Reports of Cases

JUDGMENT OF THE COURT (First Chamber)

12 December 2013 *

(Appeal — Community trade mark — Figurative mark containing the word element 'BASKAYA' — Opposition — Bilateral convention — Territory of a non-Member State — 'Genuine use')

In Case C-445/12 P,

APPEAL under Article 56 of the Statute of the Court of Justice of the European Union, brought on 2 October 2012,

Rivella International AG, established in Rothrist (Switzerland), represented by C. Spintig, Rechtsanwalt,

appellant,

the other parties to the proceedings being:

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

defendant at first instance,

Baskaya di Baskaya Alim e C. Sas, established in Grosseto (Italy),

intervener at first instance,

THE COURT (First Chamber),

composed of A. Tizzano, President of the Chamber, A. Borg Barthet, E. Levits (Rapporteur), M. Berger and S. Rodin, Judges,

Advocate General: E. Sharpston,

Registrar: A. Impellizzeri, Administrator,

having regard to the written procedure and further to the hearing on 16 October 2013,

having decided, after hearing the Advocate General, to proceed to judgment without an Opinion,

gives the following

* Language of the case: German.

Judgment

1 By its appeal, Rivella International AG seeks to have set aside the judgment of 12 July 2012 in Case T-170/11 *Rivella International* v *OHIM – Baskaya di Baskaya Alim (BASKAYA)* [2012] ECR ('the judgment under appeal'), by which the General Court of the European Union dismissed its action for annulment of the decision of the Fourth Board of Appeal of the Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM) of 10 January 2011 (Case R 534/2010-4), relating to opposition proceedings between Rivella International and Baskaya di Baskaya Alim e C. Sas ('the contested decision').

Legal context

European Union ('EU') law

Regulation (EC) No 207/2009

2 Under Article 8(2) of Council Regulation (EC) No 207/2009 of 26 February 2009 on the Community trade mark (OJ 2009 L 78, p. 1):

'For the purposes of paragraph 1, "earlier trade marks" means:

(a) trade marks of the following kinds with a date of application for registration which is earlier than the date of application for registration of the Community trade mark, taking account, where appropriate, of the priorities claimed in respect of those trade marks:

(i) Community trade marks;

(ii) trade marks registered in a Member State, or, in the case of Belgium, the Netherlands or Luxembourg, at the Benelux Office for Intellectual Property;

(iii) trade marks registered under international arrangements which have effect in a Member State;

(iv) trade marks registered under international arrangements which have effect in the Community;

…'

3 Article 42 of Regulation No 207/2009 concerns opposition proceedings before OHIM, and is worded as follows:

'…

2. If the applicant so requests, the proprietor of an earlier Community trade mark who has given notice of opposition shall furnish proof that, during the period of five years preceding the date of publication of the Community trade mark application, the earlier Community trade mark has been put to genuine use in the Community in connection with the goods or services in respect of which it is registered and which he cites as justification for his opposition, or that there are proper reasons for non-use, provided the earlier Community trade mark has at that date been registered for not less than five years. In the absence of proof to this effect, the opposition shall be rejected. If the earlier

Community trade mark has been used in relation to part only of the goods or services for which it is registered it shall, for the purposes of the examination of the opposition, be deemed to be registered in respect only of that part of the goods or services.

3. Paragraph 2 shall apply to earlier national trade marks referred to in Article 8(2)(a), by substituting use in the Member State in which the earlier national trade mark is protected for use in the Community.

…'

4 Article 160 of that regulation, relating to the use of a mark which is the subject of an international registration, states:

'For the purposes of applying … Article 42(2) …, the date of publication pursuant to Article 152(2) shall take the place of the date of registration for the purpose of establishing the date as from which the mark which is the subject of an international registration designating the European Community must be put to genuine use in the Community.'

Directive 2008/95/EC

5 Article 10(1) of Directive 2008/95/EC of the European Parliament and of the Council of 22 October 2008 to approximate the laws of the Member States relating to trade marks (OJ 2008 L 299, p. 25) is worded as follows:

'If, within a period of five years following the date of the completion of the registration procedure, the proprietor has not put the trade mark to genuine use in the Member State in connection with the goods or services in respect of which it is registered, or if such use has been suspended during an uninterrupted period of five years, the trade mark shall be subject to the sanctions provided for in this Directive, unless there are proper reasons for non-use.'

The Madrid Agreement

6 Article 4(1) of the Madrid Agreement concerning the International Registration of Marks of 14 April 1891, as amended ('the Madrid Agreement'), provides:

'From the date of the registration …, the protection of the mark in each of the contracting countries concerned shall be the same as if the mark had been filed therein direct. …'

The 1892 Convention

7 Article 5(1) of the Convention between Switzerland and Germany on the reciprocal protection of patents, designs and trademarks, signed in Berlin on 13 April 1892, as amended ('the 1892 Convention'), states that the legal disadvantages which, under the laws of the contracting parties, occur when a trade mark has not been used within a certain period of time are precluded if the use takes place in the territory of the other party.

Background to the dispute

8 On 25 October 2007, Baskaya di Baskaya Alim e C. Sas filed an application for registration of a Community trade mark with OHIM pursuant to Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark (OJ 1994 L 11, p. 1).

9 The trade mark in respect of which registration was sought is the following figurative sign:



10 The goods in respect of which registration was sought are in Classes 29, 30 and 32 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, for each of those classes, to the following description:

— Class 29: 'Meat, fish, poultry and game; meat extracts; preserved, dried and cooked fruits and vegetables; jellies, jams, fruit sauces; eggs, milk and milk products; edible oils and fats';

— Class 30: 'Coffee, tea, cocoa, sugar, rice, tapioca, sago, artificial coffee; flour and preparations made from cereals, bread, pastry and confectionery, ices; honey, treacle; yeast, baking-powder; salt, mustard; vinegar, sauces (condiments); spices; ice';

— Class 32: 'Beers; mineral and aerated waters and other non-alcoholic drinks; fruit drinks and fruit juices; syrups and other preparations for making beverages'.

11 The Community trade mark application was published in *Community Trade Marks Bulletin* No 13/2008 of 31 March 2008.

12 On 30 June 2008, Rivella International filed a notice of opposition under Article 42 of Regulation No 40/94 (now Article 41 of Regulation No 207/2009) to registration of the trade mark applied for, invoking a likelihood of confusion for the purposes of Article 8(1)(b) of Regulation No 40/94 (now Article 8(1)(b) of Regulation No 207/2009).

13 The opposition was based on the earlier international figurative mark, registered on 30 June 1992 under the number 470542 and extended until 30 June 2012, which produces effects in Germany, Spain, France, Italy, Austria and the Benelux countries, for goods in Class 32 of the Nice Agreement, namely: 'Beer, ale and porter; mineral and aerated waters and other non-alcoholic drinks; syrups and other preparations for making beverages'. That mark is reproduced below:



14 On being asked to provide proof of use of the earlier trade mark, on 31 March 2009 Rivella International stated that it was maintaining the opposition only in respect of the German part of the international registration and submitted a number of documents as proof of use in Switzerland. It relied, in that regard, on Article 5 of the 1892 Convention. Under that convention, use in Switzerland is equivalent to use in Germany.

15 By decision of 8 February 2010, the Opposition Division rejected the opposition since there was no proof of use of the earlier trade mark. It stated that the documents provided showed that the mark cited in opposition was used only in Switzerland and rejected the application of the 1892 Convention.

16 On 7 April 2010, Rivella International filed a notice of appeal at OHIM against the Opposition Division's decision.

17 By the contested decision, the Fourth Board of Appeal of OHIM dismissed the appeal on the ground that the proof of genuine use of the earlier trade mark cited in support of the opposition related only to the Swiss Confederation. The Board of Appeal found that the only relevant legal framework was that of Regulation No 207/2009 and, more specifically, Article 42(2) and (3) of that regulation, under which the earlier trade mark must have been put to genuine use in the Member State in which it is protected.

Procedure before the General Court and the judgment under appeal

18 By application lodged at the Registry of the General Court on 17 March 2011, Rivella International brought an action for annulment of the contested decision.

19 In support of that action, it raised a single plea in law, alleging infringement of Article 42(2) and (3) of Regulation No 207/2009.

20 In particular, Rivella International claimed that, since, under Article 5(1) of the 1892 Convention, a trade mark is deemed to be used in Germany if it is used in Switzerland, it was not obliged to furnish proof of genuine use of the earlier trade mark in Germany.

21 The General Court first addressed, in paragraphs 22 to 36 of the judgment under appeal, the question of the territory in respect of which proof had to be furnished of use of the earlier trade mark.

22 In paragraph 26 of the judgment under appeal, the General Court stated that 'questions relating to the proof furnished in support of the grounds for opposition to an application for registration of a Community trade mark and questions relating to the territorial aspect of the use of marks are governed by the relevant provisions of Regulation No 207/2009', irrespective of the domestic law of the Member States. It stated in that regard, in paragraph 27 of that judgment, that the national or international nature of an earlier trade mark cited in Community opposition proceedings in no way means that the national law applicable to that earlier trade mark will be applied in those proceedings.

23 The General Court therefore found that, although procedures for the registration of trade marks are covered by the national law of each Member State, the same cannot be said of the determination of the territory in which genuine use of the earlier trade mark must be established, as that question is governed by EU law.

24 In addition, the General Court found, in paragraph 36 of the judgment under appeal, that, although, in certain circumstances, national law may apply, Regulation No 207/2009 has provided for the co-existence of the national systems and the Community system for the protection of trade marks.

25 Secondly, in paragraphs 37 to 40 of the judgment under appeal, the General Court found that proof of genuine use could be required under Article 42(2) of Regulation No 207/2009 even in respect of an earlier international trade mark, as such marks could be equated with national marks.

26 The General Court accordingly dismissed Rivella International's action for annulment.

Forms of order sought

27 By its appeal, Rivella International claims that the Court should set aside the judgment under appeal, refer the case back to the General Court, and order OHIM to pay the costs at first instance and on appeal.

28 OHIM contends that the Court should dismiss the appeal and order Rivella International to pay the costs.

The appeal

29 Rivella International raises a single ground of appeal, alleging infringement of Article 42(2) and (3) of Regulation No 207/2009. There are three parts to that ground of appeal.

First part of the single ground of appeal

Arguments of the parties

30 Rivella International submits that trade marks registered under international arrangements which have effect in a Member State do not come within the ambit of Article 42(2) and (3) of Regulation No 207/2009.

31 Relying on the wording of those provisions, Rivella International argues that Article 42(2) and (3) of Regulation No 207/2009 expressly concern only 'earlier Community trade marks' and 'earlier national trade marks' and not the other examples listed in Article 8(2) of that regulation, which uses the more general term 'earlier trade marks'. Accordingly, the earlier trade mark which is in conflict with the trade mark in respect of which registration is sought is covered by Article 8(2)(a) of Regulation No 207/2009.

32 As that earlier trade mark is registered under international arrangements, it is submitted that the General Court was wrong to require Rivella International to provide proof of use of that mark in Germany.

33 OHIM contends that Article 160 of Regulation No 207/2009 expressly links the use requirement arising from Article 42 of that regulation to trade marks which are the subject of an international registration designating the European Union.

Findings of the Court

34 By the first part of its single ground of appeal, Rivella International submits that the General Court erred in law by applying the genuine use requirement provided for in Article 42(2) and (3) of Regulation No 207/2009 to the earlier trade mark owned by Rivella International, despite the fact that that trade mark is an international trade mark which is not covered by those provisions.

35 First, it should be noted that it is clear from the wording of Article 42 of Regulation No 207/2009 that Article 42(2) applies to earlier Community trade marks, while Article 42(3) applies to earlier national trade marks.

36 It should also be noted that those two provisions do not distinguish national trade marks from trade marks which are the subject of an international registration.

37 However, the 'earlier national trade marks' mentioned in Article 42(3) of Regulation No 207/2009 must be understood as being trade marks which have effect in a Member State, regardless of whether they have been registered nationally or internationally.

38 Article 42(3) states that the rules laid down therein are to apply to the 'earlier national trade marks' referred to in Article 8(2)(a) of Regulation No 207/2009, but makes no distinction between the four categories of 'earlier trade marks' listed in that latter provision, which include trade marks registered under international arrangements which have effect in a Member State.

39 It follows that Article 42(3) of Regulation No 207/2009 is intended only to apply the requirement under Article 42(2) of that regulation – that an earlier Community trade mark must have been used within the Community – to earlier national trade marks, in respect of which it is stated that use is required in the territory of a Member State.

40 Secondly, the interpretation argued for by Rivella International, which has the effect of excluding international trade marks from the scope of the fundamental use requirement, circumvents the trade mark protection system of which Article 42(2) and (3) of Regulation No 207/2009 form part, and deprives those provisions of their useful effect. In particular, it should be emphasised that recital 10 in the preamble to that regulation, which recalls the principle of the priority of a trade mark, makes no distinction according to the type of trade mark at issue in opposition proceedings. The same is true of Article 160 of Regulation No 207/2009, which requires use where opposition proceedings are brought on the basis of an international trade mark in the context of determining the date of registration.

41 That is, in essence, what the General Court emphasised when observing, in paragraph 38 of the judgment under appeal, that Article 4(1) of the Madrid Agreement and Article 4(1)(a) of the Protocol relating to that agreement provide that the protection of the mark in each of the Contracting Parties concerned is to be the same as if the mark had been deposited direct with the Office of that Contracting Party.

42 Therefore, by virtue of those provisions, 'trade marks registered under international arrangements which have effect in a Member State' for the purposes of Article 8(2)(a)(iii) of Regulation No 207/2009 are subject to the same system as the 'trade marks registered in a Member State' referred to in Article 8(2)(a)(ii) of that regulation.

43 Accordingly, the General Court did not err in law by applying Article 42(3) of Regulation No 207/2009 to Rivella International's trade mark.

44 That being so, Rivella International cannot claim that the General Court's reasoning in paragraphs 33 and 38 of the judgment under appeal is contradictory; in paragraph 33 of that judgment, the General Court is emphasising, in essence, that the concept of genuine use has been harmonised in the context of the procedure for applying for registration of a Community trade mark, whereas in paragraph 38 it is referring to the validity of an international trade mark in the territory of a Member State.

45 Consequently, the first part of the single ground of appeal must be rejected as unfounded.

Second part of the single ground of appeal

Arguments of the parties

46 By the second part of its single ground of appeal, Rivella International submits that, contrary to the findings of the General Court, the question of the 'territorial validity' of a nationally-registered trade mark is exclusively governed by national law. That is especially the case for national trade marks which have been registered under international arrangements and have effect in a Member State.

47 OHIM argues that the concept of use of an earlier trade mark must be interpreted uniformly in the context of Regulation No 207/2009, which exhaustively governs the nature of the use in question and the territory in respect of which proof must be provided of such use. OHIM contends in that regard that, although the 1892 Convention is capable of affecting German trade mark law, it has no effect on the Community trade mark system.

Findings of the Court

48 As a preliminary point, it should be borne in mind that the Community trade mark system is an autonomous system with its own set of objectives and rules peculiar to it; it applies independently of any national system (see Case C-190/10 *Génesis* [2012] ECR, paragraph 36, and Case C-320/12 *Malaysia Dairy Industries* [2013] ECR, paragraph 33).

49 In that context, Rivella International cannot call in question the conclusions drawn by the General Court from the judgment of the Court of Justice in Case C-234/06 P *Il Ponte Finanziaria* v *OHIM* [2007] ECR I-7333 regarding the concept of use of a trade mark. In that judgment, as the General Court recalled in paragraph 34 of the judgment under appeal, the Court held that the national concept of a defensive trade mark, pursuant to which an earlier trade mark is protected on the basis of national law even if its use cannot be established, cannot be used to oppose the registration of a Community trade mark.

50 The position would be different only if the legislation governing the Community trade mark did not harmonise the concept of use of a trade mark.

51 However, Article 10(1) of Directive 2008/95, which is intended to harmonise the national laws on trade marks, provides that, after a certain period, a trade mark which has not been put to genuine use by its proprietor in a Member State is to be subject to the sanctions provided for in that directive, including invalidity.

52 Therefore, the General Court did not err in law in ruling that the concept of use of a Community trade mark in the European Union is exhaustively and exclusively governed by EU law.

53 Consequently, the second part of the single ground of appeal must be rejected as unfounded.

Third part of the single ground of appeal

Arguments of the parties

54 According to Rivella International, the fact that the use of the mark in respect of which registration is sought may be prohibited in Germany by virtue of the 1892 Convention could affect the unitary character of the Community trade mark. Although Rivella International concedes that there are exceptions to the principle of the uniqueness of a Community trade mark, such exceptions must be expressly provided for by Regulation No 207/2009, as can be seen from recital 3 to that regulation.

55 Citing Articles 111 and 165 of Regulation No 207/2009, OHIM emphasises that the principle of the unitary character of a Community trade mark is not absolute.

Findings of the Court

56 It should be borne in mind that provision is made in Regulation No 207/2009 for exceptions to the principle of the unitary character of a trade mark.

57 In particular, Article 111(1) of that regulation allows the proprietor of an earlier right which only applies to a particular locality to oppose the use of a Community trade mark in the territory where his right is protected, in so far as the legislation of the Member State concerned so permits.

58 Accordingly, the General Court was right to find, in paragraph 36 of the judgment under appeal, that the principle of the unitary character of a trade mark is not absolute.

59 It follows that the third part of the single ground of appeal is unfounded. Accordingly, the appeal must be dismissed in its entirety.

Costs

60 Under Article 138(1) of the Rules of Procedure of the Court of Justice, which applies to appeal proceedings by virtue of Article 184(1) thereof, the unsuccessful party is to be ordered to pay the costs if they have been applied for in the successful party's pleadings. As OHIM has applied for costs and Rivella International has been unsuccessful, Rivella International must be ordered to bear the costs.

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

1. Dismisses the appeal;

2. Orders Rivella International AG to pay the costs.

[Signatures]