Reports of Cases

OPINION OF ADVOCATE GENERAL
SZPUNAR
delivered on 8 December 2016 [1]

Case C-421/15 P

Yoshida Metal Industry Co. Ltd
v

European Union Intellectual Property Office (EUIPO)

(Appeal — EU trade mark — Regulation (EC) No 207/2009 — Ground for refusal or invalidity of the registration — Signs which consist exclusively of the shape of goods which is necessary to obtain a technical result — Article 7(1)(e)(ii) — Examination of the ground for refusal or invalidity in respect of a group of goods or services — Article 52(3) — Reasons stated for the decision of a Board of Appeal of EUIPO — General reasons stated for all the goods or services concerned — New ground at the appeal stage — Inadmissibility)

Introduction

1. By the present appeal, Yoshida Metal Industry Co. Ltd ('Yoshida') seeks to have set aside the judgment of the General Court of the European Union of 21 May 2015, *Yoshida Metal Industry* v *EUIPO*,[2] by which that court dismissed its action seeking annulment of the decisions of the First Board of Appeal of the European Union Intellectual Property Office (EUIPO) relating to invalidity proceedings between, on one hand, Pi-Design AG, Bodum France and Bodum Logistics A/S ('Pi-Design and Others') and, on the other hand, Yoshida.[3]

2. The judgment under appeal, delivered after the General Court's decision had been set aside and the case referred back to that court,[4] confirms the invalidity of the two figurative marks registered by Yoshida.

3. In addition to the issue of whether the General Court complied with the judgment delivered on the first appeal, the new appeal brought by Yoshida raises a further aspect concerning the existence of the ground for invalidity relied on in respect of all of the goods concerned, and the adequacy of the statement of reasons in the decisions at issue and in the judgment under appeal on that point.[5]

1 — Original language: French.

2 — T-331/10 RENV and T-416/10 RENV, not published, EU:T:2015:302 ('the judgment under appeal').

3 — Decisions of the First Board of Appeal of EUIPO of 20 May 2010 (Cases R 1235/2008-1 and R 1237/2008-1) ('the decisions at issue').

4 — Judgment of 6 March 2014, *Pi-Design and Others* v *Yoshida Metal Industry* (C-337/12 P to C-340/12 P, not published, EU:C:2014:129).

5 — I note that a similar problem is raised in another pending appeal (see *OHIM* v *Unibail Management*, C-513/14 P, currently pending before the Court of Justice).

Legal context

4. Under Article 7(1)(e)(ii) of Regulation (EC) No 207/2009,[6] signs which consist exclusively of 'the shape of goods which is necessary to obtain a technical result' are not to be registered.

5. Article 52(1)(a) of that regulation provides that, on application, an EU trade mark is to be declared invalid where that trade mark has been registered contrary to the provisions of Article 7.

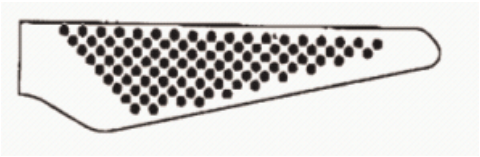
6. Article 52(3) of Regulation No 207/2009 provides as follows:

'Where the ground for invalidity exists in respect of only some of the goods or services for which the EU trade mark is registered, the trade mark shall be declared invalid as regards those goods or services only.'

Background to the dispute

7. The facts of the dispute, as set out in paragraphs 1 to 15 of the judgment under appeal, may be summarised as follows.

8. On 3 and 5 November 1999, Yoshida filed applications at EUIPO for registration of two marks consisting of the figurative signs reproduced below:





9. The goods in respect of which registration was sought are in Classes 8 and 21 of the Nice Agreement of 15 June 1957 concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks, as revised and amended, and correspond to the following description:

— Class 8: 'Cutlery, scissors, knives, forks, spoons, whetstones, whetstone holders, knife steels, fish bone tweezers';

— Class 21: 'Household or kitchen utensils and containers (not of precious metal or coated therewith), turners, spatulas for kitchen use, knife blocks for holding knives, tart scoops, pie scoops'.

10. The trade marks at issue were registered on 25 September 2002 and 16 April 2003.

11. On 10 July 2007, Pi-Design and Others lodged applications for a declaration of invalidity with regard to the marks at issue based on the ground in Article 7(1)(e)(ii) of Regulation No 40/94.

6 — Council Regulation of 26 February 2009 on the European Union trade mark (OJ 2009 L 78, p. 1). I note that, in the present case, the substantive provisions applicable are those of Regulation No 207/2009, since the legal context of the case is the date at which the decision of the EUIPO Board of Appeal was adopted. In any event, both Article 7(1)(e)(ii) of Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark (OJ 1994 L 11, p. 1) and Article 51(3) thereof (corresponding to Article 52(3) of Regulation No 207/2009) are drafted in essentially identical terms.

12. By decisions of 15 and 21 July 2008, the Cancellation Division of EUIPO rejected those applications.

13. By the decisions at issue, ruling on an appeal brought by Pi-Design and Others, the First Board of Appeal of EUIPO annulled the decisions of the Cancellation Division and declared the marks invalid on the basis of Article 7(1)(e)(ii) of Regulation No 207/2009.

The procedure before the General Court and the Court of Justice, and the judgment under appeal

14. By applications lodged at the Registry of the General Court on 12 August and 15 September 2010, Yoshida brought actions for annulment of the decisions at issue, based on a single plea alleging infringement of Article 7(1)(e)(ii) of Regulation No 207/2009.

15. By two judgments delivered on 8 May 2012, *Yoshida Metal Industry* v *OHIM — Pi-Design and Others (Representation of a triangular surface with black dots)*,[7] and *Yoshida Metal Industry* v *OHIM — Pi-Design and Others (Representation of a surface with black dots)*,[8] the General Court upheld that plea and those actions.

16. By judgment of 6 March 2014,[9] ruling on the appeal brought by Pi-Design and Others, the Court of Justice set aside those judgments on the ground that they infringed Article 7(1)(e)(ii) of Regulation No 207/2009 and referred the cases back to the General Court

17. By the judgment under appeal, the General Court, ruling on the case as referred back to it, rejected the single plea alleging infringement of Article 7(1)(e)(ii) of Regulation No 207/2009, and the actions in their entirety, and ordered Yoshida to pay the costs of the proceedings before the General Court and before the Court of Justice.

The forms of order sought

18. By its appeal, Yoshida claims that the Court should set aside the judgment under appeal and annul the decisions at issue:

— primarily, in their entirety, or

— in the alternative, in so far as they declare the marks invalid for 'whetstones and whetstone holders' (Class 8) and 'household or kitchen utensils and containers (not of precious metal or coated therewith) and knife blocks' (Class 21)

and that EUIPO and Pi-Design and Others should be ordered to pay the costs.

19. EUIPO and Pi-Design and Others contend that the Court should dismiss the appeal and order the appellant to pay the costs.

7 — T-331/10, not published, EU:T:2012:220.

8 — T-416/10, not published, EU:T:2012:222.

9 — Judgment of 6 March 2014, *Pi-Design and Others* v *Yoshida Metal Industry* (C-337/12 P to C-340/12 P, not published, EU:C:2014:129)

Analysis

20. In support of its appeal, the applicant raises two grounds, alleging: (i) infringement of Article 7(1)(e)(ii) of Regulation No 207/2009; and (ii) infringement of Article 52(3) of that regulation.

21. In accordance with the Court's wishes, I will restrict my analysis to the second ground of the appeal.

Second ground of appeal: infringement of Article 52(3) of Regulation No 207/2009

22. The present ground of appeal is relied upon in support of Yoshida's head of claim in the alternative, seeking that the judgment under appeal be set aside and the decisions at issue annulled in so far as they declare its trade marks invalid for some of the goods concerned, namely 'whetstones and whetstone holders', 'household or kitchen utensils and containers … and knife blocks' . There are two parts to that ground of appeal.

The first part

23. In the first part, Yoshida claims that by failing to examine whether the ground for invalidity relied upon in the present case existed in respect of all the goods covered by the marks at issue, the General Court infringed Article 52(3) of Regulation No 207/2009.

24. It is settled case-law that the issue of whether one of the grounds for refusal or invalidity referred to in Article 7 of Regulation No 207/2009 applies to a mark or not must be assessed in the specific circumstances of the case in relation to the goods or services to which the mark relates. [10] In addition, Article 52(3) of Regulation No 207/2009 provides that where the ground for invalidity exists in respect of only some of the goods or services, the declaration of invalidity extends only to those goods or services. [11]

25. It follows that, first, EUIPO's examination of the grounds for invalidity must be carried out in relation to each of the goods or services for which trade mark registration is sought. Secondly, EUIPO's decision applying such a ground must, in principle, state reasons in respect of each of those goods or services. [12]

26. In the present case, it is not disputed that the decisions at issue uphold the existence of the ground for invalidity referred to in Article 7(1)(e)(ii) of Regulation No 207/2009 for all the goods covered by the trade mark applications concerned.

27. In addition, I observe that, at first instance, Yoshida did not raise any plea alleging infringement of Article 52(3) of Regulation No 207/2009 by the Board of Appeal or any plea alleging that the statements of reasons for the decisions at issue were inadequate in that regard.

10 — Judgment of 9 September 2010, *OHIM* v *BORCO-Marken-Import Matthiesen* (C-265/09 P, EU:C:2010:508, paragraph 35 and the case-law cited).

11 — An analogous provision is set out in Article 13 of Directive 2008/95/EC of the European Parliament and of the Council of 22 October 2008 to approximate the laws of the Member States relating to trade marks (OJ 2008 L 299, p. 25) (formerly Article 13 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).

12 — See, to that effect, concerning Article 13 of Directive 89/104, judgment of 15 February 2007, *BVBA Management, Training en Consultancy* (C-239/05, EU:C:2007:99, paragraph 34) and, concerning Regulation No 207/2009, order of 18 March 2010, *CFCMCEE* v *OHIM* (C-282/09 P, EU:C:2010:153, paragraphs 37 to 41).

28. Therefore, the plea raised by Yoshida at the appeal stage must be understood as criticising the General Court for not having raised — of its own motion — the alleged failure by the Board of Appeal of EUIPO to examine the ground for invalidity in relation to all the goods concerned and to state reasons to the requisite legal standard for its decisions with respect to that matter.

29. It is necessary to assess whether such a ground of appeal, which is essentially tantamount to criticising the General Court for failing to have raised a plea of its own motion, is admissible at the appeal stage.

– Admissibility

30. I observe that it is settled case-law that the General Court cannot be criticised for not adjudicating on a plea that was not raised before it. [13]

31. The application of that principle poses difficulties so far as pleas to be raised of the court's own motion are concerned.

32. It might be claimed that where the General Court may, or even must, raise a plea of its own motion, it itself commits an error of law which may be sanctioned by the Court of Justice on appeal if it fails to do so. That approach may explain why the Court sometimes agrees to examine such a plea at the appeal stage. [14]

33. However, it is apparent from further explanation in more recent case-law that a ground of appeal alleging that the General Court failed to review of its own motion the statement of reasons for a decision whose annulment is sought before it is inadmissible where that ground concerns aspects which were not raised before the General Court.

34. The Court of Justice has rejected as inadmissible a plea concerning an alleged failure by the General Court to sanction the inadequacy of the statement of reasons for such a decision regarding matters which had not been expressly raised by the appellant in its action before the General Court. [15]

35. I consider that limitation on the grounds of appeal to be fully justified by the principles of appeal proceedings before the Court of Justice. In an appeal, the jurisdiction of the Court of Justice is, as a rule, confined to a review of the findings of law on the pleas argued before the General Court. [16] An examination of the merits of the disputed findings must imply a review of whether the reasons stated for the decision whose annulment is sought before the General Court are adequate. However, it would be excessive to require that Court to review of its own motion the statement of reasons for such a decision on aspects which were not raised before it. [17]

36. It follows that a plea alleging that the General Court did not sanction of its own motion an infringement of the obligation to state reasons by the body which issued the measure in question, regarding points which were not expressly raised before the General Court, is inadmissible at the appeal stage.

13 — See, to that effect, judgments of 8 December 2011, *Chalkor* v *Commission* (C-386/10 P, EU:C:2011:815, paragraph 70), and of 22 October 2015, *AC-Treuhand* v *Commission* (C-194/14 P, EU:C:2015:717, paragraph 55).

14 — See order of 9 February 2012, *Deutsche Bahn* v *OHIM* (C-45/11 P, not published, EU:C:2012:69, paragraph 61) and judgment of 19 June 2014, *FLS Plast* v *Commission* (C-243/12 P, EU:C:2014:2006, paragraph 48) in which the Court held that the General Court was correct not to raise of its own motion a plea alleging a breach of the obligation to state adequate reasons in the decision whose annulment was sought.

15 — Judgments of 26 November 2013, *Gascogne Sack Deutschland* v *Commission* (C-40/12 P, EU:C:2013:768, paragraphs 46 to 55 and 61 to 64), and of 17 September 2015, *Total* v *Commission* (C-597/13 P, EU:C:2015:613, paragraphs 21 and 22).

16 — Judgment of 26 November 2013, *Gascogne Sack Deutschland* v *Commission* (C-40/12 P, EU:C:2013:768, paragraph 52). See also the Opinion of Advocate General Wahl in *Total* v *Commission* (C-597/13 P, EU:C:2015:207, paragraphs 118 to 128).

17 — See the Opinion of Advocate General Wahl in *Total* v *Commission* (C-597/13 P, EU:C:2015:207, paragraphs 118 to 128).

37. In my view that approach also applies to proceedings on trade marks.

38. As regards, more specifically, the application by EUIPO and by the General Court of Article 52(3) of Regulation No 207/2009, an appeal cannot concern the issue of whether the decision of the Board of Appeal states adequate reasons with regard to part of the goods or services where the applicant has not expressly raised that aspect before the General Court.

39. It is not enough, in this respect, for the appellant to have brought a general challenge against the applicability of the ground for refusal or invalidity in respect of all the goods or services concerned. It must, in order to claim that such a ground is inapplicable in respect of part only of those goods or services, have expressly done so during the proceedings before the General Court.

40. That approach may be inferred from the Court's case-law. The Court has already held that, in so far as a EUIPO decision clearly indicates that the ground for refusal is applicable to all the goods concerned, it is for the applicant to identify, in its action before the General Court seeking annulment of that decision, the goods to which, in its view, that ground for refusal cannot be applied or to dispute the fact that the goods concerned form a homogenous category. [18]

41. In the present case Yoshida, in its action before the General Court, merely challenged the application of the ground for invalidity in general and did not specifically mention its application to a part of the goods concerned, namely 'whetstones and whetstone holders', 'household or kitchen utensils and containers' and 'knife blocks' .

42. Consequently, Yoshida cannot, at the appeal stage, criticise the General Court for failing to have examined that aspect of its own motion or for failing to have sanctioned an allegedly inadequate statement of reasons in the decisions at issue on that point.

43. It would be a different matter, in my opinion, if it were not the Board of Appeal but the General Court which had found for the first time that there was a ground for invalidity in respect of those goods. [19] In that situation, the inadequacy of the statement of reasons for the General Court's judgment from the perspective of Article 52(3) of Regulation No 207/2009 could legitimately be raised at the appeal stage. [20]

44. However, that is not the case here, since the General Court merely confirmed the decisions of EUIPO's Board of Appeal declaring the invalidity of the Yoshida trade marks in respect of all the goods concerned.

45. The first part of the present ground of appeal is therefore, in my opinion, inadmissible.

– In the alternative, regarding substance

46. Even if the Court were to hold that the present branch of the second ground of appeal is admissible, I consider it to be in any event unfounded.

18 — Order of 11 December 2014, *FTI Touristik* v *OHIM* (C-253/14 P, not published, EU:C:2014:2445, paragraph 49). I note that in that case the applicant had disputed before the General Court the applicability of the ground for refusal in respect of part of the goods and services, but had not adequately developed that argument. Consequently, the ground of appeal at issue was rejected not as inadmissible but as manifestly unfounded.

19 — I observe that the General Court has the power to alter the decision of EUIPO's Board of Appeal, pursuant to Article 65(3) of Regulation No 207/2009.

20 — See, regarding such a situation, in the context of the examination of a relative ground for refusal, judgment of 17 October 2013, *Isdin* v *Bial-Portela* (C-597/12 P, EU:C:2013:672, paragraphs 28 and 29).

47. First of all, I would like to point out that it is settled case-law that the statement of reasons must disclose in a clear and unequivocal manner the reasoning followed by the institution which adopted the measure in question in such a way as to enable the persons concerned to ascertain the reasons for the measure and to enable the competent EU Court to exercise its power of review. However, it is not necessary for the reasoning to go into all the relevant facts and points of law, since the question of whether the statement of reasons for a measure is to be deemed adequate 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. [21]

48. The Court has already held that when refusing registration of a trade mark, the competent authority is required to state in its decision its conclusion for each of the individual goods and services specified in the application for registration. However, where the same ground for refusal or invalidity is given for a category or group of goods or services, the competent authority may confine itself to stating general reasons in respect of all of the goods or services concerned. [22]

49. That power on the part of the competent authority in the trade marks field takes account of the fact that trade mark applications often relate to many goods or services. [23]

50. The same approach has been adopted by the Court concerning the examination of grounds for refusal or invalidity by EUIPO. [24]

51. In order not to undermine the right to effective judicial review, the power to give a general statement of reasons in respect of all the goods or services concerned extends only to goods and services which are interlinked in a sufficiently direct and specific way, to the point where they form a sufficiently homogeneous category or group of goods or services. [25]

52. I take the view that that condition is fully satisfied in the present case.

53. I observe that the goods referred to in the applications for the marks at issue, namely 'cutlery, scissors, knives, forks, spoons, whetstones, whetstone holders, knife steels, fish bone tweezers' and 'household or kitchen utensils and containers (not of precious metal or coated therewith), turners, spatulas for kitchen use, knife blocks for holding knives, tart scoops, pie scoops' are all kitchen utensils. [26]

54. In my view those goods form a sufficiently homogenous group for the purposes of the examination of the ground for invalidity put forward.

55. It is apparent from the grounds of decisions at issue [27] that the signs at issue represent handles of the goods in respect of which registration has been sought. That reasoning is based on the premise that all the goods concerned, namely various kitchen utensils, may be equipped with a handle.

21 — Judgment of 21 October 2004, *KWS Saat* v *OHIM* (C-447/02 P, EU:C:2004:649, paragraph 65).

22 — Judgment of 15 February 2007, *BVBA Management, Training en Consultancy* (C-239/05, EU:C:2007:99, paragraph 38).

23 — Opinion of Advocate General Sharpston, *BVBA Management, Training en Consultancy* (C-239/05, EU:C:2006:450, paragraphs 42 and 43).

24 — See orders of 6 February 2009, *MPDV Mikrolab* v *OHIM* (C-17/08 P, not published, EU:C:2009:64, paragraph 34); of 9 December 2009, *Prana Haus* v *OHIM* (C-494/08 P, not published, EU:C:2009:759, paragraph 46); of 18 March 2010, *CFCMCEE* v *OHIM* (C-282/09 P, EU:C:2010:153, paragraphs 37 and 38); of 21 March 2012, *Fidelio* v *OHIM* (C-87/11 P, not published, EU:C:2012:154, paragraph 43); judgment of 17 October 2013, *Isdin* v *Bial-Portela* (C-597/12 P, EU:C:2013:672, paragraph 27), and extensive case-law of the General Court, inter alia judgments of 27 April 2016, *Niagara Bottling* v *EUIPO* (*NIAGARA*) (T-89/15, not published, EU:T:2016:244, paragraph 31), and of 12 May 2016, *Zuffa* v *EUIPO (ULTIMATE FIGHTING CHAMPIONSHIP)* (T-590/14, not published, EU:T:2016:295, paragraph 26).

25 — See, to that effect, judgment of 15 February 2007, *BVBA Management, Training en Consultancy* (C-239/05, EU:C:2007:99, paragraph 36), and order of 18 March 2010, *CFCMCEE* v *OHIM* (C-282/09 P, EU:C:2010:153, paragraph 40), and extensive case-law of the General Court, inter alia judgments of 2 April 2009, *Zuffa* v *OHIM (ULTIMATE FIGHTING CHAMPIONSHIP)* (T-118/06, EU:T:2009:100, paragraph 28), and of 16 October 2014, *Larrañaga Otaño* v *OHIM (GRAPHENE)* (T-458/13, EU:T:2014:891, paragraph 26).

26 — The fact that the goods fall within two separate classes, Classes 8 and 21, as Yoshida pointed out in its appeal, is irrelevant, since the classification within the Nice Agreement is purely for administrative purposes.

27 — See points 30, 34 to 36 and 40 of the decisions at issue.

56. In my view, the Board of Appeal therefore indicated to the requisite legal standard why there was a link between the goods concerned which justified them being examined together. The reasons stated for the decisions at issue, although succinct, are coherent and enable Yoshida to understand the reasoning of EUIPO's Board of Appeal in relation to all the goods concerned, and the General Court to review that reasoning.

57. The issue of the statement of reasons must be distinguished from that of the merits of those decisions. [28] The obligation to state adequate reasons is satisfied where it is apparent from the clear and coherent reasons stated for those decisions that the Board of Appeal considered that all the goods at issue formed a homogenous group because they have a shared characteristic. The issue of whether the Board of Appeal incorrectly found, as the appellant claims, that all the goods had that shared characteristic, falls within the scope of the merits of those decisions.

58. In this connection, Yoshida's argument that some of the goods concerned do not have handles in fact seeks to call into question the merits of the reasoning of the Board of Appeal on a new aspect, which was not raised before the General Court and which moreover concerns a factual point. That argument is therefore inadmissible at the appeal stage.

59. In any event, that argument is not convincingly developed. First, as regards the 'whetstones' or 'household or kitchen utensils and containers', which include pots or pans, Yoshida does not explain why those goods could not have handles.

60. Secondly, as EUIPO correctly observes, 'whetstone holders' and 'knife blocks' are goods which do not have any use independent from the handling of whetstones or knives and which therefore cannot form a separate category or group of products for the purposes of an examination of the grounds for refusal or invalidity. Lastly, even if 'knife blocks' could be regarded as constituting a separate group of goods from that of 'knives', it would in any event be necessary to adopt a common approach. [29]

61. For all those reasons, I consider the first part of the second ground of appeal to be inadmissible or, in any event, unfounded.

The second part

62. Yoshida claims that the reasoning adopted by the General Court cannot be applied to some of the goods concerned, namely those without handles.

63. I observe that the review of the General Court's observance of the obligation to state adequate reasons must be distinguished from the substantive legality of the judgment under appeal. [30] In the present case, while referring to an alleged irregularity vitiating the reasoning of the judgment under appeal, Yoshida is in fact challenging the merits of the findings of fact upheld by the General Court, which are exempt from review at the appeal stage. [31]

64. Therefore, it is my view that the second part of the present ground of appeal is also inadmissible.

28 — See judgment of 2 April 1998, *Commission* v *Sytraval and Brink's France* (C-367/95 P, EU:C:1998:154, paragraph 67).

29 — The General Court has consistently held that where the use of two categories of goods together is required or, at least, implied by their intrinsic characteristics, the Board of Appeal may apply a common approach to them. See judgments of 2 December 2008, *Ford Motor* v *OHIM (FUN)* (T-67/07, EU:T:2008:542, paragraph 44), and 8 September 2010, *Wilfer* v *OHIM (Representation of the head of a guitar)* (T-458/08, EU:T:2010:358, paragraph 66).

30 — See, to that effect, judgment of 2 April 1998, *Commission* v *Sytraval and Brink's France* (C-367/95 P, EU:C:1998:154, paragraph 67), and the Opinion of Advocate General Léger, *Belgium* v *Commission* (C-197/99 P, EU:C:2001:658, paragraphs 39 and 40).

31 — The Court of Justice has already found to be inadmissible a ground of appeal to the effect that the category of the goods and services at issue used for the examination of an absolute ground for refusal did not constitute a homogenous group. See order of 7 July 2011, *MPDV Mikrolab* v *OHIM* (C-536/10 P, not published, EU:C:2011:469, paragraphs 34 and 38).

Conclusion

65. Having regard to the foregoing, I propose that the Court should reject the second ground of the appeal as inadmissible or, in any event, as in part inadmissible and in part unfounded.