Reports of Cases

JUDGMENT OF THE GENERAL COURT (First Chamber)

18 March 2016*

(Community trade mark — Invalidity proceedings — Community word mark WINNETOU — Absolute ground for refusal — Descriptive character — Article 7(1)(c) of Regulation (EC) No 207/2009 — Article 52(1) and (2) of Regulation No 207/2009 — Principles of autonomy and independence of the Community trade mark — Obligation to state reasons)

In Case T-501/13,

Karl-May-Verlag GmbH, formerly Karl May Verwaltungs- und Vertriebs- GmbH, established in Bamberg (Germany), represented by M. Pejman and M. Brenner, lawyers,

applicant,

v

Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM), represented initially by A. Pohlmann, and subsequently by M. Fischer, acting as Agents,

defendant,

the other party to the proceedings before the Board of Appeal of OHIM, intervener before the General Court, being

Constantin Film Produktion GmbH, established in Munich (Germany), represented by P. Baronikians and S. Schmidt, lawyers,

ACTION brought against the decision of the First Board of Appeal of OHIM of 9 July 2013 (Case R 125/2012-1), concerning invalidity proceedings between Constantin Film Produktion GmbH and Karl-May Verwaltungs- und Vertriebs- GmbH,

THE GENERAL COURT (First Chamber),

composed of H. Kanninen, President, I. Pelikánová and E. Buttigieg (Rapporteur), Judges,

Registrar: M. Marescaux, Administrator,

having regard to the application lodged at the Court Registry on 18 September 2013,

having regard to the response of OHIM lodged at the Court Registry on 30 January 2014,

having regard to the response of the intervener lodged at the Court Registry on 27 January 2014,

* Language of the case: German.

having regard to the reply lodged at the Court Registry on 25 April 2014,

having regard to OHIM's rejoinder lodged at the Court Registry on 3 July 2014,

further to the hearing on 30 September 2015,

gives the following

Judgment

Background to the dispute

1 The applicant, Karl-May-Verlag GmbH, formerly Karl May Verwaltungs- und Vertriebs- GmbH, is the proprietor of the Community word mark WINNETOU, lodged with the Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM) on 14 June 2002, registered on 16 September 2003 under number 2735017 and renewed on 10 June 2012.

2 The goods and services in respect of which registration was sought are in Classes 3, 9, 14, 16, 18, 21, 24, 25, 28, 29, 30, 39, 41, 42 and 43 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, for each of those classes, to the following description:

— Class 3: 'Perfumery, essential oils, cosmetics, hair lotions';

— Class 9: 'Films, in particular animated films, video films; photographic, cinematographic, optical, weighing, signalling, checking (supervision) and teaching apparatus and equipment, electric apparatus and instruments (included in class 9);apparatus for recording, transmission or reproduction of sound, images or data, and data carriers therefor, recorded and unrecorded; magnetic data carriers, recording discs, calculating machines, data processing equipment, computers, computer programs, exposed films, including for cinematographic purposes';

— Class 14: 'Precious metals and their alloys and goods of precious metals or coated therewith (included in class 14); nutcrackers of precious metal; jewellery, precious stones; imitation jewellery, ornamental novelty badges; horological and chronometric instruments';

— Class 16: 'Paper, cardboard and goods made from these materials (included in class 16); stickers, labels; printed matter; postage stamps; bookbinding material; photographs; stationery; adhesives for stationery or household purposes; artists' materials; paint brushes; office requisites (other than furniture); instructional and teaching material (except apparatus); plastic materials for packaging (included in class 16); printers' type; printing blocks';

— Class 18: 'Goods made of leather and imitations of leather, namely bags and other containers not specifically designed for the objects being carried, and small leather goods, in particular purses, pocket wallets, key wallets and other goods made thereof (included in class 18); trunks and travelling bags; umbrellas, parasols and walking sticks';

— Class 21: 'Household or kitchen containers (not of precious metal or coated therewith); Utensils (included in class 21); combs and sponges; brushes (except paint brushes); brush-making materials; articles for cleaning purposes; articles made of glass, porcelain and earthenware for household and kitchen purposes, works of art made of glass, porcelain and earthenware';

— Class 24: ‘Textiles and textile goods (included in class 24, other than for bedding, namely cushions, blankets, quilts and sleeping bags); bed and table covers’;

— Class 25: ‘Clothing, footwear, headgear’;

— Class 28: ‘Games, playing cards, toys, including electronic toys, decorations for Christmas trees; gymnastic and sporting articles (included in class 28)’;

— Class 29: ‘Meat, fish, poultry and game, and goods made thereof; preserved, dried and cooked fruits and vegetables; jellies, jams, fruit sauces’;

— Class 30: ‘Coffee, tea, cocoa, bread, pastry and confectionery, in particular gingerbread, fruit bread, ices, honey; spices, confectionery and chocolate goods’;

— Class 39: ‘Transport of persons’;

— Class 41: ‘Events for entertainment, cultural and sporting purposes, rental of films and sound recordings; film production and film showings; photography; entertainment; events in leisure parks and holiday parks; holiday camp services; providing campground facilities’;

— Class 42: ‘Exploitation of industrial property rights’;

— Class 43: ‘Accommodation and catering for guests’.

3 On 14 June 2010, the intervener, Constantin Film Produktion GmbH, brought an application for a declaration of invalidity of the contested trade mark, claiming that there were absolute grounds for invalidity on the basis of Article 52(1)(a) of Council Regulation (EC) No 207/2009 of 26 February 2009 on the Community trade mark (OJ 2009 L 78, p. 1), read in conjunction with Article 7 of Regulation No 207/2009, for all of the goods for which it was registered.

4 By decision of 13 December 2011, the Cancellation Division rejected the application for a declaration of invalidity.

5 On 17 January 2012, the applicant lodged an appeal against the Cancellation Division’s decision at OHIM.

6 By decision of 9 July 2013 (the ‘contested decision’), the First Board of Appeal partially upheld the appeal and set aside the decision of the Cancellation Division so that it annulled the contested mark except for ‘printers’ type’ and ‘printing blocks’ in Class 16.

7 In particular, the Board of Appeal determined that the goods and services in classes 3, 9, 14, 16, 18, 21, 24, 25, 28, 29, 30, 39, 41 and 43 are aimed at average consumers and that the services in class 42 are aimed at professionals. It considered that all those goods and services could also be aimed at a specialised public, such as intermediaries. It added that the degree of attention was, in the case of consumers, medium or high depending on the nature of the goods or services, and high in the case of professionals (paragraphs 18 and 19 of the contested decision). The Board of Appeal then held that the term ‘winnetou’ was not related to any of the languages of the European Union and that it was appropriate to carry out its analysis in relation to German-speaking consumers, since the descriptive character of the mark in Germany was specifically invoked (paragraph 20 of the contested decision).

8 In addition, the Board of Appeal stated, regarding the descriptive character of the contested mark, that Winnetou was the main character in a series of novels by the author Karl May, and the protagonist of films, and radio or theatre plays. It added that according to the judgments of the Bundesgerichtshof (Federal Court of Justice, Germany) and the Bundespatentgericht (Federal Patent Court, Germany)

('the decisions of the German courts'), cited by the intervener, the German consumer understands the term 'winnetou' to refer to a fictional, noble and good Native American chieftain and, according to the Bundesgerichtshof, in Germany, it was descriptive of the printed matter, the film production, publishing of books and magazines (paragraphs 22 to 25 of the contested decision). Although the Board of Appeal noted that it was not bound by the decisions of national courts, it stated that, in this case, in so far as a higher national court had ruled that the term 'winnetou' was descriptive in Germany, the contested mark had to be also regarded as ineligible for protection under Article 7(2) of Regulation No 207/2009 in respect of goods and services connected to books, radio and television (paragraph 27 of the contested decision). Thus, the Board of Appeal held that for 'films, in particular animated films, video films', 'magnetic data carriers, recording discs' and 'exposed films, including for cinematographic purposes' in class 9, and 'printed matter', 'bookbinding material', the 'photographs' in class 16, and the services of 'events for entertainment, cultural and sporting purposes, rental of films and sound recordings' 'film production and film showings' and 'photography', 'entertainment', 'events in leisure parks and holiday parks', 'holiday camp services', 'providing campground facilities' and 'exploitation of industrial property rights' in Classes 41 and 42, the sign WINNETOU described or directly indicated the content of those goods and services because the consumer simply assumes that those goods or services relate to Winnetou or have a Winnetou theme (paragraphs 28 to 31 of the contested decision). Next, as regards the other goods or services, the Board of Appeal noted that — with the exception of 'printers' type' and 'printing blocks' in Class 16, which had no connection with the character of Winnetou, the books, films or festivals — the other goods could be classified as 'merchandising' goods with a direct link to Winnetou and that certain goods or services, such as food or 'transport' services, 'accommodation and catering', had a direct link with the festivals (paragraphs 32 to 46 of the contested decision). Given those elements, the Board of Appeal decided that the contested mark was descriptive for all those goods and services.

9 Finally, the Board of Appeal considered that the contested mark was devoid of distinctive character within the meaning of Article 7(1)(b) of Regulation No 207/2009 for goods and services related to a magnanimous Native American chieftain or the book character, since the consumer will start from the basis that the mark describes the contents or purpose of the goods and services. However, for the 'printers' type' and 'printing blocks' in Class 16, it stated that the contested mark was distinctive, since consumers perceive the contested mark for those goods as a fanciful designation (paragraphs 48 to 52 of the contested decision).

Procedure and forms of order sought by the parties

10 By application lodged at the Court Registry on 18 September 2013, the applicant brought the present action.

11 In the context of measures of organisation of procedure, laid down in Article 89 of the Rules of Procedure of the General Court, the parties were invited to reply to the written questions of the Court. OHIM and the intervener replied within the time allowed. The applicant did not comply with that request within the time allowed, but, by decision of the President of the First Chamber of the Court, the applicant's answers were placed on the file.

12 The applicant claims that the Court should:

— annul the contested decision;

— order OHIM to pays the costs.

13 OHIM and the intervener contend that the Court should:

— dismiss the action;

— order the applicant to pay the costs.

14 At the hearing, the applicant stated that, by its first head of claim, it was seeking the annulment of the contested decision in so far as it upheld the declaration of invalidity.

Law

Admissibility

15 The intervener argues that Annexes A.12 to A.17 to the application are inadmissible, on the grounds that such documents were presented to the Court for the first time. The applicant and OHIM have not taken a view on this argument.

16 Those annexes correspond to results of searches of OHIM's registers (Annex A.12), an excerpt from the manual concerning proceedings before OHIM (Annex A.13), orders of the Bundespatentgericht (Annexes A.14 and A.15), an excerpt from the book by Ingerl and Rohnke, entitled *Markengesetz* (3rd edition) (Annex A.16) and a press article taken from the *Weser-Kurier* newspaper of 1 July 2013 (Annex A.17).

17 It must be recalled, in that regard, that the purpose of actions before the Court is to review the legality of decisions of the Boards of Appeal of OHIM in accordance with Article 65 of Regulation No 207/2009, so it is not the Court's function to review the facts in the light of documents produced for the first time before it. Accordingly, Annexes A.12 and A.17 to the application must be excluded without it being necessary to assess their probative value (see, to that effect, judgment of 24 November 2005 in *Sadas* v *OHIM — LTJ Diffusion (ARTHUR ET FELICIE)*, T-346/04, ECR, EU:T:2005:420, paragraph 19 and the case-law cited).

18 As regards, however, Annexes A.13 to A.16, it must be stated that, even if that evidence is submitted by the applicant for the first time before the Court, the Court is entitled to refer to it. It is clear from the case-law that neither the parties nor the Court itself can be precluded from drawing on national legislation, case-law or academic writing, where it is not alleged that the Board of Appeal failed to take the factual aspects of a specific national judgment into account, but rather reliance is placed on judgments or academic writing in support of a plea alleging that the Board of Appeal misapplied a provision of Regulation No 207/2009 (see, to that effect, judgment of 12 July 2006 in *Vitakraft-Werke Wührmann* v *OHIM — Johnson's Veterinary Products (VITACOAT)*, T-277/04, ECR, EU:T:2006:202, paragraph 71). Furthermore, the evidence submitted in Annex A. 13 is not strictly evidence but relates to OHIM's usual practice in reaching decisions to which a party has the right to refer (judgment in *ARTHUR ET FELICIE*, cited in paragraph 17 above, EU:T: 2005:420, paragraph 20).

19 It follows from the above that Annexes A. 12 and A. 17 to the application are inadmissible.

Substance

20 The applicant relies on five pleas in support of its action, alleging, first, breach of the principles of autonomy and independence of the Community trade mark and of Community trade mark law, second, breach of Article 76 of Regulation No 207/2009, third, that pleas for annulment which were not relied on in the application for a declaration of invalidity were considered, fourth, breach of Article 7(1)(c) of Regulation No 207/2009 and, fifth, infringement of Article 7(1)(b) of Regulation No 207/2009.

21 The Court considers it appropriate to begin by examining the third plea, and then the first plea, before raising a plea, of the Court's own motion, of failure to state reasons in the contested decision.

The third plea: pleas for annulment which had not been relied on in the application for a declaration of invalidity were considered

22 By its third plea, alleging that pleas which had not been relied on in the application for invalidity were considered, the applicant claims, in essence, that the Board of Appeal ruled *ultra petita* and exceeded its powers in so far as it based the annulment of the contested mark on the ground for annulment set out in Article 7(1)(c) of Regulation No 207/2009, even though the intervener's application for a declaration of invalidity was based solely on the lack of distinctive character of the contested mark under Article 7(1)(b) of Regulation No 207/2009.

23 OHIM and the intervener dispute the applicant's arguments.

24 The Cancellation Division had considered that the claim based on Article 7(1)(c) of Regulation No 207/2009 should not be taken into consideration on the grounds, first, that that request had been made at the reply stage and, second, that there was no difference in the examination practice between the grounds referred to in Article 7(1)(b) and (c) of Regulation No 207/2009. On the contrary, the Board of Appeal, first, found that, according to the form for the declaration of invalidity, the application was based on Article 52(1)(a) read in conjunction with Article 7 of Regulation No 207/2009. The Board of Appeal then stated that the intervener, in its statement of grounds of its appeal, had invoked the grounds for refusal referred to in Article 7(1)(b) and (c) of Regulation No 207/2009 without making a clear distinction between these two grounds for refusal. Lastly it concluded, after pointing out that the intervener had made explicit reference to Article 7(1)(b) of Regulation No 207/2009 and that it had made observations in its application on the descriptive character of the contested mark, that a determination had to be made on whether the contested mark had to be cancelled under the absolute ground for refusal set out in Article 7(1)(b) and (c) of Regulation No 207/2009.

25 It must be examined whether, in the present case, the application for a declaration of invalidity also covered Article 7(1)(c) of Regulation No 207/2009, so that the Board of Appeal could, without stepping beyond the limits of its powers, examine whether the contested mark was descriptive.

26 In that regard, it must be recalled that, in order to determine the grounds on which an application for a declaration of invalidity is based, it is necessary to examine all of the application, especially in light of the detailed statement of reasons in support of it (judgment of 24 March 2011 in *Cybergun* v *OHIM — Umarex Sportwaffen (AK 47)*, T-419/09, EU:T:2011:121, paragraph 21).

27 In the present case, as OHIM correctly argued, it is clear from the substance of the application for a declaration of invalidity and the intervener's statement of reasons in the proceedings before OHIM that the application for a declaration of invalidity was based not only on the lack of distinctive character of the contested mark under Article 7(1)(b) of Regulation No 207/2009, but also on the descriptive character of that mark under Article 7(1)(c) of that regulation.

28 Accordingly, it is undisputed that the intervener, on the form for the declaration of invalidity, checked the box referring to Article 7 and Article 52(1)(a) of Regulation No 207/2009. Moreover, in the statement of grounds to the application for a declaration of invalidity, the intervener explicitly cited Article 7(1)(b) of Regulation No 207/2009, but it also advanced arguments relating to the descriptive character of the contested mark, as is clear from pages 46 and 48 of the procedural file before OHIM submitted to the Court.

29 In those circumstances, the Court must take the view that, even if the intervener explicitly mentioned Article 7(1)(c) of Regulation No 207/2009 only at the reply stage before the cancellation division, the application for a declaration of invalidity related to both the lack of distinctive character of the contested mark under Article 7(1)(b) of Regulation No 207/2009 and its descriptive character under Article 7(1)(c) of that regulation; therefore, the plea must be rejected.

The first plea: infringement of the principles of autonomy and independence of the Community trade mark and the system of Community trade marks

30 The applicant submits that the contested decision infringes the principles of autonomy and independence of the Community trade mark and the system of Community trade marks in that the Board of Appeal based its decision exclusively on the decisions of the German courts, without an independent assessment applying the criteria established for that purpose in EU trade mark law. That approach is contrary to the principle that the system of Community trade marks is an autonomous system with its own set of objectives and rules peculiar to it; it applies independently of any national system.

31 OHIM and the intervener dispute the applicant's arguments.

32 First, OHIM accepts that the invalidity of a Community trade mark must be assessed solely on the basis of EU rules, but argues that the Board of Appeal carried out an independent assessment in the light of the provisions of Regulation No 207/2009 and the related case-law. Next, OHIM notes that the Board of Appeal was required, pursuant to the order of 12 February 2009 in *Bild digital and ZVS* (C-39/08 and C-43/08, EU:C:2009:91), to take into account the German case-law because it dealt with the same mark, came from a higher national court, related to partly identical goods and services and had been handed down shortly after the contested Community trade mark was filed. Finally, OHIM notes that the Board of Appeal did not rely on just one judgment, but four German court decisions, thus demonstrating that they amount to settled case-law.

33 The intervener considers that the Board of Appeal indeed relied on the German case-law, but as part of an independent and detailed assessment of the contested mark under Article 7 of Regulation No 207/2009. It states that the Board of Appeal made its own assessment of the perception of the sign WINNETOU by the relevant public for the goods and services covered.

34 In that regard, as a preliminary point, it should be borne in mind that, according to settled case-law, 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 (judgments of 12 December 2013 in *Rivella International* v *OHIM*, C-445/12 P, ECR, EU:C:2013:826, paragraph 48, and 5 December 2000 in *Messe München* v *OHIM (electronica)*, T-32/00, ECR, EU:T:2000:283, paragraph 47).

35 Thus, the registrability of a sign as a Community trade mark is to be assessed on the basis of the relevant EU rules alone, as interpreted by the judicature of the European Union (see, to that effect, judgment of 16 July 2009 in *American Clothing Associates* v *OHIM* and *OHIM* v *American Clothing Associates*, C-202/08 P and C-208/08 P, ECR, EU:C:2009:477, paragraph 58). OHIM is accordingly not bound by decisions adopted in the Member States, even in a situation where those decisions were adopted under national legislation harmonised with the 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) (see, to that effect, judgments of 16 March 2006 in *Telefon & Buch* v *OHIM — Herold Business Data (WEISSE SEITEN)*, T-322/03, ECR, EU:T:2006:87, paragraph 30; 14 June 2007 in *Europig* v *OHIM (EUROPIG)*, T-207/06, ECR, EU:T:2007:179, paragraph 42, and 14 November 2013 in *Efag Trade Mark Company* v *OHIM (FICKEN)*, T-52/13, EU:T:2013:596, paragraph 42). It should be added that nothing in Regulation No 207/2009 requires OHIM or, on appeal, the General Court to come to the same conclusions as those arrived at by national administrative bodies or courts in similar circumstances (see, to that effect, judgments of 12 January 2006 in *Deutsche SiSi-Werke* v *OHIM*, C-173/04 P, ECR, EU:C:2006:20, paragraph 49; 8 November 2007 in *MPDV Mikrolab* v *OHIM (manufacturing score card)*, T-459/05, EU:T:2007:336, paragraph 27, and 10 September 2010 in *MPDV Mikrolab* v *OHIM (ROI ANALYZER)*, T-233/08, EU:T:2010:382, paragraph 43).

36 It follows from an equally consistent line of decisions that, while OHIM is not bound by decisions made by national authorities, OHIM may nevertheless take those decisions into consideration, without them being binding or even determinative, as indicia in the assessment of the facts of the case (see, to that effect, judgments of 21 April 2004 in *Concept* v *OHIM (ECA)*, T-127/02, ECR, EU:T:2004:110, paragraph 70; 9 July 2008 in *Reber* v *OHIM — Chocoladefabriken Lindt & Sprüngli (Mozart)*, T-304/06, ECR, EU:T:2008 268, paragraph 45, and 25 October 2012 in *riha* v *OHIM — Lidl Stiftung (VITAL & FIT)*, T-552/10, EU:T:2012:576, paragraph 66).

37 It follows from all those elements that, apart from the situation referred to in Article 8(4) of Regulation No 207/2009 under which OHIM is obliged to apply national law, including the related national case-law, OHIM or the Court cannot be bound by the decisions of national administrative bodies or courts.

38 In the present case, it is clear first of all from the contested decision that, contrary to what OHIM contends, although the Board of Appeal pointed out in paragraph 27 of the contested decision that it was not bound by the case-law of national courts, it however added in the same paragraph that, in that case, in so far as a national Supreme Court had ruled that the term 'winnetou' was descriptive in Germany, the Community trade mark had also to be regarded as ineligible for protection in respect of goods and services connected to books, radio and television.

39 Furthermore, in paragraph 42 of the contested decision, during the analysis of the descriptive character of the contested mark for the merchandising goods, the Board of Appeal stated that, since the judgment of the Bundesgerichtshof had been handed down only a few months after the date on which the application was made, it also had to be assumed that the ground for refusal already existed at the time the Community trade mark was applied for.

40 It follows from those statements, corroborated by paragraphs 23, 25, 26, 29 and 30 of the contested decision that, with the exception of the list of works related to Winnetou in paragraph 24 of the same decision, the Board of Appeal accepted the findings set out in the German court decisions regarding the registrability of the sign WINNETOU, the perception of that sign and the descriptive character of the contested mark in respect of goods and services concerned, without carrying out an independent assessment in the light of the arguments and evidence submitted by the parties.

41 Thus, it is apparent in particular from paragraphs 25, 26, 29 and 30 of the contested decision that the assessment that the sign at issue directly indicates the content of 'films, in particular animated films', 'video films', 'magnetic data carriers', 'discs', 'exposed films, including for cinematographic purposes' in Class 9, 'printed matter' 'bookbinding material' and 'photographs' in Class 16, and services, namely, 'events for entertainment, cultural and sporting purposes', 'rental of films and sound recordings', 'film production and film showings', 'photography', entertainment', 'events in leisure parks and holiday parks', 'holiday camp services', 'providing campground facilities', and 'exploitation of industrial property rights' in Classes 41 and 42, is not the result of an autonomous assessment by the Board of Appeal, since the latter states in paragraph 29 of the contested decision that 'according to German case-law, the German consumer will assume that 'Winnetou' merely describes the fact that a 'Winnetou' film, a 'Winnetou' book or the like is concerned.'

42 Accordingly, those considerations contravene the case-law referred to in paragraphs 34 to 36 above in so far as the Board of Appeal treated the decisions of the German court not as possessing an indicative value as evidence in the context of the assessment of the facts of the case, but as binding as to the registrability of the contested mark.

43 That finding cannot be undermined by OHIM's argument drawn from the order in *Bild digital and ZVS*, cited in paragraph 32 above (EU:C:2009:91), in which it argues that the Board of Appeal must take into consideration the German case-law in so far as it relates to the same mark, comes from a supreme national court, relates to partly identical goods and services and was handed down shortly after the filing of the contested mark.

44 First, it must be noted, in that regard, that the order relied on by OHIM relates to the interpretation of Directive 89/104 and specifically on the obligations of national authorities to take account or not of the fact that identically or comparably composed signs have already been registered as a trade mark. Moreover, the Court of Justice notes in the order that where, in support of a trade mark application in a Member State, the fact that a similar or identical mark has already been registered is invoked, although the national authority responsible for registration must, when examining an application for registration and in so far as it has information in that regard, take into account the decisions already adopted in respect of similar applications and consider with particular care whether it should decide in the same way or not, it cannot in any way be bound by them. Therefore, where such a finding applies by analogy to the examination carried out by the bodies of OHIM in the context of Regulation No 207/2009, the fact remains that the Court of Justice has also stated that the authority in question cannot in any event be bound by those decisions relating to similar requests.

45 Accordingly, it is clear that, although it can be inferred from that order that the Board of Appeal had to consider the decisions of the German courts regarding the sign WINNETOU and consider with particular care whether it should adjudicate in the same way or not, it also follows from that order that previous decisions cannot bind the Board of Appeal, even if they relate to the same sign. In the present case, the Board of Appeal is not criticised for taking into consideration the decisions of the German courts, but for having taken the view that it was bound by those decisions, which is contrary to the case-law cited in paragraphs 34 to 36 above and is not called into question by OHIM's argument.

46 Consequently, the Court must uphold the first plea and annul the contested decision in so far as it upheld the application for a declaration of invalidity to the extent that the error of law identified in paragraph 42 above vitiates both the Board of Appeal's assessment of the application of Article 7(1)(c) of Regulation No 207/2009 and its assessment of the application of Article 7(1)(b) of that regulation. In paragraphs 50 and 51 of the contested decision, the Board of Appeal found that the contested mark was devoid of distinctive character for the goods and services other than the 'printers' type' and 'printing blocks', since that mark was incapable of performing a trade mark's function as an indicator of commercial origin of those goods and services, and referred to its assessments relating to the descriptive nature of the latter with regard to the content and purpose of the goods and services concerned.

47 While it follows from that finding, concerning the merits of the contested decision, that that decision must be annulled in so far as it upheld the application for a declaration of invalidity, the Court also considers it necessary, in the present case, to examine of its own motion the question of whether the Board of Appeal explained sufficiently its assessment of the descriptive character of the contested mark.

The plea in law, raised of the Court's own motion: infringement of the obligation to state reasons

48 According to settled case-law, compliance with the duty to state reasons is a matter of public policy that must be raised, if necessary, of the Court's own motion (see, to that effect, judgments of 20 February 1997 in *Commission* v *Daffix*, C-166/95 P, ECR, EU:C:1997:73, paragraph 24, and 23 October 2002 in *Institut für Lernsysteme* v *OHIM — Educational Services (ELS)*, T-388/00, ECR, EU:T:2002:260, paragraph 59). In the present case, although the applicant has not invoked a failure to state reasons, the Court considers it necessary to examine of its own motion the question whether the

contested decision is sufficiently reasoned. The parties were questioned by way of measures of organisation of the procedure on the adequacy of the statement of the reasons given in the contested decision.

49 In that regard, the applicant submits, first, that the contested decision contains no autonomous statement of reasons and, second, that the perception by the relevant public of the various goods and services and their classification as 'merchandising' goods is inadequately reasoned.

50 OHIM and the intervener dispute the applicant's arguments.

51 OHIM contends that, even if the Board of Appeal did not provide a specific statement of reasons as to the descriptive content of the sign WINNETOU for each of the goods and services covered, such a statement of reasons was not required because the statement of reasons provided applies to all goods and services concerned. OHIM adds that, as regards typical 'merchandising' goods, the sign WINNETOU signifies that it relates to 'Native American goods' or 'Native American style' goods in respect of which the consumer draws a link between Winnetou, perceived as a noble Native American chieftain, and the goods.

52 The intervener believes that the reasons provided for the contested decision are sufficient because the Board of Appeal assessed the facts and the evidence and drew from this legal conclusions based on Community trade mark law. Furthermore, the reasoning of the contested decision is sufficient since the Board of Appeal examined the various goods and services concerned and set out adequately the concept and scope of the 'merchandising' through the reference to an earlier decision.

53 The first sentence of Article 75 of Regulation No 207/2009 provides that decisions of OHIM are to state the reasons on which they are based. The obligation to state reasons, as thus laid down, has the same scope as that deriving from Article 296 TFEU, according to which the statement of reasons must disclose, clearly and unequivocally, the reasoning of the author of the measure, in such a way as to enable the persons concerned to ascertain the reasons for it and to enable the competent court to exercise its power of review. It is not necessary for the reasoning to go into all the relevant facts and points of law, since the question whether the statement of reasons meets the requirements of Article 296 TFEU must be assessed with regard not only to its wording but also to its context and to all the legal rules governing the matter in question (see, to that effect, judgment of 21 October 2004 in *KWS Saat* v *OHIM*, C-447/02 P, EU:C:2004:649, paragraphs 63 to 65).

54 In particular, where OHIM refuses to register a sign as a Community trade mark, it must, in order to state the reasons for its decision, indicate the ground for refusal — absolute or relative — which precludes that registration and the legal provision from which that ground is drawn, and set out the facts which it found to be proved and which, in its view, justify application of the provision relied on. Such a statement of reasons is, in principle, sufficient (judgment in *Mozart*, cited in paragraph 36 above, EU:T:2008:268, paragraph 46).

55 As regards the absolute ground of refusal in Article 7(1)(c) of Regulation No 207/2009, it should be made clear that, in order for a sign to be caught by the prohibition set out in that provision, it is necessary that, having regard to its meaning, there should be a sufficiently direct and specific relationship between the sign and the goods or services in question to enable the public concerned immediately to perceive, without further thought, a description of the goods or services in question or one of their characteristics (see, to that effect, judgment of 22 June 2005 in *Metso Paper Automation* v *OHIM (PAPERLAB)*, T-19/04, ECR, EU:T:2005:247, paragraph 25 and the case-law cited, and 30 April 2013, *ABC-One* v *OHIM (SLIM BELLY)*, T-61/12, EU:T:2013:226, paragraph 17). The descriptiveness of a sign may be assessed only in relation, first, to the goods or services concerned and, second, to the perception of the section of the public targeted, which is composed of the consumers of those goods or services (see, to that effect, judgments of 27 February 2002 in *Eurocool Logistik* v *OHIM (EUROCOOL)*, T-34/00, ECR, EU:T:2002:41, paragraph 38).

56 In the present case, however, it should be noted that the Court is not able to exercise its power to review the Board of Appeal's assessments of the descriptive character of the contested mark for the goods and services concerned.

57 First, as regards the perception of the sign WINNETOU, the Board of Appeal held, in paragraph 22 of the contested decision, that the sign WINNETOU designated the main character of a series of novels by the author Karl May and that that finding was not disputed by the parties. The Board of Appeal added, in paragraph 23 of the contested decision that, according to the decisions of the German courts, German consumers understood the sign WINNETOU as referring to a fictional and noble Native American chieftain. Furthermore, in paragraph 24 of the contested decision, the Board of Appeal stated that, in addition to the books, the character of Winnetou was also the hero of records, cassettes, films and theatre representations. It added that these radio plays or theatre representations were 'adaptations in a specific genre' in which the action took place in the Wild West and in which Winnetou played the main role as a noble Native American.

58 It is thus clear from the contested decision and also OHIM's pleadings and answers to questions posed at the hearing that, for the Board of Appeal, the sign WINNETOU is generally perceived by the relevant public as connected with the concepts of 'Native American' and 'Native American Chieftain'.

59 However, the Board of Appeal did not carry out any specific analysis to establish that the sign WINNETOU, beyond its concrete meaning as an evocation of a fictional character, was perceived by the relevant public as referring to the concepts of 'Native American' and 'Native American Chieftain'. In that regard, it cannot be inferred from the elements mentioned in paragraphs 22 to 24 of the contested decision that it established such a perception of the sign WINNETOU. The Board of Appeal confined itself to describing the works relating to Winnetou as a fictional and noble Native American Chieftain character. It must therefore be held that the contested decision contains no assessment or conclusion relating to the perception of the sign as a reference to the concepts of 'Native American' and 'Native American Chieftain' in general.

60 That inadequacy of the statement of reasons, as regards a legal consideration having decisive importance in the context of the contested decision, makes it impossible to understand, in a clear and unequivocal manner, the conclusion attached to the reasoning followed by the Board of Appeal in its assessment of the perception of the sign.

61 Moreover, the argument advanced by OHIM in its pleadings and at the hearing that the general public regards 'Winnetou' films, books or theatre representations as books or films about Native Americans, so that the sign WINNETOU would be perceived as linked more generally to the theme of 'Native American' and 'Native American Chieftain' could not, even if proved, mitigate that lack of reasoning in the contested decisions since OHIM is not allowed, in the course of the proceedings, to advance supplementary reasons for a decision vitiated by a defective statement of reasons under Article 296 TFEU (see judgment of 20 May 2009 in *CFCMCEE* v *OHIM (P@YWEB CARD and PAYWEB CARD)*, T-405/07 and T-406/07, ECR, EU:T:2009:164, paragraph 69 and the case-law cited).

62 It follows that the contested decision is inadequately reasoned as regards the perception of the sign WINNETOU, beyond its concrete meaning as an evocation of a fictional character, as generally referring to concepts of 'Native American' and 'Native American Chieftain'.

63 Second, as regards the relationship between the contested mark and the goods and services concerned, the Board of Appeal considered that the contested mark should be cancelled except for 'printers' type' and 'printing blocks' included in Class 16 because those goods had no connection with the character of Winnetou. For certain goods and services in Classes 9, 16, 41 and 42, the Board of Appeal considered that the contested mark had to be regarded as descriptive, since the consumer would assume that the sign WINNETOU simply described the fact that it was a film or a book featuring Winnetou or other goods of that type (paragraphs 28 to 31 of the contested decision). For other goods concerned,

characterised as 'merchandising' goods, the Board of Appeal stated that, for the relevant public, the sign WINNETOU merely described the fact that the goods were linked to films or to the character of the novel, that they were of Native American style, were linked to festivals or distributed or sold at festivals (paragraphs 32 to 42 of the contested decision). Regarding the services 'transport of persons' in Class 39 and 'accommodation and catering for guests' in Class 43, the Board of Appeal held that the contested mark indicated a travel destination in Germany, namely festivals (paragraph 43 of the contested decision). Finally, regarding the 'instructional and teaching material (except apparatus)' in Class 16 and 'teaching apparatus and equipment' within Class 9, the contested mark refers, according to the Board of Appeal, to the fact that the Winnetou stories are used for teaching purposes (paragraph 44 of the contested decision).

64 It is clear that the Board of Appeal gave a general statement of reasons, particularly for 'merchandising' goods.

65 In that regard, it must be recalled, according to settled case-law, that the examination of the absolute grounds for refusal must be carried out in relation to each of the goods and services for which trade mark registration is sought and, moreover, that the decision by which OHIM refuses the registration of a mark must, in principle, state reasons in respect of each of those goods or services (see order of 18 March 2010 in *CFCMCEE* v *OHIM*, C-282/09 P, ECR, EU:C:2010:153, paragraph 37 and the case-law cited).

66 It is true that, where the same ground for refusal is given for a category or group of goods or services, OHIM may use only general reasoning for all of the goods or services concerned (see order in *CFCMCEE* v *OHIM*, cited in paragraph 65 above, EU:C:2010:153, paragraph 38 and the case-law cited).

67 However, that option cannot undermine the essential requirement that any decision refusing the benefit of a right conferred by EU law may be subject to judicial review designed to secure effective protection for that right and which, accordingly, must cover the legality of the reasons for that refusal (see order in *CFCMCEE* v *OHIM*, cited in paragraph 65 above, EU:C:2010:153, paragraph 39 and the case-law cited).

68 Therefore, the option for the Board of Appeal to use general reasoning for a series of goods or services can extend only to goods or services which have a sufficiently direct and specific link to each other to the point that they form such a sufficiently homogenous category as to enable all the factual and legal considerations constituting the grounds of the decision in question, first, to explain adequately the reasoning followed by the Board of Appeal for each of the goods and services belonging to that category and, second, to be applied without distinction to each of the goods or services concerned (see judgment of 2 April 2009 in *Zuffa* v *OHIM (ULTIMATE FIGHTING CHAMPIONSHIP)*, T-118/06, ECR, EU:T:2009:100, paragraph 28 and the case-law cited).

69 It must be considered whether, in light of those considerations, the reasoning of the contested decision is sufficient as to the direct and specific link to be established between the goods and services concerned and the sign WINNETOU for the purposes of reaching a conclusion as to the descriptive character of the contested mark.

70 First, it should be noted that the goods characterised as 'merchandising' goods do not show that a sufficiently direct and specific link exists between them to the point that they form a homogeneous class for which the Board of Appeal may give an overall general statement of reasons as defined in the case-law.

71 Thus, the Board of Appeal, under the category of 'merchandising' goods, grouped together numerous goods relating to eleven different classes, including, in particular, 'perfumery', 'essential oils', 'cosmetics', 'precious metals and their alloys', 'jewellery', 'horological and chronometric instruments',

‘paper’, ’stickers’, ‘stationery’, ‘small leather goods, in particular purses’, ‘walking sticks’, ‘textiles and textile goods’, ‘headgear’, ‘games’, ‘decorations for Christmas trees’, ‘gymnastic and sporting articles’, ‘calculating machines’, ‘computers’, ‘photographic … apparatus and equipment’, ‘Household or kitchen containers’, ‘combs and sponges’, ‘office requisites’, ‘plastic materials for packaging’, ‘meat’, ‘fish’, ‘jams’, ‘fruit sauces’, ‘ices’ and ‘confectionery’.

72 Those goods demonstrate such differences between them, by reason of their nature, characteristics, intended purpose and methods of marketing, that they cannot be regarded as constituting a homogenous category. Furthermore, aside from the claim that ‘merchandising’ goods have become common in all conceivable fields, no specific reasons have been provided for the characterisation of those goods in the contested decision. Such a statement does not establish why such heterogeneous goods are sufficiently homogeneous, despite obvious differences, such as to form a group of goods in respect of which general reasoning may be provided.

73 Moreover, the reasoning contained in the contested decision as to the direct and specific link between those goods and the sign WINNETOU is excessively general and abstract, and therefore does not meet the requirements set out in paragraphs 66 to 68 above.

74 Thus, the only reasons for the descriptive character of the contested mark in respect of those goods are found in the statements contained in paragraphs 32 and 40 of the contested decision according to which, for ‘merchandising’ goods, the sign WINNETOU describes the fact that the goods are connected to films or the book character with regard to which the consumer will assume that they are merely ‘Winnetou’ advertising goods and will not deduce the origin of the goods.

75 Such reasoning is inadequate and does not make it possible to understand why the Board of Appeal held that the contested mark had a sufficiently direct and specific link with the goods concerned to enable the public concerned immediately to perceive, without further thought, a description of those goods or one of their characteristics. The classification of ‘merchandising’ goods and the statements contained in paragraphs 32 and 40 of the contested decision are general assertions and devoid of any specific analysis in relation to the nature and characteristics of the goods in question, which, moreover, do not form a homogeneous category of goods.

76 Consequently, the reasoning of the contested decision does not meet the requirements of Article 296 TFEU and Article 75 of Regulation No 207/2009 since it does not enable the Court to conduct an effective review of the contested decision.

77 That conclusion is not called into question by the assessments of the Board of Appeal concerning certain goods and services listed in paragraphs 34, 36, 37 and 39 of the contested decision.

78 Through those assessments, the Board of Appeal merely stated that the goods could be of Native American style or be related to the character of Winnetou and to the theme related to that character, or to the festivals.

79 It should, first, be recalled that, as the Court has concluded in paragraph 62 above, the finding that the sign WINNETOU is perceived as linked to the concepts of ‘Native American’ and ‘Native American Chieftain’ is inadequately reasoned. Furthermore, the assertions that these include goods sold in souvenir shops, ‘Winnetou’ clothing, that is to say clothing that Winnetou wears or is connected to Winnetou, cases with the image of Winnetou, a nutcracker in the shape of a Native American Chieftain or foodstuff sold at festivals, do not make it possible to understand more precisely, clearly and unequivocally, the reasoning of the Board of Appeal which led it to the conclusion that the contested mark, which, moreover, is a word mark and not a figurative mark representing a Native American, is descriptive of those goods.

80 It must therefore be held that the contested decision is vitiated by an inadequate statement of reasons.

81 It follows from all those foregoing considerations that the Court must annul the contested decision for breach of the principles of autonomy and independence of the Community trade mark and on the ground that the Board of Appeal's statement of reasons is inadequate, without having to adjudicate on the second, fourth and fifth pleas.

Costs

82 Under Article 134(1) 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. In addition, under Article 134(2), where there are several unsuccessful parties the Court is to decide how the costs are to be shared.

83 In the present case, OHIM must be ordered to pay the applicant's costs in addition to its own and the intervener must be ordered to bear its own costs.

On those grounds,

THE GENERAL COURT (First Chamber),

hereby:

1. **Annuls the decision of the First Board of Appeal of the Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM) of 9 July 2013 (Case R 125/2012-1) in so far as it rejected the application for a declaration of invalidity;**

2. **Orders OHIM to bear, in addition to its own costs, the costs incurred by Karl-May-Verlag GmbH;**

3. **Orders Constantin Film Produktion GmbH to bear its own costs.**

Kanninen Pelikánová Buttigieg

Delivered in open court in Luxembourg on 18 March 2016.

[Signatures]