JUDGMENT OF THE COURT OF FIRST INSTANCE (Second Chamber)
19 September 2001 *

In Case T-337/99,

Henkel KGaA, established in Düsseldorf (Germany), represented by H.F. Wissel and C. Osterrieth, lawyers, with an address for service in Luxembourg,

applicant,

v

Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM), represented by A. von Mühlendahl, D. Schennen and S. Laitinen, acting as Agents,

defendant,

* Language of the case: German.

APPLICATION brought against the decision of the Third Board of Appeal of the Office for Harmonisation in the Internal Market (Trade Marks and Designs) of 21 September 1999 (Case R-73/1999-3), which was notified to the applicant on 28 September 1999,

THE COURT OF FIRST INSTANCE
OF THE EUROPEAN COMMUNITIES (Second Chamber),

composed of: A.W.H. Meij, President, A. Potocki and J. Pirrung, Judges,

Registrar: D. Christensen, Administrator,

having regard to the application lodged at the Court Registry on 26 November 1999,

having regard to the response lodged at the Court Registry on 17 February 2000,

further to the hearing on 5 April 2001,

gives the following

Judgment

Background to the dispute

1 On 15 December 1997, the applicant filed an application for a Community trade mark at the Office for Harmonisation in the Internal Market (Trade Marks and Designs) (hereinafter 'the Office') under Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark (OJ 1994 L 11, p. 1), as amended.

2 As can be seen from its graphic representation provided by the applicant, the three-dimensional trade mark in respect of which registration was sought is in the form of a round tablet, comprising two layers, whose colours, white (lower part) and red (upper part), are also claimed for registration.

3 The products in respect of which registration of the mark was sought are in class 3 of the Nice Agreement concerning the International Classification of Goods and Services for the Purpose of the Registration of Marks of 15 June 1957, as revised and amended, and correspond to the description: 'washing or dishwashing preparations in tablet form'.

4 By letter of 28 September 1998, the examiner raised objections in respect of the application which he based on Article 7(1)(b) of Regulation No 40/94 and set a two-month period within which the applicant was to submit observations, which it did by letter of 9 October 1998.

5 In a letter dated 6 January 1999 addressed to the Office, the applicant pointed out that a competitor's application for a trade mark relating to similar washing tablets had been published in the Community Trade Marks Bulletin.

6 By decision of 26 January 1999, the examiner refused the application pursuant to Article 38 of Regulation No 40/94. In the first part of the decision, the examiner restated the reasoning on which the objections contained in the letter of 28 September 1998 were based. In the second part, he stated that the applicant had not expressed an opinion on that letter within the two-month period set therein and that, as a result, the application would be adjudicated on by reference to the file as it stood. In the third part, he made clear that the arguments set out in the letter of 6 January 1999 had been considered but had not been accepted.

7 On 3 February 1999, the examiner sent the applicant a copy of the decision of 26 January 1999, which was preceded by the following words: 'The notification below, which was sent to you on 26 January 1999, is clearly incorrect, since the Office received your views within the prescribed period. Therefore, please consider that notification to be null and void'. On the same day the examiner sent the applicant a further decision refusing its application for a Community trade mark.

8 On 5 February 1999, the applicant appealed against the examiner's decision to the Office under Article 59 of Regulation No 40/94.

9 The appeal was dismissed by decision of 21 September 1999 (hereinafter 'the contested decision').

10 In essence, the Board of Appeal found that Article 7(1)(b) of Regulation No 40/94 prevented registration of the trade mark sought. It held that, in order to be registered, a trade mark had to enable the products in respect of which it was filed to be distinguished by reference to their origin and not by reference to their nature. In the case of a three-dimensional mark which was simply a reproduction of the product, this meant that the shape of the product has to be sufficiently unique to imprint itself easily on the mind and that it stands out from whatever is normal in the trade. Given the fact that protecting the shape of the product entailed a risk that the owner of the mark would be granted a monopoly on it and the need to bear in mind the difference between trade mark law and the law of utility models and designs, the standard for assessing distinctive character was higher. In the instant case, the trade mark applied for did not meet those enhanced requirements. The Board of Appeal took the view that the form claimed by the applicant was neither particularly special nor unusual but one of the basic shapes typical of the market under consideration. Likewise, the arrangement of the colours, namely red and white, did not add any kind of distinctive feature to the shape claimed. Neither the lack of uniformity in the Office's previous decisions nor the earlier registrations on which the applicant relied could be binding for the purposes of the decision.

Forms of order sought by the parties

11 The applicant claims that the Court should:

— annul the contested decision;

— order the defendant to pay the costs.

12 The Office contends that the Court should:

— dismiss the application;

— order the applicant to pay the costs.

The law

13 The applicant advances three pleas in law. The first alleges infringement of Article 7(1)(b) of Regulation No 40/94. The second alleges 'misuse of powers' and breach of the principle of equal treatment. The third alleges breach of its right to be heard. It is appropriate to start by considering the third plea.

The plea alleging breach of the right to be heard

14 The applicant submits that the Board of Appeal did not consider the arguments in its letter of 9 October 1998. In its view, this constitutes a breach of its right to be heard.

15 However, it is clear from paragraph 3 of the contested decision that the Board of Appeal did take cognisance of the applicant's letter of 9 October 1998. The arguments put forward by the applicant in that letter were taken into account in substance by the Board of Appeal in the reasoning which led to the decision mentioned above. The present plea is therefore unfounded.

The plea alleging infringement of Article 7(1)(b) of Regulation No 40/94

Arguments of the parties

16 The applicant is of the opinion that the Board of Appeal erred in failing to recognise that the mark applied for had distinctive character, since a minimum degree of distinctiveness is sufficient to justify protecting a sign under Regulation No 40/94.

17 It claims that the mark applied for is distinctive on account of the arrangement of its colours and observes that, under Regulation No 40/94, colours may be registered as trade marks. It cites the opinion of one author who argues that the registration of colours and colour combinations as trade marks must not be barred by a restrictive application of the grounds for refusal.

18 The applicant submits that the mark applied for is also distinctive on account of its shape and criticises the position taken by the Board of Appeal, which requires a three-dimensional shape to evince particular character and to be easily impressed on the mind, that is, to be original in such a way as to distinguish it from whatever is normal in the trade. According to the applicant, the fact that a

three-dimensional shape is individual or original is a decisive factor only for the purposes of the assessment of the conditions under which designs are protected. As regards the distinctive character of a trade mark, the only question is whether the shape of a product or the combination of certain colours applied to that product are capable of being perceived by the public as indicative of the product's origin.

19 The applicant gives an account of the development of the various ways in which preparations for laundry and dishes have been presented. It states that presentation in two-colour tablet form is recent and that such tablets may come in a variety of shapes. Likewise, the choice of colours and their arrangement on the tablet may vary a lot.

20 According to the applicant, the limited number of leading manufacturers and the extremely small number of products presented in two-colour tablet form on the various domestic markets are characteristics of the market in these products. In such circumstances, consumers have always associated washing products put up in two-colour tablet form with a very small number of manufacturers of branded products, of whom the applicant is one. That consumer attitude has been strengthened and sustained by intensive and ongoing advertising, which has highlighted the two colours giving the product its distinctive appearance and the particular shape of the washing tablets. The applicant draws attention to the substantial expenditure that it has invested in that advertising and to the turnover generated by the products concerned.

21 In concluding that it is indefensible to maintain that a specific combination of shape and colours is inherently incapable of serving as an indication of the origin of the product concerned, the applicant refers to the clear situation on the market and the concern of any manufacturer to distinguish its products from those of other manufacturers by virtue of a particular shape and arrangement of colours and to make its products visible in that shape on its packaging as well. The applicant submits that the question of the extent to which such a mark should be

protected must be examined separately. The fact that such protection may be very limited in a particular case does not, in its view, justify an outright refusal to accept that a given combination of shape and colour has any distinctive character.

22 The applicant produces a substantial number of documents and refers to various applications, at both national and international level, for trade-mark registration in respect of washing and dishwashing products in tablet form, some of which have resulted in registration. The applicant submits that it is apparent from all that information, first, that all the well-known manufacturers of branded articles in the sector for washing and dishwashing products have always taken the view that the particular shape and colouring of the tablets are distinctive features identifying the manufacturer and, second, that several trade mark offices have recognised the tablets as trade marks. It cites a decision of an Italian court, which recognised the validity of a trade mark considered by the applicant to be similar to its own.

23 According to the applicant, the distinctive character of the mark applied for must be assessed at the date on which the application for registration is lodged, so that the use of similar shapes and colours after that date by its competitors cannot be relied on as a reason to deny that the mark claimed has distinctive character. However, it submits that that point is not decisive in the present case, since it is the only manufacturer to produce washing machine and dishwasher tablets consisting of a red layer and a white layer.

24 Finally, the applicant argues that the mark in respect of which registration is sought has, under Article 7(3) of Regulation No 40/94, become distinctive in relation to its product, Persil Color, in consequence of the use which has been made of it, and in particular because of its unique colour combination (red and white).

25 The Office explains, first, the principles governing the registration of three-dimensional marks, referring to the various grounds for refusal which may come into play in that context.

26 According to the Office, a trade mark has distinctive character for the purposes of Article 7(1)(b) of Regulation No 40/94 if it enables the goods or services in respect of which registration of the mark is sought to be distinguished by reference to their origin and not by reference to their properties or other features.

27 It points out that the legal criteria for assessing the distinctive character of three-dimensional marks consisting, as in the present case, of the shape of the product itself are no different from, and no more rigorous than, those applying to other marks. Although the terms used by the Board of Appeal in the contested decision, which may be understood as asserting that more stringent criteria are necessary in the case of three-dimensional marks (paragraphs 23 and 24 of the contested decision), give rise to confusion, that point is not decisive in the context of the contested decision. However, the Office states that the shape of the product is not indicative of its origin in the same way as words or figurative images applied to the product or its packaging.

28 According to the Office, consumers do not normally make any connection between the shape of a product and its origin. In order for consumers to view the actual shape of the product as a means of identifying its origin, the Office contends that the shape must have some striking 'feature', whatever it may be, which attracts consumers' attention.

29 The Office states that the assessment of the distinctive character of a product's shape must take place in three stages. First, it is necessary to check the shapes in which the relevant product already exists. Second, it is necessary to ascertain whether, from the consumer's point of view, the shape applied for is noticeably different. Finally, it is necessary to determine whether that particular shape is capable of denoting the origin of the product.

30 The Office points out that, for the purposes of the third stage of the analysis, the type of product and the way in which the consumer uses it are important. In the case of washing machine and dishwasher tablets, the consumer takes them out of their packaging and puts them straight into the washing machine or dishwasher and thus uses the product's packaging, which bears the manufacturer's word mark, and not the exact shape and colour of the product itself, to recognise the product when he makes a purchase.

31 The Office goes on to analyse the trade mark in respect of which registration is sought.

32 According to the Office, the shape of the mark applied for, namely a disk, is not unusual but commonplace and current on the market.

33 As regards the colours, the Office considers that the addition of a red layer does not render the sign distinctive. Adding a single colour to the basic colour (white or grey) of washing machine or dishwasher products does not constitute a colour combination.

34 According to the Office, the colour claimed is one of the basic colours. All the tablets on the market, composed of two colours, have one coloured layer consisting of one of the basic colours (red, green or blue). If the Office were to have to accept that such mundane colouring had distinctive character, the applications for trade marks before it, relating to washing tablets coloured red, blue or green, would practically exhaust all the normal colours and would end in the shape of the product being monopolised.

35 It submits that the colours, which are applied to different layers or parts of the tablets, indicate the presence of various active ingredients and therefore serve to inform the consumer about the product's properties, something which is highlighted in the tablet advertising. Furthermore, it follows from the way in which the tablets are used that the consumer does not view their colour as indicative of the product's origin.

36 The Office considers that the argument that the applicant is the only undertaking to produce red and white tablets is irrelevant. Considerations relating to the use made of the trade mark form part of an assessment for the purposes of Article 7(3) of Regulation No 40/94 and the applicant cited that provision for the first time in its application, and therefore at too late a stage.

37 The Office contends that it does not follow from the fact that the applicant's competitors have chosen other colours for their tablets that the colours enable the

products to be distinguished according to their origin. The choice of different colours can be explained by the large number of trade mark applications filed at the various offices for Community and national trade marks for products designed for washing machines and dishwashers since the recent launch of those products. The Office points out that, given that certain national offices have registered the trade mark, a manufacturer would be ill-advised to present his product in a form similar to a mark in respect of which a competitor has been granted registration, or even one claimed by a competitor, before the position is clarified by a judicial ruling.

38 Third, as regards the registration by national offices in the Member States of trade marks similar to the mark claimed in the present case, the Office states that the practices of those offices are not uniform.

39 According to the Office, the mark's distinctive character must be assessed at the time of registration. It points out that the applicant's competitors began marketing tablets in the shape of a disk before the present trade mark application was filed.

Findings of the Court

40 The distinctive character of a trade mark must be assessed in relation to the goods or services in respect of which registration of the mark is sought.

41 The mark in respect of which registration is sought in the present case consists of the shape and the colour arrangement of a washing machine or dishwasher tablet, that is, of the design of the product itself.

42 It is clear from Article 4 of Regulation No 40/94 that both a product's shape and its colours fall among the signs which may constitute a Community trade mark. However, the fact that a category of signs is, in general, capable of constituting a trade mark does not mean that signs belonging to that category necessarily have distinctive character for the purposes of Article 7(1)(b) of Regulation No 40/94 in relation to a specific product or service.

43 According to Article 7(1)(b) of Regulation No 40/94, 'trade marks which are devoid of any distinctive character' are not to be registered. A mark which enables the goods or services in respect of which registration of the mark has been sought to be distinguished as to their origin is to be considered as having distinctive character. It is not necessary for that purpose for the mark to convey exact information about the identity of the manufacturer of the product or the supplier of the services. It is sufficient that the mark enables members of the public concerned to distinguish the product or service that it designates from those which have a different trade origin and to conclude that all the products or services that it designates have been manufactured, marketed or supplied under the control of the owner of the mark and that the owner is responsible for their quality (see, to that effect, Case C-39/97 *Canon* [1998] ECR I-5507, paragraph 28).

44 It is clear from the wording of Article 7(1)(b) of Regulation No 40/94 that a minimum degree of distinctive character is sufficient to render the ground for refusal set out in that article inapplicable. It is therefore appropriate to ascertain — in an a priori examination not involving any consideration of the use made of the sign within the meaning of Article 7(3) of Regulation No 40/94 — whether the mark applied for will enable the members of the public targeted to distinguish the products concerned from those having a different trade origin when they come to select a product for purchase.

45 Article 7(1)(b) of Regulation No 40/94 does not distinguish between different categories of trade marks. The criteria for assessing the distinctive character of three-dimensional trade marks consisting of the shape of the product itself are therefore no different from those applicable to other categories of trade marks.

46 Nevertheless, when those criteria are applied, account must be taken of the fact that the perception of the relevant section of the public is not necessarily the same in relation to a three-dimensional mark consisting of the shape and the colours of the product itself as it is in relation to a word mark, a figurative mark or a three-dimensional mark not consisting of the shape of the product. Whilst the public is used to recognising the latter marks instantly as signs identifying the product, this is not necessarily so where the sign is indistinguishable from the appearance of the product itself.

47 The Board of Appeal rightly points out that, as regards the perception of the public concerned, the products for which trade-mark registration was sought in the present case, namely washing machine and dishwasher products in tablet form, are widely used consumer goods. The public concerned, in the case of these products, is all consumers. Therefore, in any assessment of the distinctive character of the mark for which registration is sought, account must be taken of the presumed expectations of an average consumer who is reasonably well-informed and reasonably observant and circumspect (see, by analogy, Case C-210/96 *Gut Springenheide and Tusky* [1998] ECR I-4657, paragraphs 30 to 32).

48 The way in which the public concerned perceives a trade mark is influenced by the average consumer's level of attention, which is likely to vary according to the category of goods or services in question (see Case C-342/97 *Lloyd Schuhfabrik Meyer* [1999] ECR I-3819, paragraph 26). In that regard, the Board of Appeal rightly held that the level of attention given by the average consumer to the shape and colours of washing machine and dishwasher tablets, being everyday goods, is not high.

49 In order to ascertain whether the combination of the tablet's shape and the arrangement of its colours may be perceived by members of the public as an indication of origin, the overall impression produced by that combination must be analysed (see, by analogy, Case C-251/95 *SABEL* [1997] ECR I-6191, paragraph 23). That is not incompatible with an examination of each of the product's individual features in turn.

50 The three-dimensional shape for which registration has been sought, namely a round tablet, is one of the basic geometrical shapes and is an obvious one for a product intended for use in washing machines or dishwashers.

51 As to the tablet's two layers, one of which is white and the other red, the public concerned is used to seeing different colour features in detergent preparations. Powder, the form in which such products are traditionally presented, is usually very light grey or beige and appears almost white. It often contains particles of one or more different colours. The advertising carried out by the applicant and other manufacturers of detergents tends to highlight the fact that those particles indicate the presence of various active ingredients. The coloured particles thus suggest certain qualities, although that does not mean that they can be regarded as a descriptive indication in terms of Article 7(1)(c) of Regulation No 40/94. However, it does not follow from the fact that that ground for refusal is inapplicable that the coloured elements necessarily confer a distinctive character on the mark applied for. Where, as in the present case, the target sector of the public sees the presence of coloured elements as a suggestion that the product has certain qualities, and not as an indication of its origin, there is no distinctive character. The fact that consumers may nevertheless get into the habit of recognising the product from its colours is not enough, in itself, to preclude the ground for refusal based on Article 7(1)(b) of Regulation No 40/94. Such a development in the public's perception of the sign, if proved, may be taken into account only for the purposes of Article 7(3) of Regulation No 40/94.

52 The fact that in the present case the coloured particles are not spread evenly over the whole tablet, but are concentrated on its upper part, is not sufficient for the tablet's appearance to be perceived as indicative of the product's origin. Where various ingredients are to be combined in a washing machine or dishwashing product in tablet form, adding a layer is one of the most obvious solutions.

53 It does not make any difference in that regard that the applicant is the only undertaking to use the colour red for tablets made up of two layers. The use of basic colours, such as blue or green, is commonplace and is even typical of detergents. The use of other basic colours, such as red or yellow, is one of the most obvious variations on the typical design of these products.

54 It follows that the three-dimensional mark applied for consists of a combination of obvious features typical of the product concerned.

55 It should be added that it is possible to obtain different combinations of those features by varying the basic geometric shapes and by adding to the product's basic colour another basic colour either as a layer in the tablet or as speckles. The ensuing differences in the appearance of the various tablets are not sufficient to enable each of those tablets to function as an indication of the product's origin, inasmuch as those differences are, as in the present case, obvious variations on the product's basic shapes.

56 Given the overall impression created by the shape of the tablet in question and the arrangement of its colours, the mark applied for will not enable consumers to distinguish the products concerned from those having a different trade origin when they come to select a product for purchase.

57 It should be added that the inability of the mark applied for to indicate, a priori and irrespective of the use made of it within the meaning of Article 7(3) of Regulation No 40/94, the product's origin, is not affected by how many similar tablets are already on the market. Consequently, it is not necessary to decide here whether the distinctive character of the mark should be assessed by reference to the date on which the application for registration is filed or the date of actual registration.

58 Next, as regards the applicant's arguments concerning the practices of national trade mark offices and the fact that an Italian court has recognised that a similar sign has distinctive character, it must be reiterated that registrations already made in the Member States are only one factor which may be taken into consideration, without being given decisive weight, in the registration of a Community trade mark (Case T-122/99 *Procter & Gamble* v *OHIM* (Soap shape) [2000] ECR II-265, paragraph 61; and Case T-24/00 *Sunrider* v *OHIM* (VITALITE) [2001] ECR II-449, paragraph 33). The same considerations apply to cases decided by the courts of the Member States. Furthermore, it is clear from the Office's replies to this Court's questions that the practices of the national trade mark offices, as regards three-dimensional marks consisting of washing machine and dishwasher tablets, are not uniform. Consequently, any criticism that the Board of Appeal has failed to have regard to those practices or to national case-law is groundless.

59 It follows that the Board of Appeal was right to hold that the three-dimensional mark applied for is devoid of any distinctive character.

60 The fact that the criteria applied to assess distinctive character, in the case of a three-dimensional mark consisting of the shape of the product itself, are not more rigorous than those applying to other categories of trade marks does not alter that conclusion.

61 The factors which led the Board of Appeal to find that the mark applied for was devoid of any distinctive character constitute valid reasons for drawing the same conclusion with regard to the criteria for the assessment of distinctive character applying to all trade marks, whether they are word marks, figurative marks or three-dimensional marks.

62 The applicant also argues, without specifically raising a plea alleging infringement of Article 7(3) of Regulation No 40/94, that the mark applied for has distinctive character in consequence of the use which has been made of it. Since that argument was not raised before the Board of Appeal, it cannot be considered by the Court of First Instance (see Case T-163/98 *Procter & Gamble* v *OHIM* (BABY-DRY) [1999] ECR II-2383, paragraphs 48 to 51).

The plea alleging 'misuse of power' and breach of the principle of equal treatment

Arguments of the parties

63 In support of its plea alleging 'misuse of powers', the applicant argues that the Office authorised publication of certain applications for Community trade marks similar to its own in respect of products falling within the same sector or a related sector. It cites, in particular, application No 809 830 for a Community trade

mark filed by Benckiser N.V. The applicant considers that the Board of Appeal thereby acted in breach of the principle of equal treatment.

64 The applicant also submits that the contested decision is contrary to the higher aim of Community law in general, and of the Regulation on the Community trade mark in particular, which seeks to harmonise trade mark law at the Community level. According to the applicant, harmonisation cannot actually be achieved unless trade mark law is interpreted uniformly.

65 The Office states that the trade mark application cited by the applicant did not result in registration. Further, even supposing that the Office had actually registered that trade mark, the decision would be incorrect and the applicant could not rely on it to ask for a decision which would repeat the error.

Findings of the Court

66 The concept of misuse of powers has a precisely defined scope in Community law. It refers to cases where an administrative authority has used its powers for a purpose other than that for which they were conferred on it. In that respect, it has been consistently held that a decision may amount to misuse of powers only if it appears, on the basis of objective, relevant and consistent evidence, to have been taken for purposes other than those stated (see, *inter alia*, the judgment in Joined Cases T-551/93, T-231/94, T-232/94, T-233/94 and T-234/94 *Industrias Pesqueras Campos and Others* v *Commission* [1996] ECR II-247, paragraph 168). The applicant has not put forward any evidence from which it could be concluded

that the adoption of the contested decision had any purpose other than that of ascertaining whether the mark applied for complied with the conditions for registration prescribed by Regulation No 40/94.

67 In so far as this plea seeks to demonstrate that there has been a breach of the principle of equal treatment, it is clear from the Office's replies to the Court's questions that the trade mark application whose publication has been relied on by the applicant was refused by the examiner after commencement of the present action and that that decision is currently being reviewed by a Board of Appeal. Consequently, the argument based on publication of that trade mark application has become otiose in any event. It follows that this plea is unfounded.

68 In the light of the foregoing considerations, the action must be dismissed.

Costs

69 Under Article 87(3) of the Rules of Procedure, the Court may rule that costs are to be shared or that each party is to bear its own costs where each party succeeds on some and fails on other heads, or where the circumstances are exceptional. Since the wording of the contested decision was capable of giving rise to doubts as to whether the Board of Appeal had in this case correctly applied Article 7(1)(b) of Regulation No 40/94, it is appropriate to order the parties to bear their own costs.

On those grounds,

THE COURT OF FIRST INSTANCE (Second Chamber)

hereby:

1. **Dismisses the action;**

2. **Orders the parties to bear their own costs.**

Meij Potocki Pirrung

Delivered in open court in Luxembourg on 19 September 2001.

H. Jung
Registrar

A.W.H. Meij
President