JUDGMENT OF THE COURT OF FIRST INSTANCE (Fourth Chamber)

1 February 2006 *

In Joined Cases T-466/04 and T-467/04,

Elisabetta Dami, residing in Milan (Italy), represented by P. Beduschi and S. Giudici, lawyers,

applicant,

v

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

defendant,

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

The Stilton Cheese Makers Association, established in Surbiton, Surrey (United Kingdom),

* Language of the case: French.

TWO ACTIONS against the decisions of the Second Board of Appeal of OHIM of 20 September 2004 (Cases R 973/2002-2 and R 982/2002-2) concerning opposition proceedings between Mrs Elisabetta Dami and The Stilton Cheese Makers Association,

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

composed of H. Legal, President, P. Lindh and V. Vadapalas, Judges,

Registrar: B. Pastor, Deputy Registrar,

having regard to the applications lodged at the Registry of the Court of First Instance on 19 November 2004,

having regard to the order of 2 May 2005 made by the President of the Fourth Chamber of the Court of First Instance joining Case T-466/04 and Case T-467/04,

having regard to the response lodged at the Court Registry on 10 June 2005,

further to the hearing on 27 October 2005,

gives the following

Judgment

Background to the dispute

1 On 13 October 1999, the applicant, Mrs Elisabetta Dami, filed an application for a Community trade mark at the Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM), pursuant to Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark (OJ 1994 L 11, p. 1), as amended.

2 The mark for which registration was sought is the word mark GERONIMO STILTON.

3 The goods and services in respect of which registration was sought are in Classes 16, 25, 28, 29, 30 and 41 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.

4 The goods in Classes 29 and 30 correspond, for each of those classes, to the following description:

— Class 29: 'Meat; fish; non-living molluscs and crustaceans; poultry and game; meat extracts; tinned meat; preserved, dried and cooked fruits and vegetables; jellies; jams; eggs; milk; milk products; dairy products; cheese; butter; yoghurt; milk beverages; edible oils and fats; pickles; fruit preserves; vegetable preserves; meat preserves; fish preserves';

— Class 30: 'Cake pastry; pasta, sweets; coffee; tea; cocoa; sugar; rice; tapioca; artificial coffee; flour; preparations made from cereals; bread; biscuits; tarts; pastries; pralines; ices and ice-cream; honey; syrup; pepper; vinegar; sauces; spices; ice; coffee-, cocoa- and chocolate-based beverages.'

5 On 5 June 2000 the application for the trade mark was published in *Community Trade Marks Bulletin* No 45/00.

6 On 5 September 2000, The Stilton Cheese Makers Association lodged an opposition, under Article 8(1)(b) and Article 8(4) of Regulation No 40/94, against the registration of the mark for the goods in Classes 16, 29 and 30. In support of its opposition, the opposing party relied on marks registered in a number of Member States which correspond to the word 'stilton' and all relate to milk products.

7 In its decision of 30 September 2002, the Opposition Division of OHIM allowed the opposition as regards the goods in Classes 29 and 30 and rejected the remainder of the opposition.

8 On 29 November 2002, the applicant appealed against that decision under Article 59 of Regulation No 40/94; the appeal was given the case number R 982/2002-2 and assigned to the Second Board of Appeal of OHIM. She requested that the Board of Appeal reject the opposition not only as regards the goods in Class 16, but also those in Classes 29 and 30.

9 On the same day, the opposing party also appealed against the same decision, its appeal was given the case number R 973/2002-2 and likewise assigned to the Second Board of Appeal of OHIM. It requested that the Board of Appeal allow the opposition not only as regards the goods in Classes 29 and 30, but also those in Class 16.

10 On four occasions the parties lodged joint applications for a stay of the proceedings in Case No R 973/2002-2. The Board of Appeal granted those applications. Even though the case had not been formally joined by the Board of Appeal, the joint applications for a stay of the appeal proceedings in Case No R 973/2002-2 were treated as also applying to the appeal proceedings in Case No R 982/2002-2. As regards the fourth application for a stay of the proceedings, the Board of Appeal made the following statements in its notification to the parties dated 2 April 2004:

'We confirm that appeal proceedings are stayed for a period of two months until 5 June 2004. Given the prior applications, this stay of proceedings will be regarded as

final, unless the parties can put forward an exceptional ground for a further stay of proceedings.'

11 In a letter of 3 June 2004, the applicant requested that the list of goods designated by the mark for which registration is sought be restricted to the effect that the reference to 'dairy products and cheese' be removed in respect of Class 29 and the statement 'excluding all cheese-based foods or drinks' be added as regards Class 30.

12 In a letter of 4 June 2004, the parties jointly applied to the Board of Appeal to stay the proceedings. As set out in that letter, the parties also declared that, on the one hand, referring to the contents of her letter of 3 June 2004, the applicant had 'requested a change as regards the specification of the goods in the application for registration of the mark', and, on the other hand, 'the position [of the opposing party was] the following: once ... the list of goods specified in respect of that application [had been amended] in order to, [in respect] of Class 29 [remove the reference to] "cheese, milk products" and "goods covered by the broad term 'milk products', in particular milk, milk-based products, butter, milk beverages and yoghurt", and, [as regards] "Class 30 ..., [remove the reference to] any food and drinks containing cheese or which are cheese-based, the opposition [would] be withdrawn"'.

13 In a letter of 15 June 2004, the Board of Appeal informed the parties that it interpreted the letter of 4 June 2004 as a joint application to restrict the list of goods designated by the mark for which registration is sought and accordingly gave the parties a restricted list in accordance with that application. In the same letter the Board of Appeal added that, 'if [the opposing party] were to withdraw the opposition' the parties would be asked to state, before 14 July 2004, whether they had come to an agreement as regards apportionment of the costs incurred in the opposition and

appeal proceedings. It specified that, in the absence of such an agreement, it would make a decision as to apportionment of the costs of the proceedings.

14 In a letter of 16 June 2004, the applicant asked the Board of Appeal to review the interpretation which the letter of 15 June 2004 appeared to contain and to confirm that the only restriction on the list of goods designated by the mark for which registration is sought was that mentioned in her letter of 3 June 2004. She maintained that the letter of 4 June 2004 was only a joint application for a stay of the appeal proceedings on account of the differences in the parties' intentions, as the opposing party was calling for more amendments than were mentioned in the letter of 3 June 2004.

15 In its letter of 23 June 2004, the Board of Appeal rejected that application. First of all, it pointed out that an application to restrict the list of goods designated by the mark for which registration is sought could not be withdrawn as it had become binding. Secondly, it considered that the wording of the parties' joint letter of 4 June 2004, namely 'once the specification has been changed ... the opposition will be withdrawn', could be construed only as an application to restrict that list. In addition, it took account of the fact that the parties had signed and sent the letter jointly in concluding that the applicant had thus indicated, in writing, that she agreed to that condition. The Board of Appeal therefore took the view that it had merely responded to the parties' joint request for confirmation that the restriction to the list of goods designated by the mark for which registration is sought had been accepted without amendment.

16 In its letter of 1 July 2004, the opposing party reminded the Board of Appeal that it intended to withdraw its opposition if, and only if, the list of goods designated by the mark which appeared in the Board of Appeal's letter of 15 June 2004 was not amended.

17 In its letter of 23 July 2004, the opposing party asked the Board of Appeal to confirm that that list had been restricted once and for all in accordance with the wording in the Board of Appeal's letter of 15 June 2004.

18 In its letter of 29 July 2004, the Board of Appeal confirmed that the accepted restriction to that list was that indicated in its letter of 15 June 2004 and therefore the opposition was held to be withdrawn.

19 In decisions given in respect of both cases on 20 September 2004 (hereinafter 'the contested decisions'), the Board of Appeal held that, considering that withdrawal of the opposition had brought the proceedings to an end, the only issue to settle was the apportionment of costs since no agreement between the parties had been reached. In that regard, it decided to order each party to bear the costs it had itself incurred in the opposition and appeal proceedings in accordance with Articles 81(2) and 81(3) of Regulation No 40/94.

Forms of order sought by the parties

20 The applicant claims in each case that the Court should:

— establish that the letter of 4 June 2004, sent to OHIM and signed jointly by the applicant and the opposing party does not contain a statement intended to bring

an end to the proceedings before the Board of Appeal, but only an application for a stay of proceedings;

— annul the contested decisions and refer the case back to the Board of Appeal of OHIM;

— order OHIM to pay the costs.

21 OHIM contends in each case that the Court should:

— annul the contested decisions;

— order each of the parties before the Court to bear its own costs.

Law

Arguments of the parties

22 The applicant claims that the Board of Appeal erroneously held that the parties had expressed a common intention to bring the proceedings before OHIM to an end. In

that regard she maintains that the parties' joint letter of 4 June 2004 merely constituted an application for a stay of proceedings with a view to reaching an amicable agreement regarding the goods to remove from the list of goods designated by the mark for which registration is sought.

23 On the other hand, that letter contained no statement intended to bring an end to the proceedings before the Board of Appeal. On the contrary, it clearly showed that the parties had not reached an agreement to bring the proceedings to an end. On the one hand, that letter stated that the applicant had, by letter of 3 June 2004, sent the Board of Appeal a request to restrict the list of goods designated, in accordance with an amicable agreement concluded with the opposing party on 22 December 2003. On the other hand, she explained that the opposing party, whilst taking formal notice of that application for a restriction, had observed that it would withdraw the opposition only if certain other goods, not covered by that amicable agreement, were also removed from the list at issue.

24 The applicant concludes from this that the Board of Appeal misconstrued the application submitted by the parties to OHIM for a stay of the proceedings.

25 OHIM considers that the action is well founded and that the contested decisions should be annulled. It states that case-law has acknowledged the admissibility of such claims (Case T-107/02 *GE Betz* v *OHIM — Atofina Chemicals (BIOMATE)* [2004] ECR II-1845, paragraphs 32 to 36, and Case T-22/04 *Reemark* v *OHIM — Bluenet (Westlife)* [2005] ECR II-1559, paragraphs 16 to 19).

26 On the substance of the case, it considers that, as the applicant submits, the letter of 4 June 2004 contained only a joint application by the parties for a stay of the

proceedings. It therefore concludes that the Board of Appeal infringed Article 44(1) of Regulation No 40/94 in restricting the list of goods designated by the mark for which registration is sought.

Findings of the Court

Admissibility of the parties' claims

27 It should be noted at the outset that, by its first head of claim, the applicant is requesting that the Court establish that the letter of 4 June 2004 sent to OHIM and signed jointly by the parties does not contain a statement intended to bring to an end the proceedings before the Board of Appeal, but only an application for a stay of proceedings. That request is not unconnected with the applicant's second head of claim seeking the annulment of the contested decisions as it constitutes an argument in support thereof. Therefore, there is no need to adjudicate on that head of claim as such.

28 For its part OHIM is requesting, by its first head of claim, that the Court annul the contested decisions.

29 In that context it must be recalled that, in proceedings concerning an action brought against a decision of a Board of Appeal adjudicating in opposition proceedings,

OHIM does not have power to alter, by the position it adopts before the Court, the terms of the dispute as delimited in the respective claims and contentions of the applicant for registration and of the opposing party (Case C-106/03 P *Vedial* v *OHIM* [2004] ECR I-9573, paragraph 26, upholding on appeal the judgment of the Court of First Instance in Case T-110/01 *Vedial* v *OHIM — France Distribution (HUBERT)* [2002] ECR II-5275; *Westlife*, paragraph 16, and Case T-186/04 *Spa Monopole* v *OHIM — Spaform (SPAFORM)* [2005] ECR II-2333, paragraph 19).

30 However, it does not follow from that case-law that OHIM is obliged to contend that an action brought against a decision of one of its Boards of Appeal should be dismissed. While OHIM does not have the requisite capacity to bring an action against a decision of a Board of Appeal, conversely it cannot be required to defend systematically every contested decision of a Board of Appeal or automatically to claim that every action challenging such a decision should be dismissed (*BIOMATE*, paragraph 34; *Westlife*, paragraph 17; and *SPAFORM*, paragraph 20).

31 Thus, there is nothing to prevent OHIM from endorsing a head of claim of the applicant's or from simply leaving the decision to the discretion of the Court, while putting forward all the arguments that it considers appropriate for giving guidance to the Court (*BIOMATE*, paragraph 36, and Case T-379/03 *Peek & Cloppenburg* v *OHIM (Cloppenburg)* [2005] ECR II-4633, paragraph 22).

32 On the other hand, it may not seek an order annulling or altering the decision of the Board of Appeal on a point not raised in the application or put forward pleas in law not raised in the application (*Vedial* v *OHIM*, paragraph 34, and *Cloppenburg*, paragraph 22).

33 In this case it is clear that the only arguments that OHIM has put forward are in support of the applicant's heads of claim according to which the Board of Appeal erred in finding that the parties had expressed a common intention to bring the proceedings before OHIM to an end. Therefore, the head of claim put forward by OHIM and the arguments advanced in support thereof are admissible in so far as they do not go beyond the bounds of the claims and arguments put forward by the applicant.

Substance

34 In support of her action the applicant, with OHIM concurring, claims that the Board of Appeal erroneously held that the parties had expressed a common intention to bring the proceedings before OHIM to an end. In that context it must be pointed out that the contested decisions do not state explicitly that the proceedings have been brought to an end.

35 However, in ruling on the apportionment of the costs of the proceedings before OHIM on the basis of the premiss that 'withdrawal of the opposition brought the proceedings to an end' (see the ground set out in paragraphs 20 and 21 respectively of the contested decisions) it must be considered that the Board of Appeal by implication decided to close the proceedings.

36 Although the abovementioned ground contains no details, the account of the facts in respect of the course of the procedure and, in particular, of the exchange of

correspondence between the parties and the Board of Appeal (see paragraphs 9 to 18 and 10 to 19 respectively of the contested decisions) is sufficiently detailed to allow the Court to understand and verify the reasons why the Board of Appeal took the view that the applicant had restricted her application for a trade mark and that, in return, the opposing party had withdrawn its opposition.

37 The Court must therefore examine whether, in this case, the Board of Appeal could validly conclude that the parties had the common intention of bringing the proceedings before it to an end. It must be noted in this connection that, as regards the conditions and procedure relating to an application for partial or total withdrawal of a trade mark application or of an opposition before OHIM, Article 44(1) of Regulation No 40/94 provides that the applicant may at any time withdraw his Community trade mark application or restrict the list of goods or services contained therein.

38 Furthermore, under Rule 20(5) of Commission Regulation (EC) No 2868/95 of 13 December 1995 implementing Regulation No 40/94 (OJ 1995 L 303, p. 1) if, pursuant to Article 44(1) of Regulation No 40/94, the applicant restricts the list of goods and services, OHIM is to communicate this to the opposing party and call upon him, within such period as it may specify, to submit to it observations stating whether he maintains the opposition and, if so, against which of the remaining goods and services.

39 According to case-law, the power provided for in that provision to restrict the list of goods or services is vested solely in the applicant for the Community trade mark who may, at any time, apply to OHIM for that purpose. In that context, the withdrawal, in whole or part, of an application for a Community trade mark must be made expressly and unconditionally (Case T-219/00 *Ellos* v *OHIM (ELLOS)* [2002] ECR II-753, paragraph 61).

40 Finally, although it is true that the legislature has not made express provision for withdrawal of the opposition, since Article 44(1) refers only to withdrawal of a trade mark application, the Court has held that, given that the scheme of Regulation No 40/94 places the applicant for a Community trade mark and the opponent on an equal footing in opposition proceedings, that equality must extend to the possibility of withdrawing procedural documents (Case T-10/01 *Lichtwer Pharma* v *OHIM — Biofarma (Sedonium)* [2003] ECR II-2225, paragraph 15, and Case T-120/03 *Synopharm* v *OHIM — Pentafarma (DERMAZYN)* ECR II-509, paragraph 19).

41 In this case, the Court observes that the Board of Appeal's assertion that the parties expressed a common intention of bringing the proceedings to an end has no factual basis.

42 It must be noted first of all that the only express and unconditional request to restrict the list of goods designated by the mark for which registration is sought is that submitted in the applicant's letter of 3 June 2004.

43 Secondly, in contrast to the requirements of the abovementioned case-law, the parties' joint letter of 4 June 2004 does not contain any express and unconditional application for a partial withdrawal of the trade mark application or for withdrawal of the opposition.

44 In view of its wording, the applicant and OHIM are right in asserting that that letter merely contains a joint application for a stay of the proceedings before the Board of

Appeal. The only express request to the Board of Appeal in that letter is the following:

'In the name of both parties we hereby request a stay of the appeal proceedings.'

45 Moreover that letter contains only an account of the divergence between the applicant's position, as expressed in her letter of 3 June 2004, and that of the opposing party regarding the restriction of the list of goods designated by the mark for which registration is sought.

46 Indeed, it is inconsistent to regard the letter of 4 June 2004 as containing a joint application by the parties to stay proceedings and, at the same time, an application to bring the proceedings to an end in so far as an application for a stay of proceedings becomes redundant in the event of withdrawal of the opposition.

47 The claim that the letter of 4 June 2004 contained only an application for a stay of proceedings is supported by the events prior to that application. It is apparent from the documents before the Court that the parties had already obtained a stay of proceedings on several occasions with a view to enabling them to reach an agreement. In its letter of 2 April 2004 granting a stay of proceedings for the fourth time, the Board of Appeal stated that 'given the prior applications, the period of [that] stay [would] be regarded as final, unless the parties [could] put forward an exceptional ground for a further stay of proceedings.' It is therefore within that context that the letter of 4 June 2004 must be interpreted, namely that, since the Board of Appeal had indicated to the parties that it would not, in principle, grant further applications for a stay of proceedings, the parties intended to set out exceptional grounds for a further stay of proceedings in this case.

48 Furthermore, there is nothing in the file to suggest that there was a subsequent agreement warranting the proceedings being brought to an end. On the contrary, the parties' correspondence subsequent to the letter of 4 June 2004 and up to the date on which the contested decisions were adopted shows continuing disagreement as regards the restriction of the list of goods designated by the mark sought which the applicant would have to have put into effect before the opposing party would agree to withdraw its opposition.

49 In its letter of 15 June 2004, in response to the parties' joint letter of 4 June 2004, the Board of Appeal informed them of what it understood to be their common position on the restriction of the goods designated by the mark, in accordance with the opposing party's view, but without asking the applicant for her agreement as to that interpretation.

50 Consequently, the applicant, in her letter to OHIM of 16 June 2004, denied having accepted the restriction as it appeared from the Board of Appeal's letter of 15 June 2004. She pointed out that she had accepted no restrictions other than those indicated in her letter of 3 June 2004 and therefore asked the Board of Appeal to review its letter of 15 June 2004.

51 Despite that objection, the Board of Appeal, by letter of 23 June 2004, confirmed its interpretation that there had been an application to restrict the designated products, without consulting the parties in order to clarify the precise meaning of the letter of 4 June 2004. It stated that that letter, on account of its wording and the fact that it had been signed by the parties, could be construed only as an application to restrict the products designated and that such an application, having become binding, could not be withdrawn.

52 The absence of any express and unconditional agreement intended to bring the proceedings to an end is also made apparent by the fact that the opposing party

reiterated, in its letter of 1 July 2004, that it wished to withdraw its opposition only on the 'strict condition' that the list of goods designated by the mark as it appeared in the Board of Appeal's letter of 15 June 2004 was not amended. In its letter of 23 July 2004, the opposing party also requested the Board of Appeal to confirm that that restriction had in fact been effected and that the opposition was considered to be withdrawn.

53 Finally, notwithstanding the applicant's express refusal, as set out in her letter of 16 June 2004, to restrict the list of goods designated by the mark for which registration is sought in accordance with the terms required by the opposing party, the Board of Appeal confirmed to the latter by letter of 29 July 2004, a copy of which was sent to the applicant, as follows : 'The restriction accepted is the one specified in our letter of [15 June 2004] and ... consequently the opposition is considered [to be] withdrawn.' Given the position taken by the applicant in her letter of 16 June 2004 and the absence of any express application submitted subsequently by her to the contrary effect, the Board of Appeal had no basis for drawing such a conclusion.

54 It is clear from the foregoing that the contested decisions are vitiated by error of fact and must, therefore, be annulled.

Costs

55 Under Article 87(2) of the Rules of Procedure, the unsuccessful party is to be ordered to pay the costs if they have been applied for in the successful party's pleadings. Since the decisions of the Board of Appeal have been annulled and OHIM must on that basis be regarded as having been unsuccessful, notwithstanding the form of order sought, it must be ordered to pay the applicant's costs, in accordance with the form of order sought by the applicant.

On those grounds,

THE COURT OF FIRST INSTANCE (Fourth Chamber)

hereby:

1. **Annuls the decisions of the Second Board of Appeal of the Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM) of 20 September 2004 (Cases R 973/2002-2 and R 982/2002-2);**

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

Legal Lindh Vadapalas

Delivered in open court in Luxembourg on 1 Febuary 2006.

E. Coulon H. Legal

Registrar President