JUDGMENT OF THE GENERAL COURT (Third Chamber)

16 December 2010 *

In Case T-286/08,

Fidelio KG, established in Linz (Austria), represented by M. Gail, lawyer,

applicant,

v

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

defendant,

ACTION brought against the decision of the Fourth Board of Appeal of OHIM of 21 May 2008 (Case R 632/2007-4), concerning the registration of the word sign Hallux as a Community trade mark,

* Language of the case: German.

THE GENERAL COURT (Third Chamber),

composed of J. Azizi, President, E. Cremona and S. Frimodt Nielsen (Rapporteur), Judges,

Registrar: J. Plingers, Administrator,

having regard to the application lodged at the Registry of the Court on 21 July 2008,

having regard to the response lodged at the Registry of the Court on 16 October 2008,

having regard to the reply lodged at the Registry of the Court on 7 January 2009,

further to the hearing on 15 September 2010,

gives the following

Judgment

1 The applicant, Fidelio KG, is a company incorporated in accordance with Austrian law with the object of trading wholesale in footwear. It specialises in the comfortable footwear sector.

2 On 19 July 2006, the applicant, then called Kasperek KG, filed an application for registration of a Community trade mark at the Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM), under Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark (OJ 1994 L 11, p. 1), as amended (replaced by Council Regulation (EC) No 207/2009 of 26 February 2009 on the Community trade mark (OJ 2009 L 78, p. 1)).

3 The mark in respect of which registration was sought is the word sign Hallux.

4 The goods in respect of which registration was sought came within Classes 10, 18 and 25 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 corresponded, for each of those classes, to the following description:

— Class 10: 'Orthopaedic articles';

— Class 18: 'Leather and imitations of leather and goods made of these materials (included in Class 18); trunks and travelling bags; umbrellas, parasols and walking sticks';

— Class 25: 'Clothing, footwear, headgear'.

5 By decision of 28 February 2007 ('the examiner's decision'), the examiner rejected, under Article 38 of Regulation No 40/94 (now Article 37 of Regulation No 207/2009), the trade mark application in respect of the following goods:

— Class 10: 'Orthopaedic articles';

— Class 18: 'Leather and imitations of leather and goods made of these materials (included in Class 18)';

— Class 25: 'Clothing, footwear'.

6 On 24 April 2007, the applicant filed a notice of appeal under Articles 57 to 62 of Regulation No 40/94 (now Articles 58 to 64 of Regulation No 207/2009) against the examiner's decision.

7 By decision of 21 May 2008 (Case R 632/2007-4) ('the contested decision'), the Fourth Board of Appeal upheld the appeal in respect of all the goods at issue in Class 18 and the clothing in Class 25. However, it dismissed the remainder of the appeal in respect of the following goods:

— Class 10: 'Orthopaedic articles';

— Class 25: 'Footwear'.

8 In the contested decision, the Board of Appeal stated that the term 'hallux' was a Latin word meaning 'big toe'. This word was used in medical terminology to designate several deformities of the foot, whether congenital or acquired. One of them, hallux valgus, is characterised by a deformity of the joint at the base of the big toe, causing the toe to curve inwards. The word 'hallux' was used by the non-specialist German-speaking public to designate this pathology, which is by far the most frequent (paragraphs 10 to 12 of the contested decision).

9 The word 'hallux' was directly associated by the average German-speaking consumer with orthopaedic articles and with footwear, because it evokes the intended purpose of those goods, since they are perceived as being suitable for patients suffering from hallux valgus.

10 As regards more specifically orthopaedic articles, the Board of Appeal stated that these are available without prescription but usually purchased on the advice of a doctor. During the consultation, the doctor, who knows the Latin technical terms, has the opportunity to explain the meaning of the term 'hallux' to patients recommended to wear footwear suitable for hallux valgus. Moreover, the Board of Appeal considered, without drawing any conclusions, that that term might also be descriptive in the non-German-speaking parts of the European Union (paragraph 13 of the contested decision).

11 As regards footwear in general, the Board of Appeal considered that the relevant public understands the word 'hallux' as designating footwear suitable for persons suffering from a slight hallux valgus who do not need to wear orthopaedic shoes but who may benefit from wearing that footwear since it is particularly comfortable, does not pinch and adapts easily to the deformity or has a stabilising effect at its onset (paragraph 14 of the contested decision).

12 Since it is descriptive of these two categories of product, the term 'hallux' is also devoid of any distinctive character, because the relevant public understands it only as designating a characteristic of the goods in question, not as a mark indicating their commercial origin (paragraph 17 of the contested decision).

Forms of order sought

13 The applicant claims that the Court should:

— annul the contested decision;

— order OHIM to pay the costs.

14 OHIM contends that the Court should:

— dismiss the application;

— order the applicant to pay the costs.

15 At the hearing, the applicant declared that its first head of claim sought the annulment of the contested decision only in so far as it dismisses the applicant's appeal in respect of orthopaedic articles, in Class 10, and footwear, in Class 25, formal note of which was taken in the record of the hearing.

Law

16 In support of the present action, the applicant raises two pleas in law alleging, respectively, infringement of Article 7(1)(c) of Regulation No 40/94 (now Article 7(1)(c) of Regulation No 207/2009) and infringement of Article 7(1)(b) of Regulation No 40/94 (now Article 7(1)(b) of Regulation No 207/2009).

Arguments of the parties

17 In connection with its first plea, the applicant maintains that the relevant public is unable to discern immediately, and without any further reflection, a specific connection between the term 'hallux' and the characteristics of the goods at issue.

18 First, as confirmed by an extract from a Latin-German dictionary annexed to the reply, the term 'hallux' is a Latin word meaning 'big toe'. It therefore does not designate a characteristic of the goods at issue.

19 The applicant maintains that the footwear as well as the orthopaedic articles are freely available and may be acquired without a doctor's prescription, so that, for all those goods, the relevant public is the average consumer who is reasonably well informed and reasonably observant and circumspect.

20 The applicant refers to the case-law of the Bundespatentgericht (Federal Patent Court, Germany) according to which terms from dead languages are usually suitable for registration because they generally have, in the eyes of the relevant public, a

certain originality which enables them to serve as an indication of origin of the trade mark, unless they directly describe the goods covered by the application for registration and are usually used to form expressions specific to a given sphere.

21 According to the applicant, the term 'hallux' is not in the German vocabulary, does not directly describe the goods covered by its application for registration and is not used as a specific technical indication. The meaning of that term is therefore unknown to the German-speaking population of the European Union, even including consumers with a knowledge of Latin, since the term at issue is not part of the literary vocabulary generally studied. The term 'hallux' therefore has no special meaning for the relevant public, which sees in it, on the contrary, a fanciful designation serving to indicate the origin of the goods at issue and thus to fulfil the identification-of-origin function of trade marks.

22 Even if the meaning of the Latin term 'hallux' were known, that term does not directly describe the goods at issue.

23 Moreover, the majority of the relevant public is not affected by the pathology called 'hallux valgus' (outward curvature of the big toe joint) and the shoes usually sold in the trade are not specifically designed for the public suffering from that pathology. Even that part of the relevant public which knows the term 'hallux' does not perceive the sign requested as a description of the goods at issue, since the big toe is not directly related to the intended purpose or any other characteristic of footwear and orthopaedic articles.

24 Secondly, the Board of Appeal wrongly held that the term 'hallux' was a known abbreviation of the words 'hallux valgus'. Indeed, there are other big toe pathologies whose Latin name includes the word 'hallux' (for example, hallux rigidus or hallux malleus) and there is no reason to think that the word 'hallux' used on its own is an abbreviation of one of them in particular. The extracts from internet sites to which the Board of Appeal referred are not likely to show that the word 'hallux' is in everyday use. They do not prove that the word 'hallux' is the usual abbreviation of the words 'hallux valgus'. Moreover, the presence, on one of the sites mentioned in the contested decision, of the expression 'Hallux Schuhe' (Hallux footwear) is the result of the marketing strategy of an undertaking and is not enough to establish that that expression contains a common abbreviation.

25 Furthermore, there is no specific footwear designed to cure hallux valgus. On the other hand, wearing any comfortable footwear, without specific characteristics, prevents that pathology or stops it becoming worse. There is therefore no footwear whose inherent characteristics give relief to a person suffering from hallux valgus. In those circumstances, any link which the relevant public may make between the word 'hallux' and footwear is too vague and insufficiently specific to confer a descriptive character on that word.

26 Thirdly, the applicant maintains that the association of the word 'hallux' with footwear intended for the general public is the result of a marketing strategy and seeks to produce at the very most a suggestive effect. However, according to the case-law, a word mark which merely suggests an intended purpose for goods is not necessarily descriptive and devoid of distinctive character.

27 In order to reach the conclusion that there is a link between the trade mark applied for and the pathology called 'hallux valgus', the average consumer, including a person

suffering from hallux valgus, would have to give the matter a considerable degree of thought, which cannot be presumed. Indeed, since there are several different big toe pathologies, each designated by the word 'hallux', and in the absence of specific, direct and immediate information regarding a given quality or characteristic of the goods at issue, the relevant public, including that section of the public which suffers from hallux valgus and knows the name of that pathology, is likely to perceive the sign for which registration is sought as descriptive only after an analytical process requiring interpretation. However, there is a wide margin of interpretation in the establishment of any link whatsoever between the big toe, on the one hand, and footwear and orthopaedic articles, on the other.

28 Fourthly, there is no technical glossary in which the word 'hallux' is used to designate footwear or orthopaedic articles.

29 Fifthly, the applicant points out that OHIM has not managed to prove that foreseeable demographic developments will increase awareness of the words 'hallux' or 'hallux valgus' among the general public. The applicant takes the view that the number of consumers wishing to wear comfortable shoes, without necessarily suffering from hallux valgus, is likely to rise owing to the ageing of the population. However, there is no reason to expect that public, which is interested in the applicant's goods, to be aware of the existence of hallux valgus or to be confronted, in one way or another, by the word 'hallux'.

30 OHIM contests the applicant's arguments.

Findings of the Court

31 Under Article 7(1)(c) of Regulation No 40/94, 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 are not to be registered. Moreover, Article 7(2) of that regulation (now Article 7(2) of Regulation No 207/2009) states that paragraph 1 is to apply notwithstanding that the grounds of non-registrability obtain in only part of the Community.

32 Signs or indications which may serve in trade to designate the characteristics of the goods or service in respect of which registration is sought are, by virtue of Regulation No 40/94, deemed incapable, by their very nature, of fulfilling the indication-of-origin function of the trade mark, without prejudice to the possibility of their acquiring distinctive character through use under Article 7(3) of Regulation No 40/94 (now Article 7(3) of Regulation No 207/2009) (Case C-191/01 P *OHIM* v *Wrigley* [2003] ECR I-12447, paragraph 30).

33 According to settled case-law, Article 7(1)(c) of Regulation No 40/94 pursues an aim which is in the public interest, namely that descriptive signs or indications relating to the characteristics of goods or services in respect of which registration is sought may be freely used by all (*OHIM* v *Wrigley*, paragraph 32 above, paragraph 31, and Case T-316/03 *Münchener Rückversicherungs-Gesellschaft* v *OHIM (Munich Financial Services)* [2005] ECR II-1951, paragraph 25).

34 In order for refusal to register a trade mark under Article 7(1)(c) of Regulation No 40/94 to be justified, it is not necessary that the signs and indications composing

the mark at issue actually be in use at the time of the application for registration in a way that is descriptive of goods or services such as those in relation to which the application is filed, or of characteristics of those goods or services. It is sufficient, as the wording of that provision itself indicates, that such signs and indications could be used for such purposes. A word sign must therefore be refused registration if at least one of its possible meanings designates a characteristic of the goods or services concerned (*OHIM* v *Wrigley*, paragraph 32 above, paragraph 32).

35 The distinctiveness of a mark may be assessed, first, only in relation to the understanding of the mark by the relevant public and, secondly, in relation to the goods or services concerned (see judgment of 9 June 2010 in Case T-315/09 *Hoelzer* v *OHIM (SAFELOAD)*, not published in the ECR, paragraph 17, and the case-law cited).

36 Consequently, OHIM must, under Article 7(1)(c) of Regulation No 40/94, determine whether a trade mark for which registration is sought currently represents, in the mind of the relevant class of persons, a description of the characteristics of the goods or services concerned or whether it is reasonable to assume that that might be the case in the future. If, at the end of that assessment, the Board of Appeal reaches the conclusion that that is the case, it must refuse, on the basis of that provision, to register the mark (see, by analogy, Case C-363/99 *Koninklijke KPN Nederland* [2004] ECR I-1619, paragraph 56).

37 Moreover, when registration of a sign as a Community trade mark is sought without distinction for a category of goods as a whole and that sign is descriptive in relation to only some of the goods within that category, the ground for refusal in Article 7(1)(c) of Regulation No 40/94 nevertheless prevents registration of that sign for the whole of the category concerned (see to this effect Case T-106/00 *Streamserve* v *OHIM*

(STREAMSERVE) [2002] ECR II-723, paragraph 46, and Case T-458/05 *Tegometall International* v *OHIM - Wuppermann (TEK)* [2007] ECR II-4721, paragraph 94, and the case-law cited).

38 The merits of the first plea raised by the applicant, regarding orthopaedic articles in Class 10 and footwear in Class 25 must be assessed in the light of the foregoing considerations.

Orthopaedic articles

39 The applicant contests the assessment of the Board of Appeal that, as regards orthopaedic articles, the relevant public is made up of informed persons, namely persons suffering from a malformation or dysfunction of the support system, and of doctors and persons specialising in orthopaedic equipment (paragraph 13 of the contested decision).

40 According to the applicant, since orthopaedic articles are freely available and may be purchased without a doctor's prescription, it should be considered that the relevant public with regard to those articles is the general public.

41 Although it is true that the methods of marketing a product may have an effect on the composition of the target public, it cannot be maintained that all products which are freely available and accessible without a doctor's prescription are intended, on that basis, for the general public. It is necessary, rather, to adhere mainly to the nature

of the goods concerned and to the category of the population for which they are intended.

42 In that regard, the Board of Appeal's finding that the relevant public, as regards orthopaedic articles, is composed of professionals in that sector and patients suffering from malformations or dysfunctions which need to be corrected by the wearing of such articles must be approved. It follows that the level of technical knowledge of the relevant public must be regarded as high.

43 It is therefore necessary to examine whether, in the eyes of the relevant public, the word 'hallux' may be understood as designating a characteristic of orthopaedic articles, such as their intended purpose.

44 It is not disputed that certain orthopaedic articles, included in the category covered by the application for registration, are particularly suitable for malformations of the big toe. Furthermore, it is apparent from the case-law referred to in paragraph 37 above that, in order to found a refusal to register on Article 7(1)(c) of Regulation No 40/94, it is sufficient for the absolute ground for which it provides to be applicable to part of the goods included in the category in respect of which registration of the sign Hallux is sought.

45 In the contested decision, the Board of Appeal made three findings, which it substantiated by reference to internet sites. First, the word 'hallux' means 'big toe' in Latin. Secondly, the same word combined with other Latin words designates malformations of the foot characterising several pathologies. Thirdly, the word 'hallux' is used to designate only the most frequent of those malformations, namely an outward curvature of the joint at the base of the big toe, which is called 'hallux valgus'.

46 The applicant acknowledges that the word 'hallux' means 'big toe' in Latin and that the word 'hallux' combines with other words to designate different malformations of the foot. On the other hand, it denies that the word 'hallux' is understood as an abbreviation of the words 'hallux valgus' and that the meaning of the word 'hallux' is known in the German-speaking areas of the European Union.

47 The applicant is justified in maintaining that the production of extracts from internet sites is not sufficient to establish that the relevant public is able to perceive the word 'hallux' as an abbreviation habitually used instead of the expression 'hallux valgus' to the extent that that word designates only that pathology. The use of a term on internet sites cannot suffice to establish the frequency with which it is used, even by a specialist public.

48 However, the applicant itself concedes that the word 'hallux' means 'big toe' in Latin and is used, in scientific vocabulary, to designate several pathologies and malformations of the foot. The applicant produces no evidence which would give rise to doubts regarding the validity of the argument put forward by the Board of Appeal that the scientific name of pathologies of the foot is known to the relevant public, that is, not only the professionals — the doctors who prescribe orthopaedic articles and the persons who sell them — but also those end-consumers who suffer from pathologies of the big toe and need orthopaedic appliances suitable for those pathologies. Indeed, persons intending to purchase orthopaedic articles suitable for their pathology are likely, in general, to have inquired themselves or to have been informed of the scientific name of the pathology from which they suffer, or to be informed of it when they purchase orthopaedic articles suitable for their pathology. It is therefore likely that persons suffering from malformations of the big toe know that they are suffering

from a pathology the name of which includes the word 'hallux', and it is reasonable to suppose that the section of the public concerned by orthopaedic articles suitable for malformations of the big toe which has not yet become familiar with the word 'hallux' is likely to be informed of the meaning of that word when purchasing those articles (see to this effect Case T-85/08 *Exalation* v *OHIM (Vektor-Lycopin)* [2010] ECR II-3837, paragraphs 42 and 43, and the case-law cited).

49 Consequently, in the mind of the public concerned by orthopaedic articles designed to deal with pathologies of the big toe, the word 'hallux' will evoke the pathology itself. Accordingly, contrary to what the applicant maintains, the relevant public concerned by the articles is therefore capable of establishing, without having to give the matter any particular thought, a specific link between the word 'hallux' and the intended purpose of those goods.

50 Moreover, this assessment is not called in question by the fact, evoked by the parties at the hearing, that not all orthopaedic articles are designed to deal with big toe pathologies. Indeed, even though the application for registration includes orthopaedic articles intended to deal with other pathologies and although the public concerned by those articles may, consequently, not know the meaning of the word 'hallux', which designates a pathology with which they are not afflicted, it should be pointed out that that section of the public is not the public concerned by orthopaedic articles intended to deal with big toe pathologies. For the reasons indicated in paragraphs 48 and 49 above, the Board of Appeal did not err by holding that the word 'hallux' designated, from the point of view of the public concerned by those goods, one of their characteristics. Therefore, since the category of goods covered by the application for registration includes goods in respect of which the sign Hallux is descriptive, that ground is sufficient to justify the refusal to register for the whole of the category in which those goods are included (see to this effect *STREAMSERVE*, paragraph 37 above, paragraph 46, and *TEK*, paragraph 37 above, paragraph 94, and the case-law cited).

51 It should also be pointed out that the applicant cannot reasonably rely, in support of its plea seeking to establish that OHIM misapplied Article 7(1)(c) of Regulation No 40/94, on the case-law of the Bundespatentgericht concerning the registration of signs formed of a word belonging to a dead language. So far as concerns Community trade marks, OHIM exercises a circumscribed power to apply only the provisions of relevant Community legislation as interpreted by the Community judicature (see to this effect Case T-24/00 *Sunrider* v *OHIM (VITALITE)* [2001] ECR II-449, paragraph 33, and the case-law cited, and Case T-16/02 *Audi* v *OHIM (TDI)* [2003] ECR II-5167, paragraph 40, and the case-law cited).

52 It is apparent from the foregoing that the Board of Appeal correctly applied Article 7(1)(c) of Regulation No 40/94 in considering that the absolute ground for refusal provided for in that provision precluded registration of the sign Hallux for the orthopaedic articles in Class 10.

Footwear

53 The applicant and OHIM agree with the Board of Appeal, which stated in the contested decision that, since shoes are everyday consumer goods, the relevant public was the general public. This finding must be approved. It follows that it is necessary to assess the perception of the word 'hallux' by the average, reasonably well-informed and reasonably observant and circumspect consumer (Case T-219/00 *Ellos* v *OHIM (ELLOS)* [2002] ECR II-753, paragraph 30; see also, by analogy, Case C-342/97 *Lloyd Schuhfabrik Meyer* [1999] ECR I-3819, paragraph 26).

54 First, it should be pointed out that the word 'hallux', although it appears in dictionaries, belongs to a dead language which is not commonly studied. Moreover, as the applicant observes, that word does not belong to the literary vocabulary most frequently found in the study of Latin. Furthermore, it cannot be presumed that the scientific name of different malformations of the big toe is known to the general public. In that regard, the Board of Appeal merely referred to extracts from internet sites. However, such evidence is not sufficient to prove that a technical term is used frequently and that the general public is therefore aware of it (see paragraph 47 above). Indeed, the Court has already held that it was not sufficient to show that the use of a technical term was confirmed in specialist dictionaries to establish awareness of that term among the relevant public, where this is made up of average consumers (see to this effect judgment of 12 March 2008 in Case T-341/06 *Compagnie générale de diététique* v *OHIM (GARUM)*, not published in the ECR, paragraph 39).

55 Secondly, however, it must be pointed out that, within the category of footwear in general, there is the subcategory of comfortable shoes. In that regard, the Court finds moreover that the applicant pointed out in its pleadings and at the hearing that it sold comfortable shoes. This specific subcategory of footwear, as the applicant maintains in its pleadings (see paragraph 25 above), although not specifically designed for patients suffering from hallux valgus, nevertheless is suitable for them and limits the development of their pathology.

56 However, it should be pointed out that the public concerned by this specific subcategory of footwear partially overlaps the public concerned by the orthopaedic articles suitable for big toe pathologies, of which it has been established that they knew the meaning of the word 'hallux' or were likely to be told of it (see paragraph 48 above).

Furthermore, as OHIM maintains, the public concerned by comfortable shoes also includes persons who, while they do not need to wear orthopaedic articles, are nevertheless either directly afflicted with foot pathologies or aware of those matters and likely to pay special attention in that regard. Although it is true that comfortable shoes are purchased without a doctor's prescription, the sellers of those shoes are nevertheless likely to give explanations and advice to persons suffering from big toe pathologies and, in particular, to inform them of the name of the pathologies for which comfortable shoes are suitable. In those circumstances, it must be considered that consumers of comfortable shoes marketed under the trade mark Hallux would perceive that sign as indicating that the goods in question are particularly suitable for persons afflicted with big toe pathologies.

57 The Board of Appeal therefore correctly held, in respect of the subcategory of comfortable shoes at least, that the sign 'hallux' described the intended purpose of the goods covered by the application for registration. Consequently, the Board of Appeal was right to hold that the sign at issue could not be registered for the whole of the category (see to this effect *STREAMSERVE*, paragraph 37 above, paragraph 46, and *TEK,* paragraph 37 above, paragraph 94, and the case-law cited).

58 It is apparent from the foregoing that the Board of Appeal correctly applied Article 7(1)(c) of Regulation No 40/94 by holding that the absolute ground for refusal provided for in that provision precluded registration of the sign Hallux for the footwear in Class 25.

59 Consequently, the first plea in the application must be dismissed in respect of all the goods at issue.

60 It is evident from the wording of Article 7(1) of Regulation No 40/94 that if one of the absolute grounds for refusal listed in that provision applies that suffices for the sign at issue not to be registrable as a Community trade mark (see Case T-360/99 *Community Concepts* v *OHIM (Investorworld)* [2000] ECR II-3545, paragraph 26, and the case-law cited).

61 It follows that the Board of Appeal was fully entitled to hold that the sign Hallux could not be registered as a Community trade mark in respect of all the goods at issue, and that the applicant's form of order seeking the partial annulment of the contested decision must be rejected, without it being necessary to rule on the second plea in the application.

Costs

62 Under Article 87(2) of the Rules of Procedure of the Court, the unsuccessful party is to be ordered to pay the costs if they have been applied for in the successful party's pleadings. Since the applicant has been unsuccessful, it must be ordered to pay the costs, in accordance with the form of order sought by OHIM.

On those grounds,

THE GENERAL COURT (Third Chamber)

hereby:

1. Dismisses the action;

2. Orders Fidelio KG to pay the costs.

Azizi Cremona Frimodt Nielsen

Delivered in open court in Luxembourg on 16 December 2010.

[Signatures]