Reports of Cases

JUDGMENT OF THE COURT (Eighth Chamber)

1 August 2025 *

(Reference for a preliminary ruling – Trade marks – Directive (EU) 2015/2436 – Article 10 – Exclusive rights of the proprietor of a registered trade mark to oppose the use, by a third party, of a sign which is identical with, or similar to, that mark – Infringement action – Limitations of the exclusive rights of the proprietor of that trade mark – Article 9 and Article 18(1) – Preclusion due to acquiescence – Exhaustive nature of the conditions under which that preclusion can arise – Inapplicability of a general principle of national law that provides for preclusion of the right to prohibit the use of a sign in situations other than those provided for in those articles)

In Case C-452/24,

REQUEST for a preliminary ruling under Article 267 TFEU from the Korkein oikeus (Supreme Court, Finland), made by decision of 26 June 2024, received at the Court on 26 June 2024, in the proceedings

Lunapark Scandinavia Oy Ltd

v

Hardeco Finland Oy,

THE COURT (Eighth Chamber),

composed of S. Rodin, President of the Chamber, N. Piçarra and O. Spineanu-Matei (Rapporteur), Judges,

Advocate General: D. Spielmann,

Registrar: A. Calot Escobar,

having regard to the written procedure,

after considering the observations submitted on behalf of:

– Lunapark Scandinavia Oy Ltd, by J. Hatanmaa, asianajaja,

– the Finnish Government, by M. Pere, acting as Agent,

* Language of the case: Finnish.

– the European Commission, by P. Němečková, J. Samnadda and T. Sevón, acting as Agents,

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

gives the following

Judgment

1 This request for a preliminary ruling concerns the interpretation of Article 10 of Directive (EU) 2015/2436 of the European Parliament and of the Council of 16 December 2015 to approximate the laws of the Member States relating to trade marks (OJ 2015 L 336, p. 1).

2 The request was made in proceedings between Lunapark Scandinavia Oy Ltd ('Lunapark') and Hardeco Finland Oy ('Hardeco') concerning the sale by the latter company of confectionery goods alleged to infringe the mark owned by Lunapark.

Legal context

European Union law

3 Recital 10 of Directive 2015/2436 states:

'It is essential to ensure that registered trade marks enjoy the same protection under the legal systems of all the Member States. …'

4 Article 9 of that directive, entitled 'Preclusion of a declaration of invalidity due to acquiescence', reads as follows:

'1. Where, in a Member State, the proprietor of an earlier trade mark as referred to in Article 5(2) or Article 5(3)(a) has acquiesced, for a period of five successive years, in the use of a later trade mark registered in that Member State while being aware of such use, that proprietor shall no longer be entitled on the basis of the earlier trade mark to apply for a declaration that the later trade mark is invalid in respect of the goods or services for which the later trade mark has been used, unless registration of the later trade mark was applied for in bad faith.

2. Member States may provide that paragraph 1 of this Article is to apply to the proprietor of any other earlier right referred to in Article 5(4)(a) or (b).

3. In the cases referred to in paragraphs 1 and 2, the proprietor of a later registered trade mark shall not be entitled to oppose the use of the earlier right, even though that right may no longer be invoked against the later trade mark.'

5 Article 10 of that directive, entitled 'Rights conferred by a trade mark', provides:

'1. The registration of a trade mark shall confer on the proprietor exclusive rights therein.

2. Without prejudice to the rights of proprietors acquired before the filing date or the priority date of the registered trade mark, the proprietor of that registered trade mark shall be entitled to prevent all third parties not having his consent from using in the course of trade, in relation to goods or services, any sign where:

(a) the sign is identical with the trade mark and is used in relation to goods or services which are identical with those for which the trade mark is registered;

(b) the sign is identical with, or similar to, the trade mark and is used in relation to goods or services which are identical with, or similar to, the goods or services for which the trade mark is registered, if there exists a likelihood of confusion on the part of the public; the likelihood of confusion includes the likelihood of association between the sign and the trade mark;

(c) the sign is identical with, or similar to, the trade mark irrespective of whether it is used in relation to goods or services which are identical with, similar to, or not similar to, those for which the trade mark is registered, where the latter has a reputation in the Member State and where use of that sign without due cause takes unfair advantage of, or is detrimental to, the distinctive character or the repute of the trade mark.

…'

6 Article 18 of that directive, entitled 'Intervening right of the proprietor of a later registered trade mark as defence in infringement proceedings', provides, in paragraph 1 thereof:

'In infringement proceedings, the proprietor of a trade mark shall not be entitled to prohibit the use of a later registered mark where that later trade mark would not be declared invalid pursuant to Article 8, Article 9(1) or (2) or Article 46(3).'

Finnish law

7 Directive 2015/2436 was transposed into the Finnish legal order by the tavaramerkkilaki (544/2019) (Law on Trade Marks (544/2019)) of 26 April 2019, which entered into force on 1 May 2019.

8 Under Paragraph 5 of the Law on Trade Marks, on the one hand, a sign that is identical to a mark that has been registered or acquired through use for identical goods or services and, on the other hand, a sign that causes a likelihood of confusion on the part of the public because it is identical with or similar to a trade mark that has been registered or acquired through use for identical or similar goods or services may not be used in the course of trade, without the consent of the proprietor of the trade mark, in relation to goods or services.

9 Under Paragraph 6(1) of the Law on Trade Marks, the proprietor of a trade mark has the right to prohibit the use of a sign, within the meaning of Paragraph 5 of that law, in particular when it involves using that sign in respect of goods or services or on the packaging of goods, or offering the goods, putting them on the market or importing them under the sign.

10 Under Paragraph 15 of that law, which concerns the effect of inactivity on the part of the trade mark proprietor, the exclusive right conferred by a mark is retained alongside an earlier mark, if the later trade mark registration application was filed in good faith or if the later trade mark

acquired through use was used in good faith and if the proprietor of the earlier trade mark has not taken action to prevent the use of the later trade mark within five years of becoming aware of that use.

11 Under Paragraph 62 of the Law on Trade Marks, when a person infringes an exclusive right to a trade mark, the court may prohibit that person from continuing or repeating the act underlying that infringement, failing which he or she would have to pay a periodic penalty.

12 Under Paragraph 63(1)(1) of the Law on Trade Marks, a court cannot prohibit the use of a later trade mark when the proprietor of the earlier trade mark has been inactive within the meaning of Paragraph 15 of that law.

13 Paragraph 70 of that law sets out the limitation period in respect of the right to compensation and damages for breach of trade mark law and stipulates, in the first subparagraph of that provision, that compensation and damages may be claimed only for the period of five years preceding the bringing of the action filed in that regard.

The dispute in the main proceedings and the question referred for a preliminary ruling

14 Lunapark is the proprietor of the trade mark DRACULA filed on 29 August 2003 and registered on 14 August 2009 under No 246144 in respect of confectionery goods. It imports and places on the Finnish market such goods whose packaging features the word mark DRACULA and figurative signs depicting the character of Dracula.

15 Prior to Lunapark's registration of that trade mark, Karkkimies Oy – Candyman Ltd ('Karkkimies') imported and placed on that market confectionery products bearing the sign Dracula. Karkkimies did not have, in respect of the signs it used, any exclusive rights acquired through registration or use and there was no agreement between it and Lunapark concerning the right to use the trade mark DRACULA.

16 On 31 October 2019, Hardeco acquired Karkkimies and continued its business. Thus, from November 2019, Hardeco began to import and place on that market confectionery goods whose packaging featured the word 'Dracula' and figurative signs depicting the corresponding character.

17 On 6 October 2020, Lunapark brought an action before the markkinaoikeus (Market Court, Finland), seeking a declaration that Hardeco's conduct infringed its exclusive right to the trade mark DRACULA, prohibition of that infringement, and that it be compensated for the resulting harm.

18 Hardeco contended that the action should be dismissed on the ground, inter alia, that Lunapark had lost its right to bring an action for infringement of the trade mark DRACULA on account of its inactivity. Hardeco claimed that it was merely pursuing a long-standing practice on the part of Karkkimies, to which Lunapark had never objected.

19 By judgment of 21 December 2022, the markkinaoikeus (Market Court) held that the sign and the mark at issue were identical and used for the same goods and that Hardeco's use of that sign created a likelihood of confusion with the mark DRACULA on the part of the relevant public.

That court held that the parallel use for a long period of the same signs by Lunapark and Karkkimies had not eliminated that likelihood, since that use had not led that public to distinguish confectionery imported by one of those companies from those imported by the other.

20 Nevertheless, that court dismissed Lunapark's claims. In its view, the provisions of the Law on Trade Marks concerning the consequences of the trade mark proprietor's inactivity were not applicable in the present case, since Hardeco did not have an exclusive right over the signs which it used. However, by virtue of a well-established principle of Finnish private law, an applicant must bring an action or assert his or her right within a reasonable time following the date on which the person pursuing the claim had or should have become aware of the facts on which the claim was based. In the present case, Lunapark's inactivity lasted so long that it allegedly led to the revocation of its right to bring infringement proceedings against Hardeco by asserting the rights conferred by the trade mark DRACULA. The fact that the sign in question is now used by Hardeco instead of Karkkimies is irrelevant, since Hardeco's activity concerned the same confectionery products as those placed on the market by Karkkimies, in respect of which Lunapark remained inactive.

21 Lunapark brought an appeal against the judgment of the markkinaoikeus (Market Court) before the Korkein oikeus (Supreme Court, Finland), which is the referring court.

22 In support of its appeal, Lunapark submits that the general principle of private law, invoked by the markkinaoikeus (Market Court), cannot be applied in the present case, since that would amount to restricting the exclusive right conferred by a trade mark on its proprietor, in breach of Directive 2015/2436. In addition, Lunapark submits that, in any event, it acted within a reasonable time against Hardeco's conduct, since its inactivity vis-à-vis Karkkimies could not, in any event, benefit Hardeco. By contrast, Hardeco claims that no provision of that directive prevents that general principle of private law from applying in the present case and the inactivity of the proprietor of a trade mark from having the intended consequences for that proprietor's right to prohibit the use of that mark.

23 According to the referring court, the question whether Article 10(2) and (3) of Directive 2015/2436 precludes the application of such a principle has not yet been addressed in the Court's case-law.

24 That is why the referring court asks whether the proprietor of a trade mark may, because of his or her inactivity, lose the right to prevent a third party from using a sign in a manner which adversely affects or is liable adversely to affect one of the functions of that trade mark in a situation other than that of preclusion due to acquiescence provided for in Directive 2015/2436.

25 In those circumstances, the Korkein oikeus (Supreme Court) decided to stay the proceedings and to refer the following question to the Court of Justice for a preliminary ruling:

'Does Article 10 of [Directive 2015/2436] preclude the application, in a dispute concerning a trade mark infringement, of a national principle whereby the proprietor of a trade mark, also in cases other than those covered by Article 18(1) and Article 9(1) or (2) of [that directive], could forfeit the right conferred on him or her by Article 10(2) and (3) [thereof] to prohibit a third party from using a sign the use of which adversely affects or is liable adversely to affect one of the functions of the trade mark, on the ground that, though being aware of the use of the mark, he or she has not applied for prohibition of that use within a reasonable time?'

Consideration of the question referred

26 By its question, the referring court asks, in essence, whether Article 10 of Directive 2015/2436 must be interpreted as precluding the applicability of a general principle of national law which provides that the right of the proprietor of a registered trade mark to prohibit the use by a third party of a sign identical with, or similar to, that trade mark for goods identical with or similar to those for which that mark was registered is precluded, in a situation other than that referred to in Article 18(1) of that directive, read in conjunction with Article 9(1) or (2).

27 In order to reply to that question, it must be borne in mind, first, that, under Article 10(1) of Directive 2015/2436, the registration of a trade mark confers on the proprietor exclusive rights therein. Under Article 10(2) of that directive, that proprietor is to be entitled to prevent all third parties not having his or her consent from using in the course of trade, a sign identical with, or similar to, that mark, where the conditions referred to in paragraphs (a), (b) or (c) of paragraph 2 have been met.

28 Article 10 of Directive 2015/2436 effects a complete harmonisation of the rules relating to the rights conferred by a trade mark and defines the rights of proprietors of trade marks in the European Union (judgment of 27 October 2022, *Soda-Club (CO2) and SodaStream International*, C-197/21, EU:C:2022:834, paragraph 33 and the case-law cited).

29 Second, Article 18(1) of Directive 2015/2436 restricts the right of the proprietor of a trade mark to prohibit the use of a later registered trade mark, in infringement proceedings, where that later trade mark would not be declared invalid, inter alia, under Article 9(1) or (2) of that directive, in relation to the preclusion of a declaration of invalidity due to acquiescence.

30 In accordance with the latter provision, where the proprietor of an earlier trade mark has acquiesced in a Member State in the use of a later trade mark registered in that Member State for a period of five successive years while being aware of such use, he or she is no longer to be entitled on the basis of the earlier trade mark to apply for a declaration that the later trade mark is invalid in respect of the goods or services for which the later trade mark has been used, unless registration of the later trade mark was applied for in bad faith.

31 As regards, in particular, preclusion due to acquiescence in proceedings seeking a declaration of invalidity, the Court held, in paragraph 33 of the judgment of 22 September 2011, *Budějovický Budvar* (C-482/09, EU:C:2011:605), that Article 9 of First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks (OJ 1989 L 40, p. 1), now Article 9 of Directive 2015/2436, effects a complete harmonisation of the conditions under which the proprietor of a later registered trade mark may maintain his or her rights to that mark where the proprietor of an identical earlier trade mark seeks a declaration that that later trade mark is invalid.

32 Having regard to the fact that both Article 18(1) of Directive 2015/2436 and Article 9(1) or (2) of that directive, to which the first of those provisions refers, concern a potential conflict between two registered trade marks, that case-law concerning preclusion due to acquiescence in proceedings seeking a declaration of invalidity may be applied to the preclusion due to acquiescence in the context of an infringement action brought against a later registered trade mark.

33 Consequently, Article 18(1) of that directive fully harmonises the conditions under which the exclusive rights conferred by a trade mark may be limited in the event of inactivity on the part of its proprietor, and provides only, under certain conditions, for acquiescence in respect of a later registered trade mark, but not in respect of an unprotected sign which confers no exclusive rights.

34 In the present case, as is apparent from the order for reference, despite the fact that use of the sign Dracula by Karkkimies began on a date prior to that of the registration of the mark DRACULA by Lunapark, neither Karkkimies nor Hardeco acquired an exclusive right in that sign, either by registration or by virtue of that use, which it is, however, for the referring court to verify.

35 It is in that context that, without calling into question the inapplicability, in the context of the action for infringement in the main proceedings, of Article 18(1) of Directive 2015/2436, read in conjunction with Article 9(1) or (2) of that directive, that court is uncertain, however, whether a limitation of the right conferred on the proprietor of the trade mark DRACULA to oppose the use of the sign Dracula could be based on a general principle of national law pursuant to which the inactivity of the proprietor of a trade mark within a reasonable period results in his or her right being precluded.

36 In that regard, as is apparent from the foregoing and as the Finnish Government, moreover, submits in its written observations, a national court cannot, in the context of a dispute concerning the exclusive right conferred by a trade mark, limit the exercise of that right beyond what is provided for in Article 18(1) of Directive 2015/2436, read in conjunction with Article 9(1) or (2) thereof.

37 A contrary interpretation of Article 10 and Article 18(1) of Directive 2015/2436 would undermine the objective pursued by that directive, which consists, inter alia, as stated in recital 10 of that directive, in ensuring uniform protection for registered trade marks in the legal systems of all the Member States.

38 In the light of all of the foregoing considerations, the answer to the question raised is that Article 10 of Directive 2015/2436 must be interpreted as precluding the applicability of a general principle of national law which provides that the right of the proprietor of a registered trade mark to prohibit the use by a third party of a sign identical with, or similar to, that trade mark for goods identical with or similar to those for which that mark was registered is precluded, in a situation other than that referred to in Article 18(1) of that directive, read in conjunction with Article 9(1) or (2) thereof.

Costs

39 Since these proceedings are, for the parties to the main proceedings, a step in the action pending before the national court, the decision on costs is a matter for that court. Costs incurred in submitting observations to the Court, other than the costs of those parties, are not recoverable.

On those grounds, the Court (Eighth Chamber) hereby rules:

Article 10 of Directive (EU) 2015/2436 of the European Parliament and of the Council of 16 December 2015 to approximate the laws of the Member States relating to trade marks

must be interpreted as precluding the applicability of a general principle of national law which provides that the right of the proprietor of a registered trade mark to prohibit the use by a third party of a sign identical with, or similar to, that trade mark for goods identical with or similar to those for which that mark was registered is precluded, in a situation other than that referred to in Article 18(1) of that directive, read in conjunction with Article 9(1) or (2) thereof.

[Signatures]