Reports of Cases

JUDGMENT OF THE COURT (Fifth Chamber)

23 January 2025 * [i]

(Appeal – EU trade mark – Regulation (EC) No 207/2009 – Article 4 – Signs of which an EU trade mark may consist – Application for registration of a tactile position mark representing a cylindrical sanitary insert – Article 7 – Absolute grounds for refusal – Obligation to examine at the outset the ground for refusal laid down in Article 7(1)(a) of Regulation No 207/2009 – None – Regulation (EU) 2017/1001 – Article 72(3) – Power of the General Court to alter the decision of the Board of Appeal – Limits)

In Case C-93/23 P,

APPEAL under Article 56 of the Statute of the Court of Justice of the European Union, brought on 17 February 2023,

European Union Intellectual Property Office (EUIPO), represented by D. Hanf, T. Klee and E. Markakis, acting as Agents,

appellant,

the other party to the proceedings being:

Neoperl AG, established in Reinach (Switzerland), represented by C. Mertzlufft-Paufler, M. Nielen and C. Schrempp, Rechtsanwälte,

applicant at first instance,

THE COURT (Fifth Chamber),

composed of K. Lenaerts, President of the Court, acting as President of the Fifth Chamber, I. Jarukaitis, President of the Fourth Chamber, E. Regan, Z. Csehi and O. Spineanu-Matei (Rapporteur), Judges,

Advocate General: P. Pikamäe,

Registrar: A. Calot Escobar,

having regard to the written procedure,

after hearing the Opinion of the Advocate General at the sitting on 12 September 2024,

* Language of the case: German.

gives the following

Judgment

1 By its appeal, the European Union Intellectual Property Office (EUIPO) asks the Court of Justice to set aside the judgment of the General Court of the European Union of 7 December 2022, *Neoperl* v *EUIPO (Representation of a cylindrical sanitary insert)* (T-487/21, 'the judgment under appeal', EU:T:2022:780), by which the General Court annulled the decision of the Fifth Board of Appeal of EUIPO of 3 June 2021 (Case R 2327/2019-5), concerning the registration of a tactile position mark representing a cylindrical sanitary insert as an EU trade mark ('the decision at issue').

Legal context

Regulation No 207/2009

2 Council Regulation (EC) No 207/2009 of 26 February 2009 on the Community trade mark (OJ 2009 L 78, p. 1), as amended by Regulation (EU) 2015/2424 of the European Parliament and of the Council of 16 December 2015 (OJ 2015 L 341, p. 21) ('Regulation No 207/2009'), provides, in Article 4, entitled 'Signs of which an EU trade mark may consist':

'[An EU] trade mark may consist of any signs capable of being represented graphically, particularly words, including personal names, designs, letters, numerals, the shape of goods or of their packaging, provided that such signs are capable of distinguishing the goods or services of one undertaking from those of other undertakings.'

3 Article 7 of Regulation No 207/2009, entitled 'Absolute grounds for refusal', provides:

'1. The following shall not be registered:

(a) signs which do not conform to the requirements of Article 4;

(b) trade marks which are devoid of any distinctive character;

(c) trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin or the time of production of the goods or of rendering of the service, or other characteristics of the goods or service;

(d) trade marks which consist exclusively of signs or indications which have become customary in the current language or in the bona fide and established practices of the trade;

(e) signs which consist exclusively of:
(i) the shape, or another characteristic, which results from the nature of the goods themselves;
(ii) the shape, or another characteristic, of goods which is necessary to obtain a technical result;
(iii) the shape, or another characteristic, which gives substantial value to the goods;

(f) trade marks which are contrary to public policy or to accepted principles of morality;

(g) trade marks which are of such a nature as to deceive the public, for instance as to the nature, quality or geographical origin of the goods or service;

(h) trade marks which have not been authorised by the competent authorities and are to be refused pursuant to Article 6ter of the Paris Convention for the Protection of Industrial Property [signed in Paris on 20 March 1883, last revised in Stockholm on 14 July 1967 and amended on 28 September 1979 (*United Nations Treaty Series*, Vol. 828, No 11851, p. 305)], hereinafter referred to as "the Paris Convention";

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

(j) trade marks which are excluded from registration, pursuant to Union legislation or national law or to international agreements to which the Union or the Member State concerned is party, providing for protection of designations of origin and geographical indications;

(k) trade marks which are excluded from registration pursuant to Union legislation or international agreements to which the Union is party, providing for protection of traditional terms for wine;

(l) trade marks which are excluded from registration pursuant to Union legislation or international agreements to which the Union is party, providing for protection of traditional specialities guaranteed;

(m) trade marks which consist of, or reproduce in their essential elements, an earlier plant variety denomination registered in accordance with Union legislation or national law, or international agreements to which the Union or the Member State concerned is a party, providing for protection of plant variety rights, and which are in respect of plant varieties of the same or closely related species.

…'

4 Article 26 of that regulation, entitled 'Conditions with which applications must comply', provides, in paragraph 1(d) and in paragraph 3 thereof:

'1. An application for [an EU] trade mark shall contain:

…

(d) a representation of the trade mark.

…

3. An application for [an EU] trade mark must comply with the conditions laid down in the Implementing Regulation referred to in Article 162(1), …'

Regulation (EU) 2017/1001

5 Regulation No 207/2009 was repealed and replaced, with effect from 1 October 2017, by Regulation (EU) 2017/1001 of the European Parliament and of the Council of 14 June 2017 on the European Union trade mark (OJ 2017 L 154, p. 1).

6 Article 31 of Regulation 2017/1001, entitled 'Conditions with which applications must comply', provides, in paragraph 1(d) and in paragraph 3 thereof:

'1. An application for an EU trade mark shall contain:

…

(d) a representation of the mark, which satisfies the requirements set out in Article 4(b).

…

3. In addition to the requirements referred to in paragraphs 1 and 2, an application for an EU trade mark shall comply with the formal requirements laid down in this Regulation and in the implementing acts adopted pursuant to it. If those conditions provide for the trade mark to be represented electronically, the Executive Director may determine the formats and maximum size of such an electronic file.'

7 Article 41 of Regulation 2017/1001, entitled 'Examination of the conditions of filing', provides, in paragraphs 1, 2 and 4 thereof:

'1. [EUIPO] shall examine whether:

…

(b) the EU trade mark application complies with the conditions and requirements referred to in Article 31(3);

…

2. Where the EU trade mark application does not satisfy the requirements referred to in paragraph 1, [EUIPO] shall request the applicant to remedy the deficiencies or the default on payment within two months of the receipt of the notification.

…

4. If the deficiencies established pursuant to paragraph 1(b) are not remedied within the prescribed period, [EUIPO] shall refuse the application.'

8 Article 71 of that regulation, entitled 'Decisions in respect of appeals', provides:

'1. Following the examination as to the allowability of the appeal, the Board of Appeal shall decide on the appeal. The Board of Appeal may either exercise any power within the competence of the department which was responsible for the decision appealed or remit the case to that department for further prosecution.

2. If the Board of Appeal remits the case for further prosecution to the department whose decision was appealed, that department shall be bound by the *ratio decidendi* of the Board of Appeal, in so far as the facts are the same.

3. The decisions of the Board of Appeal shall take effect only as from the date of expiry of the period referred to in Article 72(5) or, if an action has been brought before the General Court within that period, as from the date of dismissal of such action or of any appeal filed with the Court of Justice against the decision of the General Court.'

9 Under Article 72 of that regulation, entitled 'Actions before the Court of Justice':

'1. Actions may be brought before the General Court against decisions of the Boards of Appeal in relation to appeals.

2. The action may be brought on grounds of lack of competence, infringement of an essential procedural requirement, infringement of the TFEU, infringement of this Regulation or of any rule of law relating to their application or misuse of power.

3. The General Court shall have jurisdiction to annul or to alter the contested decision.

4. The action shall be open to any party to proceedings before the Board of Appeal adversely affected by its decision.

5. The action shall be brought before the General Court within two months of the date of notification of the decision of the Board of Appeal.

6. [EUIPO] shall take the necessary measures to comply with the judgment of the General Court or, in the event of an appeal against that judgment, the Court of Justice.'

10 Article 94 of that regulation, entitled 'Decisions and communications of [EUIPO]', provides:

'1. Decisions of [EUIPO] shall state the reasons on which they are based. They shall be based only on reasons or evidence on which the parties concerned have had an opportunity to present their comments. …

…'

11 Article 95 of Regulation 2017/1001, entitled 'Examination of the facts by [EUIPO] of its own motion', provides:

'1. In proceedings before it [EUIPO] shall examine the facts of its own motion; …

…'

12 Article 159 of that regulation, entitled 'Competence', provides:

'For taking decisions in connection with the procedures laid down in this Regulation, the following shall be competent:

(a) examiners;

(b) Opposition Divisions;

(c) a department in charge of the Register;

(d) Cancellation Divisions;

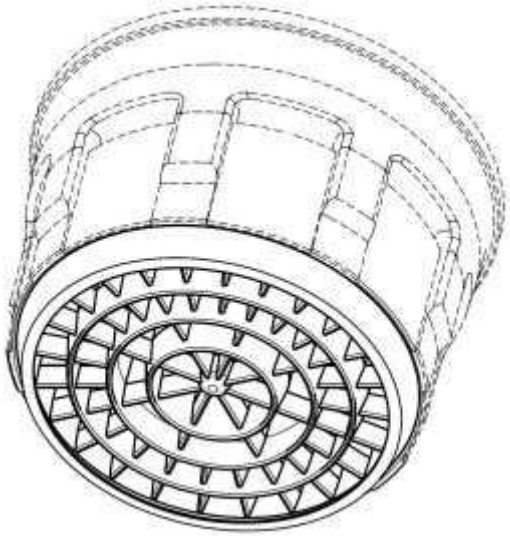
(e) Boards of Appeal;

(f) any other unit or person appointed by the Executive Director to that effect.'

Background to the dispute

13 The background to the dispute is set out in paragraphs 2 to 11 of the judgment under appeal and may, for the purposes of the present proceedings, be summarised as follows.

14 On 1 September 2016, Neoperl AG filed an application for registration of an EU trade mark with EUIPO, pursuant to Regulation No 207/2009, in respect of the following sign:



15 In that application for registration, the sign at issue was characterised as a 'tactile position mark' and was described as follows:

'The mark is a tactile position mark. The protection claimed relates to a structure, laid out at one end of a cylindrical sanitary insert, intended for the flow of water, directed towards the outside and projecting from a non-elastic base, with this structure being made of circular, concentric and flexible slats a few millimetres in height covering the entire surface of the end, with it being possible to bend the flexible slats by pressing a finger against or alongside the base. No protection is claimed for the rest of the outline of the insert, shown using a dotted line in the representation.'

16 The goods in respect of which registration was sought are in Class 11 of the Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, as revised and amended, and correspond to the following description: 'Sanitary inserts, in particular flow regulators and flow generators'.

17 That application for registration gave rise to objections based on the formal grounds for refusal set out in Article 26(1)(d) of Regulation No 207/2009 (now Article 31(1)(d) of Regulation 2017/1001), read in conjunction with Rule 9(3)(a) of Commission Regulation (EC) No 2868/95 of 13 December 1995 implementing Council Regulation (EC) No 40/94 on the Community trade mark (OJ 1995 L 303, p. 1) (now Article 41(2) of Regulation 2017/1001), given that, 'generally speaking, tactile marks … would not be accepted by [EUIPO]'. It was thus suggested that Neoperl reclassify the mark applied for as a 'position mark'.

18 By letter of 22 December 2016, Neoperl refused to reclassify the mark applied for and reaffirmed, in that regard, its wish to retain the classification of a 'tactile position mark' and the accompanying description, set out in paragraph 15 above.

19 By decision of 11 October 2019, the examiner rejected the application for registration on the basis of Article 41(4) of Regulation 2017/1001, read in conjunction, inter alia, with Article 4 and Article 31(3) of that regulation, on formal grounds, in that, in essence, the application, in so far as it sought the registration of a tactile mark, was not sufficiently precise for the purposes of those provisions.

20 On 16 October 2019, Neoperl filed a notice of appeal with EUIPO against the decision of the examiner.

21 By a communication from the rapporteur of 3 August 2020, the Fifth Board of Appeal of EUIPO informed Neoperl that, independently of the issue of determining whether or not the application for registration as an EU trade mark of the sign at issue met the requirements of Article 31 of Regulation 2017/1001, it found that the absolute ground for refusal referred to in Article 7(1)(b) of that regulation was relevant in the present case and that the mark applied for was devoid of distinctive character, within the meaning of Article 7(1)(b).

22 On 3 March 2021, Neoperl submitted its observations regarding that communication of 3 August 2020.

23 By the decision at issue, the Board of Appeal found that the sign in respect of which registration as an EU trade mark was sought was devoid of distinctive character within the meaning of Article 7(1)(b) of Regulation 2017/1001 and dismissed the appeal.

The procedure before the General Court and the judgment under appeal

24 By application lodged at the Registry of the General Court on 10 August 2021, Neoperl brought an action for annulment of the decision at issue.

25 In support of its action, Neoperl put forward two pleas in law. By the first plea, alleging infringement of Article 7(1)(b) of Regulation 2017/1001, Neoperl claimed, in essence, that the Board of Appeal had not taken sufficient account of the specific features of the mark applied for. Neoperl concluded from this that, in contrast to the Board of Appeal's finding, the sign at issue has distinctive character.

26 By the second plea, alleging infringement of the first sentence of Article 95(1) of Regulation 2017/1001, Neoperl claimed, in essence, that, although the Board of Appeal had claimed that the tactile impression produced by the sign at issue differed only slightly from that produced by a traditional non-elastic structure, it had not adduced sufficient evidence to substantiate that assertion, despite the obligation to carry out an examination of such facts of its own motion during the examination of absolute grounds for refusal.

27 The General Court made, in paragraphs 14 to 17 of the judgment under appeal, preliminary observations on the provisions applicable to the dispute.

28 After noting that the date on which the application for registration of the sign at issue as an EU trade mark was filed, namely 1 September 2016, was decisive for the purpose of identifying the applicable substantive law with a view to the examination of the existence of absolute grounds for refusal, the General Court held that the dispute was governed by the substantive provisions of Regulation No 207/2009, and therefore, as the case may be, where those substantive provisions resulted from the amendments made by Regulation 2015/2424.

29 In that regard, the General Court stated that Article 4 of Regulation 2015/2424 provided that that regulation was to enter into force on 23 March 2016, but that certain provisions of Regulation No 207/2009, including Article 4 and Article 26(3) thereof, were to apply only from 1 October 2017.

30 The General Court held that, consequently, in the present case, as regards the substantive rules, Article 4 and Article 26(3) of Regulation No 207/2009, in the version applicable before the amendment made by Regulation 2015/2424, and Article 7 of Regulation No 207/2009 were applicable. The General Court added that, however, as regards Article 7 of Regulation No 207/2009, the application *ratione temporis* of Regulation No 207/2009 did not lead to a different result for the examination of the action brought before it, since the amendments made by Regulation 2015/2424 did not concern the provisions of Article 7(1)(a) and (b) of Regulation No 207/2009, which are the only provisions relevant in the present case. The General Court held that, therefore, in the present case, as regards the substantive rules, the references made by the Board of Appeal in the decision at issue and by Neoperl in the application to Article 7(1)(b) of Regulation 2017/1001 should be regarded as being, in reality, references to Article 7(1)(b) of Regulation No 207/2009, the wording of both those provisions being identical.

31 Lastly, the General Court stated that, since procedural rules were generally held to apply on the date on which they enter into force, the dispute was governed by the procedural provisions of Regulation 2017/1001, that regulation being in force at the time of adoption of the decision at issue.

32 In the context of the assessment of the action, the General Court began by recalling, in essence, in paragraphs 20 to 22 of the judgment under appeal, that the examiner had rejected the application for registration of the sign at issue as an EU trade mark on the basis of Article 41(4) of Regulation 2017/1001 and that the Board of Appeal had decided to examine only the absolute ground for

refusal of registration laid down in Article 7(1)(b) of Regulation No 207/2009, stating that it was irrelevant whether the sign at issue should otherwise be refused registration pursuant to Article 41(4) of Regulation 2017/1001, read in conjunction with Article 4 of Regulation No 207/2009 (now, after amendment, Article 4 of Regulation 2017/1001), or pursuant to Article 7(1)(a) of Regulation No 207/2009, in so far as it was sufficient that a ground for refusal referred to in that Article 7(1) precluded that registration.

33 In the first place, the General Court, for the reasons set out in paragraphs 20 to 49 of the judgment under appeal, put forward of its own motion the plea alleging breach of the scope of the law.

34 In that regard, the General Court, first of all, stated, in paragraph 24 of the judgment under appeal, that, according to the case-law of the Court of Justice, while certain pleas may, and indeed must, be raised by the courts of their own motion, a plea going to the substantive legality of the decision at issue can be examined by the EU judicature only if it is raised by the applicant, *quod non* in the present case. The General Court added, in paragraph 25 of the judgment under appeal, that, according to that case-law, although the EU judicature must rule only on the heads of claim put forward by the parties, which must define the dispute, the EU judicature cannot confine itself to the arguments put forward by the parties in support of their claims, or it might be forced, in some circumstances, to base its decisions on erroneous legal considerations. In paragraph 26 of the judgment under appeal, the General Court inferred from that the power and, where appropriate, the duty for the EU Courts to raise certain pleas of substantive legality of their own motion. In paragraph 27 of the judgment under appeal, taking the view that the plea alleging breach of the scope of the law concerns a matter of public policy, the General Court held that it was for the General Court to consider of its own motion. The General Court stated that it would be neglecting its function as the arbiter of legality if it failed to make a finding, even in the absence of any challenge by the parties on that point, that the decision at issue had been adopted on the basis of a rule that was not applicable to the case in point and if, as a consequence, it was led to adjudicate on the dispute before it by itself applying such a rule.

35 Next, the General Court implicitly found, in paragraph 38 of the judgment under appeal, that the Board of Appeal had misinterpreted the scope of Article 7(1)(a) of Regulation No 207/2009 by failing to assess, before the examination of Article 7(1)(b) of that regulation, whether the sign for which registration was sought as an EU trade mark satisfied the conditions set out in Article 4 of that regulation, including that of being capable of being represented graphically and whether, consequently, registration had to be refused pursuant to that Article 7(1)(a). Since, pursuant to Article 7(1)(b) of Regulation No 207/2009, 'trade marks' which are devoid of any distinctive character are not to be registered, the General Court held, in paragraph 36 of the judgment under appeal, that the distinctive character of a sign can be assessed, for the purposes of its registration as an EU trade mark, only once it has been found that it constitutes a trade mark, within the meaning of Article 4 of that regulation, that is to say, from the time when it has been found that it is capable of being represented graphically.

36 In the second place, the General Court examined, in paragraphs 50 to 61 of the judgment under appeal, whether, in the present case, the sign at issue satisfied the conditions laid down in Article 4 of Regulation No 207/2009 and, consequently, whether the absolute ground for refusal set out in Article 7(1)(a) of Regulation No 207/2009 was applicable.

37 In that regard, the General Court stated, in paragraph 57 of the judgment under appeal, that the tactile impression produced by the sign at issue was not shown in a precise and self-contained manner by the graphic representation of that sign, but, at best, by the accompanying description.

Thus, according to the General Court, not only did that description not precisely reflect the subject matter and scope of the protection sought under trade mark law, within the meaning of the case-law of the Court of Justice, but, on the contrary, it may have given rise to doubts as to the subject matter and scope of that graphic representation, in so far as it attempted to broaden the subject matter of the protection sought. Consequently, in paragraph 58 of the judgment under appeal, the General Court held that the sign at issue did not satisfy the conditions set out in Article 4 of Regulation No 207/2009 and that its registration was caught by the absolute ground for refusal referred to in Article 7(1)(a) of that regulation.

38 In paragraph 60 of the judgment under appeal, the General Court inferred from this that Article 7(1)(b) of Regulation No 207/2009 was not applicable to the assessment of the application for registration of the sign at issue as an EU trade mark and that, consequently, the Board of Appeal could not lawfully apply that provision in order to adopt the decision at issue.

39 By the judgment under appeal, the General Court annulled the decision at issue.

The procedure before the Court of Justice and the forms of order sought

40 By document lodged on the same date as the present appeal, EUIPO requested, pursuant to Article 170a(1) of the Rules of Procedure of the Court of Justice, that its appeal be allowed to proceed, in accordance with the third paragraph of Article 58a of the Statute of the Court of Justice of the European Union.

41 By order of 11 July 2023, *EUIPO* v *Neoperl* (C-93/23 P, EU:C:2023:601), the appeal was allowed to proceed.

42 EUIPO claims that the Court should:

– set aside the judgment under appeal;

– dismiss the action brought against the decision at issue; and

– order each party to bear its own costs.

43 Neoperl contends that the Court should:

– uphold the appeal in so far as it seeks to have the judgment under appeal set aside and dismiss that appeal as to the remainder;

– set aside the judgment under appeal on the basis of the failure to take into account its plea alleging infringement, by EUIPO, of Article 71(1) of Regulation 2017/1001, read in conjunction with Article 7(1)(a) of Regulation No 207/2009 and Article 94(1) of Regulation 2017/1001;

– refer the proceedings back to EUIPO in order for it to examine for the first time the conditions provided for in Article 7(1)(a) of Regulation No 207/2009, read in conjunction with Article 4 thereof; and

– order EUIPO to pay the costs.

The appeal

44 EUIPO puts forward a single ground in support of its appeal.

Arguments of the parties

45 In support of its appeal, EUIPO puts forward a single ground of appeal, alleging infringement of Article 72(3) of Regulation 2017/1001. That single ground is divided into two parts.

46 By the first part of the single ground of appeal, EUIPO complains that the General Court exceeded the limits of its jurisdiction laid down in Article 72(3) of Regulation 2017/1001 by examining, of its own motion and contrary to Neoperl's claims, the applicability of the absolute ground for refusal set out in Article 7(1)(a) of Regulation No 207/2009, read in conjunction with Article 4 of that regulation. In particular, EUIPO considers that the General Court was wrong to hold, in paragraph 47 of the judgment under appeal, that the question whether the sign at issue satisfied the conditions laid down in Article 4 of Regulation No 207/2009, including that of being capable of being represented graphically, was a 'preliminary issue' that had to be dealt with in order to examine the pleas of the action alleging infringement of Article 7(1)(b) of that regulation and Article 95(1) of Regulation 2017/1001.

47 By the second part of that ground of appeal, EUIPO complains that the General Court exceeded the limits of its jurisdiction laid down in Article 72(3) of Regulation 2017/1001 by itself ruling on the substantive conditions of that absolute ground for refusal set out in Article 7(1)(a) of Regulation No 207/2009, which were expressly not examined by the Board of Appeal in the decision at issue, in its stead, effectively annulling and altering, in paragraphs 50 to 58 of the judgment under appeal, the decision at issue, while confirming that the operative part of the decision at issue was well founded.

48 EUIPO claims that by that unlawful alteration of the decision at issue, the General Court, first of all, fails to have regard to the original jurisdiction conferred on the Board of Appeal to examine the action brought before it, as established by the EU legislature. Next, the Court undermined the specific jurisdiction which is inherent to the Board of Appeal not to confine itself to reviewing the decision of the examiner (second situation in the second sentence of Article 71(1) of Regulation 2017/1001), but also, where appropriate, to exercise the powers of the examiner (first situation in the second sentence of Article 71(1) of Regulation 2017/1001), including, inter alia, the possibility of carrying out a more thorough or more complete analysis of the facts which have not yet been assessed by the examiner. Lastly, the General Court undermined the legal protection guaranteed by the EU legislature to the appellant at first instance.

49 In any event, the judgment under appeal is vitiated by an 'internal inconsistency' which makes it impossible for EUIPO to comply with it. That inconsistency is based on the fact that the General Court neither formally altered the decision at issue nor dismissed the action, despite the fact that, by replacing the legal basis of that decision, it specifically confirmed that the operative part of that decision was well founded.

50 In its response, Neoperl does not dispute the merits of the single ground of appeal put forward by EUIPO, alleging infringement by the General Court of Article 72(3) of Regulation 2017/1001. Neoperl considers, as does EUIPO, that the General Court exceeded the limits of its jurisdiction laid down in that provision in holding that it had substantive jurisdiction to carry out itself, for the first time, an examination of Article 7(1)(a) of Regulation No 207/2009, read in conjunction

with Article 4 of that regulation, and to rule on the substance in the stead of the Board of Appeal. Neoperl also agrees with EUIPO's arguments concerning the infringement of the legal protection guaranteed by the EU legislature, claiming that the General Court's findings set out in paragraphs 47 to 58 of the judgment under appeal adversely affect its right to be heard. Consequently, in its view, the judgment under appeal should be set aside and the case referred back to EUIPO so that it itself can carry out a full examination of Article 7(1)(a) of Regulation No 207/2009, read in conjunction with Article 4 of that regulation.

51 On the other hand, as regards the relationship between Article 7(1)(a) and Article 7(1)(b) of Regulation No 207/2009, Neoperl considers that the General Court was fully entitled to find, in essence, in the judgment under appeal, that an order had to be complied with in the context of the examination of those absolute grounds for refusal, with the result that the conditions for the application of Article 7(1)(a) had to be examined at the outset.

52 In its reply, EUIPO disputes Neoperl's line of argument concerning the existence of such an order of examination of the absolute grounds for refusal laid down in Article 7(1) of Regulation No 207/2009, maintaining, in essence, that it cannot be inferred from the wording, scheme and purpose of that provision that the examination and application of the ground for refusal provided for in point (b) of that provision necessarily implies at the outset those of the ground for refusal laid down in point (a) of that provision.

53 In its rejoinder, Neoperl states that, while it considers, as does EUIPO, that the judgment under appeal infringes Article 72(3) of Regulation 2017/1001 and that, therefore, the judgment under appeal must be set aside, Neoperl considers that the state of the proceedings does not permit final judgment to be given.

Findings of the Court

54 As a preliminary point, it should be stated that the application for registration of the sign at issue as an EU trade mark was filed on 1 September 2016. Consequently, the dispute is governed, first, by the substantive provisions of Regulation No 207/2009 and, secondly, by the procedural provisions of Regulation 2017/1001 (see, to that effect and by analogy, judgment of 20 June 2024, *EUIPO* v *Indo European Foods*, C-801/21 P, EU:C:2024:528, paragraph 50 and the case-law cited).

The first part of the single ground of appeal

55 At the outset, it should be borne in mind that Article 7(1) of Regulation No 207/2009 lists, in points (a) to (m) thereof, the absolute grounds for refusal to register a sign as an EU trade mark.

56 Even if applying a number of those grounds concurrently is possible, the absolute grounds for refusal listed in that article are independent, each of those grounds being independent of the others and calling for separate examination (see, by analogy, judgments of 8 April 2003, *Linde and Others*, C-53/01 to C-55/01, EU:C:2003:206, paragraph 67, and of 16 September 2015, *Société des Produits Nestlé*, C-215/14, EU:C:2015:604, paragraph 46).

57 In the present case, the General Court inferred from a comparison of Article 4 of Regulation No 207/2009, which refers to the condition of the graphic representation of the sign at issue, with Article 7 of that regulation that a distinction had to be made between the term 'sign' and the term 'trade mark'. Therefore, in paragraph 36 of the judgment under appeal, the General Court held,

relying on paragraph 46 of the judgment of 6 October 2021, *M/S. Indeutsch International* v *EUIPO – 135 Kirkstall (Representation of chevrons between two parallel lines)* (T-124/20, EU:T:2021:668), that the distinctive character of a sign can be assessed, for the purposes of its registration as an EU trade mark, only once it has been found that it constituted a trade mark within the meaning of that Article 4, that is to say, from the time when it has been found that it is capable of being represented graphically.

58 It is true that Article 4 of Regulation No 207/2009 and point (a) of Article 7(1) of that regulation use the term 'signs', whereas the other provisions of that Article 7(1) use either that term, or the term 'trade marks'.

59 However, if the EU legislature had intended, by means of that terminological distinction, to establish, in the context of Article 7(1) of Regulation No 207/2009, an order of examination in favour of the ground for refusal referred to in point (a) of that provision, the EU legislature would have consistently used the term 'trade mark' for all the other grounds for refusal provided for in points (b) to (m) thereof. That is not the case, since Article 7(1)(e) of that regulation refers to 'signs'. Those two terms must therefore be regarded as being used interchangeably in that Article 7(1), with the result that their alternative use to points (a) and (b) of that provision cannot reflect the intention of the EU legislature to give priority to the application of the ground for refusal referred to in point (a) over the application of the other absolute grounds for refusal, including, in particular, the absolute ground for refusal referred to in that point (b).

60 In addition, it should be stated that it is not apparent from any other element of the wording of Article 7(1) of Regulation No 207/2009 that any order must be complied with in the context of the examination of the absolute grounds for refusal laid down in points (a) to (m) of that provision.

61 Therefore, in the context of examining an application for registration, the Board of Appeal may consider it more appropriate, in certain cases, to analyse, in the first place, the ground for refusal laid down in Article 7(1)(a) of Regulation No 207/2009 and, in other cases, the ground for refusal provided for in Article 7(1)(b) of that regulation, without such a choice vitiating by an error of law the decision which has been taken by that board as a result of that examination.

62 In particular, where a sign is not capable of being represented graphically, within the meaning of Article 7(1)(a) of Regulation No 207/2009, read in conjunction with Article 4 of that regulation, it is not necessary to examine, on the basis of Article 7(1)(b) of that regulation, whether that sign has distinctive character. However, the opposite is equally true, since, where a sign has no distinctive character within the meaning of Article 7(1)(b), it is not necessary to rule on the question whether it may be represented graphically.

63 Thus, the fact that, in the decision at issue, the Board of Appeal did not examine the absolute ground for refusal laid down in Article 7(1)(a) of Regulation No 207/2009 before the absolute ground for refusal set out in Article 7(1)(b) of that regulation did not constitute a failure to have regard to the scope of the law.

64 Consequently, in paragraph 38 of the judgment under appeal, the General Court erred in law in criticising the Board of Appeal for failing to examine, in the decision at issue, whether the sign at issue was capable of constituting a trade mark and thus of finding that such an examination was irrelevant on the ground that that sign was in any event devoid of distinctive character. In so

ruling, the General Court decided upon an order to be observed in the context of the examination of the absolute grounds for refusal laid down in Article 7(1) of Regulation No 207/2009, which was not, however, in any way envisaged by the EU legislature.

65 It follows that the first part of the single ground of appeal must be upheld.

The second part of the single ground of appeal

66 It should be noted, as a preliminary point, that the General Court did not formally state in the judgment under appeal that it exercised its power to alter decisions pursuant to Article 72(3) of Regulation 2017/1001. In particular, in the operative part of the judgment under appeal, the General Court merely annulled the decision at issue.

67 However, in paragraphs 50 to 58 of the judgment under appeal, under a subheading presented as relating to the merits of the plea in law alleging breach of the scope of the law, the General Court itself ruled on the substantive conditions of the absolute ground for refusal set out in Article 7(1)(a) of Regulation No 207/2009 and found, on the basis of that provision, under which the General Court had just held that the application of the ground for refusal concerned had to be examined in the first place, that the sign at issue did not satisfy the conditions laid down in that provision. Accordingly, the General Court implicitly, but necessarily, altered the decision at issue.

68 Admittedly, it should be borne in mind that, under Article 72(2) and (3) of Regulation 2017/1001, 'the General Court shall have jurisdiction to annul or to alter the [decision of a Board of Appeal of EUIPO]'.

69 However, that power to alter decisions thus conferred on the General Court by that Article 72(2) and (3) does not have the effect of conferring on that court the power to carry out an assessment on which the Board of Appeal has not yet adopted a position. Exercise of the power to alter decisions is thus limited to situations in which the General Court, after reviewing the assessment made by the Board of Appeal, is in a position to determine, on the basis of the matters of fact and of law as established, what decision the Board of Appeal was required to take (see, to that effect, judgments of 5 July 2011, *Edwin* v *OHIM*, C-263/09 P, EU:C:2011:452, paragraph 72, and of 26 September 2013, *Centrotherm Systemtechnik* v *centrotherm Clean Solutions*, C-609/11 P, EU:C:2013:592, paragraph 48).

70 In the present case, the fact that the Board of Appeal had not examined the absolute ground for refusal laid down in Article 7(1)(a) of Regulation No 207/2009 precluded the General Court from reviewing the assessment made by the Board of Appeal and, consequently, from being able validly to alter the decision at issue in that regard. That alteration of the decision at issue amounted to the General Court assessing for the first time facts or evidence that the Board of Appeal had not examined.

71 As the Advocate General stated in points 98 and 99 of his Opinion, such an exercise by the General Court of its power to alter decisions constitutes a manifest disregard for the binding institutional framework in which the power to alter decisions in intellectual property matters occurs, laid down in Article 72(3) of Regulation 2017/1001, which seeks to ensure effective legal protection for individual parties in that area.

72 It follows that the second part of the single ground of appeal must also be upheld.

73 In the light of all the foregoing considerations, the single ground of appeal must be upheld in its entirety and, consequently, the judgment under appeal must be set aside.

The action before the General Court

74 In accordance with the first paragraph of Article 61 of the Statute of the Court of Justice of the European Union, the Court of Justice, when setting aside the decision of the General Court, may give final judgment in the matter, where the state of the proceedings so permits, or refer the case back to the General Court for judgment.

75 In the present case, the Court of Justice considers that the state of the proceedings does not permit final judgment to be given, since the General Court did not examine either of the two pleas put forward by Neoperl before it, which require an assessment of the facts.

76 Consequently, the case must be referred back to the General Court.

Costs

77 Since the case has been referred back to the General Court, the costs relating to the appeal proceedings must be reserved.

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

1. **Sets aside the judgment of the General Court of the European Union of 7 December 2022, *Neoperl* v *EUIPO (Representation of a cylindrical sanitary insert)* (T-487/21, EU:T:2022:780);**

2. **Refers Case T-487/21 back to the General Court of the European Union;**

3. **Orders the costs to be reserved.**

[Signatures]

[i] The wording in paragraph 63 of this document has been amended since it was first put online.