at issue is an imitation from the heraldic point of view of the emblem of Canada is a finding of fact which falls outside the scope of the Court's review.

35 OHIM rejects all of American Clothing's arguments concerning the requirement that the essential function of State emblems be jeopardised. Unlike conflicts between distinctive signs, the refusal to register a trade mark does not, in its opinion, require the demonstration of a 'link' between the trade mark's proprietor and the State whose emblem is imitated, since the essential function of a State emblem is not to guarantee the commercial origin of goods and services. The protection granted to a State emblem is absolute in the sense that it does not depend on whether the emblem imitated in a trade mark is perceived by the public as a distinctive element or an ornamental element.

36 For that reason as well, contrary to what American Clothing claims, there is no need to assess the trade mark applied for as a whole. As regards the possibility of a 'disclaimer',

as provided for in Article 38(2) of Regulation No 40/94, such a possibility does not arise where the trade mark element at issue is challenged on a ground other than a lack of distinctive character.

37 Moreover, the Court of First Instance correctly held that imitation, from a heraldic point of view, must be examined in the light of the heraldic description of an emblem, rather than in relation to its geometric or graphic description. The heraldic description of an emblem represents more than its sole geometric or graphic description, since the precise graphic representation of an emblem may vary without thereby altering the heraldic characteristics of that emblem. Article 6*ter*(1)(a) of the Paris Convention confirms that the protection of emblems is not limited to their graphic representation since, under that provision, that protection extends to any imitation 'from the heraldic point of view'. Nor does the scope of an emblem's protection depend on the extent to which its heraldic characteristics are pronounced, the emblem of Japan being entitled, for example, to the same protection as a more sophisticated emblem. OHIM points out that the heraldic description of the emblem of Canada made by the Court of First Instance is a purely factual assessment outside the scope of the Court's review.

38 As regards the facts of the case, OHIM states that the Court of First Instance did not distort the facts in the present case by failing to have regard to the practice of the Canadian Intellectual Property Office, but merely observed that the facts put forward had not been proved. Neither OHIM nor the Community judicature are required to take into account a national practice based on legal provisions which have no equivalent in Regulation No 40/94, nor, furthermore, does Article 6*ter* of the Paris Convention refer to the law or practice of the State from which the protected emblem originates. Even if similar marks had mistakenly been registered by OHIM, the principle of legality should prevail over that of equal treatment. As regards the circumstances of the use, notwithstanding that those circumstances may vary, they should not be taken into account since it is necessary to ascertain whether the trade mark applied for contains an imitation of a State emblem regardless of the circumstances of its use.

Findings of the Court

39 As regards the claim that the Court of First Instance failed to have regard to the relevance of the essential function of a State emblem in order to define the scope of its protection, it is necessary to examine that essential function and the Community and international rules applicable to State emblems, by comparing that function and those rules to those applicable to trade marks.

40 At points 59 to 63 of his Opinion, the Advocate General highlighted some of the essential functions which may be attributed to a State emblem. These include that of identifying a State and that of representing its sovereignty and unity. The essential function of the trade mark, for its part, 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 the product or service from others which have another origin (see, inter alia, Case C-39/97 *Canon* [1998] ECR I-5507, paragraph 28, and Case C-120/04 *Medion* [2005] ECR I-8551, paragraph 23).

41 For the trade mark to be able to fulfil its essential role in the system of undistorted competition which the Treaty seeks to establish and maintain, it must offer a guarantee that all the goods or services bearing it have originated under the control of a single undertaking which is responsible for their quality (see, inter alia, Case 102/77 *Hoffmann-La Roche* [1978] ECR 1139, paragraph 7, and Case C-299/99 *Philips* [2002] ECR I-5475, paragraph 30).

42 That discrepancy between the essential functions of trade marks and those of State emblems is also reflected in the difference in their treatment both under Community and international law.

43 Thus, Article 6 of Regulation No 40/94 sets out the principle that a trade mark is to be obtained by registration whereas, under Article 6*ter*(3)(a) of the Paris Convention, the States are merely to communicate the list of emblems to be protected to the International Bureau of the WIPO, such a communication not being obligatory in respect of flags of States. In respect of trade marks, the principle is that protection is provided in respect of certain determined classes of goods and services, whereas emblems, on the other hand, are entitled to general protection whatever the use one wishes to make of them. In addition, unlike trade marks, emblems cannot be declared invalid and their proprietor cannot be deprived of his rights. Moreover, the duration of their protection is not limited. Many aspects governing the protection of trade marks are therefore not capable of being transposed to the protection of State emblems.

44 The same is true of the existence of a likelihood of confusion which, although it is the specific condition for the protection of the trade mark in the case of similarity between the trade mark and the sign and between the goods or services (see, inter alia, *Medion*, paragraph 24; Case C-102/07 *adidas and adidas Benelux* [2008] ECR I-2439, paragraph 28; and Case C-533/06 *O2 Holdings & O2 (UK)* [2008] ECR I-4231, paragraph 47) is not required for the protection of an emblem, since Article 6*ter*(1)(a) of the Paris Convention makes no reference to it.

45 It is apparent from the second sentence of Article 6*ter*(1)(c) of the Paris Convention that the protection of State emblems is not subject to there being a connection, in the mind of the public, between the trade mark for which registration is sought and the emblem. In the case of emblems of international organisations, that provision authorises the registration and use of a trade mark if that mark is not of a nature such as to mislead the public regarding the existence of a connection between the user of the trade mark and the organisation. It follows that, in other cases, namely those involving State emblems, that possibility does not exist and there is therefore no need to ascertain whether there is such a connection.

46 Therefore, American Clothing's claims as regards the effect of the essential function of a State emblem on its scope of protection and the application, by analogy, of the same criteria for protection as those applicable to trade marks, must be rejected.

47 As regards the arguments submitted by American Clothing on the interpretation of the expression 'any imitation from a heraldic point of view' in Article 6*ter*(1)(a) of the Paris Convention, let me start by observing that that provision prohibits the registration and use of a State emblem not only as a trade mark, but also as an element of a trade mark. The protection granted to emblems is therefore, in this regard, also very broad. Furthermore, the last part of that provision also contributes to guaranteeing broad protection to State emblems, in so far as it prohibits the imitation of the emblem in addition to prohibiting its exact replication.

48 However, the prohibition of the imitation of an emblem applies only to imitations of it from a heraldic perspective, that is to say, those which contain heraldic connotations which distinguish the emblem from other signs. Thus, the protection against any imitation from a heraldic point of view refers not to the image as such, but to its heraldic expression. It is therefore necessary, in order to determine whether the trade mark contains an imitation from a heraldic point of view, to consider the heraldic description of the emblem at issue.

49 It follows that American Clothing's contention that the geometric description of the emblem must be taken into account cannot be accepted. First, such an interpretation runs counter to the approach set out at paragraph 47 of this judgment, according to which emblems benefit from a wide degree of protection, since the inherently precise nature of a graphic description would lead to the emblem being refused protection under Article 6*ter*(1)(a) of the Paris Convention in the event of any slight discrepancy between the two descriptions. Secondly, the case of graphic conformity with the emblem used by the trade mark is already covered by the first part of that provision, so that the expression 'any imitation from a heraldic point of view' must be different in its scope.

50 Thus, a trade mark which does not exactly reproduce a State emblem can nevertheless be covered by Article 6*ter*(1)(a) of the Paris Convention, where it is perceived by the relevant public, in the present case the average consumer, as imitating such an emblem.

51 So far as the expression 'imitation from a heraldic point of view' in that provision is concerned, a difference detected by a specialist in heraldic art between the trade mark applied for and the State emblem will not necessarily be perceived by the average consumer who, in spite of differences at the level of certain heraldic details, can see in the trade mark an imitation of the emblem in question.

52 Furthermore, the heraldic description of the emblem, which must be referred to in order to determine whether there is an imitation from a heraldic point of view within the meaning of Article 6*ter*(1)(a) of the Paris Convention, normally contains only certain descriptive elements, and does not necessarily concern itself with particular features of the artistic interpretation. The Court of First Instance therefore did not err in law by holding that a number of artistic interpretations of one and the same emblem on the basis of the same heraldic description were possible.

53 Nevertheless, the heraldic description of the emblem provided by the Court of First Instance in the present case and the assessment of the question whether the trade mark applied for contained an imitation from a heraldic point of view fall outside the scope of the Court's review. In accordance with Article 225(1) EC and the first paragraph of Article 58 of the Statute of the Court of Justice, an appeal lies on a point of law only. The Court of First Instance thus has exclusive jurisdiction to find and appraise the relevant facts and to assess the evidence. The appraisal of those facts and the assessment of that evidence therefore do not, save where the facts or evidence are distorted, constitute points of law subject, as such, to review by the Court of Justice on appeal (see, inter alia, Case C-104/00 P *DKV* v *OHIM* [2002] ECR I-7561, paragraph 22, and Case C-25/05 P *Storck* v *OHIM* [2006] ECR I-5719, paragraph 40).

54 Some of the arguments submitted by American Clothing regarding the relevance of some facts of the case, in particular those concerning the perception by the public, in the normal conditions of use of that mark, of the maple leaf as ornamental and those concerning the alleged acceptance by the Canadian Intellectual Property Office of the registration of a trade mark identical to the trade mark at issue accompanied by a 'disclaimer', do not concern issues of law and consequently do not fall within the Court's jurisdiction.

55 It is true that American Clothing submits that the facts were distorted with regard to that argument. However, it has not shown how the Court of First Instance is supposed to have distorted the facts, but has merely stated that the Court of First Instance refused to accept that the practice of the Canadian Intellectual Property Office existed. At paragraph 85 of the judgment under appeal the Court did not deny that such a practice existed, but merely declared that American Clothing had not proved that that office had not objected to the presence of the maple leaf when it examined an application for registration of a mark identical to the mark applied for.

56 Consequently, all the complaints referred to above which seek to call into question the findings of fact and their assessment by the Court of First Instance must be declared inadmissible.

57 As regards the complaints that the Court of First Instance did not take into account the practice of OHIM and other national offices responsible for trade marks in relation to emblems, it must be observed that, as far as OHIM is concerned, first, 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 legality of those decisions must be assessed solely on the basis of that regulation, as interpreted by the Community judicature, 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, point 48).

58 Secondly, as regards the earlier national registrations relied upon by American Clothing, the Community trade mark regime is an autonomous system with its own set of objectives and rules peculiar to it; it is self-sufficient and applies independently of any national system. Accordingly, the registrability of a sign as a Community trade mark is to be assessed on the basis of the relevant Community legislation alone, as interpreted by the Community judicature (see, to that effect, Case C-488/06 P *L & D* v *OHIM* [2008] ECR I-5725, paragraph 58). Consequently, neither OHIM nor, as the case may be, the Community judicature are bound by decisions adopted in any Member State, or indeed a third country, finding a sign to be registrable as a national trade mark. Those considerations apply *a fortiori* to the registration of marks other than that applied for in the present case.

59 Lastly, as mentioned in paragraph 47 of this judgment, Article 6*ter*(1)(a) of the Paris Convention applies not only to trade marks but also to elements of marks which include or imitate State emblems. It is sufficient, therefore, for a single element of the trade mark applied for to represent such an emblem or an imitation thereof for that mark to be refused registration as a Community trade mark. Since the Court of First Instance held that the maple leaf represented on the trade mark applied for is an imitation of the Canadian emblem from the heraldic point of view, it therefore did not need to examine the overall impression produced by the mark, since Article 6*ter*(1)(a) of the Paris Convention does not require the trade mark as a whole to be taken into account.

60 It follows from all of the foregoing considerations that the Court of First Instance did not infringe Article 7(1)(h) of Regulation No 40/94 and Article 6*ter*(1)(a) of the Paris Convention by dismissing the action brought against the decision at issue in so far as that decision refused registration of the trade mark applied for in respect of goods in Classes 18 and 25 of the Nice Agreement.

61 Consequently, the appeal brought by American Clothing in Case C-202/08 P must be dismissed.

Case C-208/08 P

Arguments of the parties

62 OHIM requests the Court to set aside the judgment under appeal in part, in so far as that judgment held that Article 7(1)(h) of Regulation No 40/94 and Article 6*ter* of the Paris Convention do not apply to marks designating service.

63 According to OHIM, in order to interpret Article 6*ter* of the Paris Convention correctly it is necessary to have regard to the spirit of that Convention in its entirety. By adopting a literal interpretation of Article 6*ter* of the Paris Convention and taking it out of context, the Court of First Instance wrongly held that neither that provision nor Article 7(1)(h) of Regulation No 40/94 applies to applications for marks designating services.

64 OHIM submits that, contrary to what the Court of First Instance held, the Community legislature did not intend to discriminate between marks in respect of goods and marks in respect of services, as is apparent from Article 29(1) of Regulation No 40/94.

65 Moreover, Article 16 of the Trade Mark Law Treaty, adopted at Geneva on 27 October 1994, must, OHIM submits, be interpreted on the basis that it clarifies Article 6*ter* of the Paris Convention, without however extending its scope.

66 OHIM states that the Court, by its judgment in Case C-328/06 *Nieto Nuño* [2007] ECR I-10093, accepted, at least impliedly, that the Paris Convention applies equal treatment to marks in respect of goods and marks in respect of services.

67 American Clothing argues that Article 6*ter* of the Paris Convention is entirely clear and unambiguous, in so far as that article refers only to trade marks and not to service marks. Such an interpretation is furthermore confirmed by academic writings and by the reports of the WIPO's Standing Committee on the law of trade marks, industrial designs and geographical indications.

68 The fact that a service mark may be 'well-known' within the meaning of Article 6*bis* of the Paris Convention does not in any way imply that the text of that provision also refers to service marks. In addition, the question referred in the case which gave rise to the judgment in *Nieto Nuño*, concerned solely the geographical area in which an earlier mark is well known and did not concern the interpretation of Article 6*bis* of the Paris Convention with regard to service marks. The Court of First Instance, moreover, has already stated that Article 6*bis* of the Paris Convention concerns only trade marks for goods (judgments of 11 July 2007 in Case T-263/03 *Mühlens* v *OHIM*, paragraph 54, and Case T-28/04 *Mühlens* v *OHIM*, paragraph 59.)

69 With regard to the insertion of Article 6*sexies* into the Paris Convention in 1958, American Clothing takes the view that that provision is of no relevance whatever to the present case, since it has no effect on Article 6*ter* of that convention. The text and legislative history of the Lisbon Act, a treaty amending the Paris Convention and signed on 31 October 1958, confirm that the more ambitious position, which sought to assimilate service marks to trade marks generally throughout the Convention, was not adopted.

70 As regards Article 16 of the Trade Mark Law Treaty, adopted at Geneva on 27 October 1994, American Clothing submits that that has not yet been ratified by the Community and that, contrary to what is claimed by OHIM, that provision is intended not to clarify Article 6*ter* of the Paris Convention, but to supplement it, by extending to service marks the protection granted to trade marks for goods. That reading is confirmed by academic writings and by the *travaux préparatoires* for that treaty.

Findings of the Court

71 As regards the Court of First Instance's refusal to apply Article 7(1)(h) of Regulation No 40/94 to service marks, it is necessary to consider the Paris Convention in the light of Article 6*ter,* to which Article 7(1)(h) of the Regulation refers.

72 As the Advocate General noted at points 104 and 107 of his Opinion, the Paris Convention provides for a minimum level of protection for elements falling within its scope, while leaving the Member States party to the Convention free to extend the scope of the protection. Consequently, although, as American Clothing maintains, the Paris Convention did not oblige the States party to it to register service marks and the provisions of the Convention did not apply to those service marks, those States are nevertheless free to provide for such an application unilaterally. As is apparent from the WIPO document referred to by the Court of First Instance at paragraph 31 of the judgment under appeal, Article 6*ter* 'does not oblige States party to the Paris Convention to refuse or to invalidate the registration, and to prohibit the use of State emblems or other official signs as a service mark or as an element of a service mark. States are nevertheless free to do so...'.

73 Consequently, Article 6*ter* leaves the extension of the protection guaranteed to trade marks for goods to service marks to the discretion of the States party to the Convention. In doing so, the Paris Convention does not require those States to distinguish between the two types of marks.

74 It is therefore necessary to consider whether the Community legislature intended to exercise that power of discretion and to extend to service marks the protection granted to trade marks for goods under the Paris Convention.

75 In this connection, as the Advocate General observes at point 111 of his Opinion, the body of relevant Community law provisions do not distinguish, in principle, between trade marks for goods and service marks.

76 Moreover, the mere fact that some provisions of Regulation No 40/94, such as Article 7(1)(e), (j) and (k), restrict their scope, so far as absolute grounds for refusal of registration are concerned, since the restriction laid down in those provisions is limited to certain types of goods, cannot call into question the finding that the provisions of that regulation as a whole apply without distinction to trade marks for goods and service marks.

77 Such a finding must apply to Article 7(1)(h) of Regulation No 40/94, which does not contain any express restriction of the marks covered by it. That interpretation is not affected by the mere fact that that provision in question refers to the Paris Convention. That reference is intended solely to determine the type of signs which must be refused registration and not to restrict the scope of the provision.

78 Consequently, as in the case of the majority of absolute grounds for refusal set out in Article 7(1) of Regulation No 40/94, registration of a trade mark must be refused, whether the application concerns goods or services, where one of the grounds for refusal listed in Article 6*ter* of the Paris Convention applies to it.

79 That interpretation of Article 7(1)(h) of Regulation No 40/94 is, furthermore, supported by Article 7(1)(i), the scope of application of which is analogous to that of subparagraph (h), namely trade marks which include badges, emblems or escutcheons other than those covered by Article 6*ter* of the Paris Convention.

80 Article 7(1)(i) of Regulation No 40/94 applies without distinction to trade marks for goods and service marks, so that registration could be refused, for example, to a service mark containing a badge. There is no reason why registration should be refused to a service mark containing a badge and not a service mark containing a State flag. If the Community legislature wished to grant such protection to badges and escutcheons, it should be assumed that, *a fortiori*, it also intended to grant at least an equivalent level of protection to armorial bearings, flags and other emblems of States or international organisations. Thus, it seems unlikely that the Community legislature would have allowed a service provider to use a mark containing a national flag when, at the same time, it would have prohibited that use in respect of badges such as those of a sports association, for example.

81 It follows that the Court of First Instance erred in finding that, by refusing registration of the trade mark applied for in respect of services in Class 40 of the Nice Agreement, the decision at issue infringed Article 7(1)(h) of Regulation No 40/94.

82 Having regard to the foregoing considerations, the appeal lodged by OHIM in Case C-208/08 P must be upheld, and the judgment under appeal must be set aside in so far as it annuls the decision at issue of the First Board of Appeal of OHIM concerning the registration of the trade mark requested in respect of services in Class 40 of the Nice Agreement.

83 In accordance with the first paragraph of Article 61 of the Statute of the Court of Justice, where the decision of the Court of First Instance is set aside, the Court of Justice may itself give final judgment in the matter, where the state of the proceedings so permits, or refer the case back to the Court of First Instance for judgment.

84 In the present case, the Court considers itself to be in possession of all the information necessary to rule on the substance of the case.

85 Since the distinction made by the Court of First Instance between trade marks for goods and service marks was not well founded, for the purposes of the application of Article 7(1)(h) of Regulation No 40/94, it should be held that, for the reasons set out in paragraphs 39 to 61 of this judgment concerning goods in Classes 18 and 25 of the Nice Agreement, OHIM were also entitled to refuse registration of trade mark in respect of services in Class 40 of that agreement.

86 Accordingly, it must be held that the action brought before the Court of First Instance by American Clothing was unfounded, in so far as it was directed at the refusal to register the trade mark applied for in respect of services in Class 40.

Costs

87 Under Article 69(2) of the Rules of Procedure, which applies to appeal proceedings by virtue of Article 118 thereof, the unsuccessful party is to be ordered to pay the costs if they have been applied for in the successful party's pleadings. Since OHIM has applied for costs in both Case C-202/08 P and Case C-208/08 P, and American Clothing has been unsuccessful in those cases, American Clothing must be ordered to pay the costs.

On those grounds, the Court (First Chamber) hereby:

1. **Dismisses the appeal brought by American Clothing Associates NV in Case C-202/08 P;**

2. **Sets aside the judgment of the Court of First Instance of the European Communities of 28 February 2008 in Case T-215/06 *American Clothing Associates* v *OHIM*, in so far as it annulled the decision of the First Board of Appeal of the Office for Harmonisation in the Internal Market (Trade Marks**

and Designs) (OHIM) of 4 May 2006 (Case R 1463/2005-1) rejecting the application for registration of a sign representing a maple leaf as a Community trade mark;

3. Dismisses the action brought by American Clothing Associates NV in Case T-215/06;

4. Orders American Clothing Associates NV to pay the costs in Cases C-202/08 P and C-208/08 P.

[Signatures]