OPINION OF ADVOCATE GENERAL SHARPSTON

delivered on 30 March 2006 [1]

1. The present case arises out of an application lodged by Bovemij Verzekeringen NV ('Bovemij') with the Benelux Trade Marks Office in respect of registration of the sign EUROPOLIS as a word mark for certain classes of services. It concerns in particular the conditions under which a mark may acquire distinctive character through use, within the meaning of Article 3(3) of the Trade Marks Directive. [2]

Relevant Community law

2. Article 1 of the Trade Marks Directive defines the scope of the Directive as applying to every trade mark in respect of goods or services which is (a) the subject of registration or of an application in a Member State for registration, or (b) the subject of a registration or an application for registration in the Benelux Trade Mark Office or (c) the subject of an international registration having effect in a Member State.

3. Article 3(1) provides:

'The following shall not be registered or if registered shall be liable to be declared invalid:

...

(b) trade marks which are devoid of any distinctive character;

(c) 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 produc-

1 — Original language: English.

2 — 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).

tion of the goods or of rendering of the service, or other characteristics of the goods or service;

(d) trade marks which consist exclusively of signs or indications which have become customary in the current language or in the bona fide and established practices of the trade;

...'

4. The first sentence of Article 3(3) provides:

'A trade mark shall not be refused registration or be declared invalid in accordance with paragraph 1(b), (c) or (d) if, before the date of application for registration and following the use which has been made of it, it has acquired distinctive character.'

5. For convenience, I shall refer to the condition contained in Article 3(3) as being that the trade mark must have acquired 'distinctive character through use'.

6. Regulation No 40/94 [3] governs the Community trade mark.

7. Articles 7(1)(b) to (d) of the Community Trade Mark Regulation are in identical terms to Articles 3(1)(b) to (d) of the Trade Marks Directive.

8. Article 7(2) states that Article 7(1) is to apply notwithstanding that the grounds of non-registrability obtain in only part of the Community. There is no equivalent to that provision in Article 3 of the Trade Marks Directive.

9. Article 7(3), mirroring Article 3(3) of the Directive, stipulates that registration shall not be refused under Article 7(1) if the trade mark has become distinctive in relation to the goods or services for which registration is requested in consequence of the use which has been made of it.

3 — Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark (OJ 1994 L 11, p. 1) ('the Community Trade Mark Regulation').

Relevant Benelux legislation

...

10. Under the Uniform Benelux Law on Trade Marks ('the UBL'), applications for trade marks in Benelux must be made to the Benelux Trade Mark Office ('BTMO'). If a trade mark is granted, it extends throughout the whole of the Benelux territory.

11. Article 6 bis (1)(a) of the UBL [4] provides that registration is to be refused if the sign as filed does not constitute a mark within the meaning of Article 1, 'particularly due to lack of any distinctive character as provided in Article 6 quinquies B(ii) of the Paris Convention'.

12. That article of the Paris Convention for the protection of industrial property states, in so far as is relevant:

'B. Trademarks covered by this Article may be neither denied registration nor invalidated except in the following cases:

(ii) when they are devoid of any distinctive character, or consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity intended purpose, value, place of origin, of the goods, or the time of production, or have become customary in the current language or in the bona fide and established practices of the trade of the country where protection is claimed'.

13. At the relevant time, Article 3(3) of the Trade Marks Directive had not been transposed into the UBL, although the concept of acquisition of distinctive character through use had apparently been applied in the assessment of Benelux trade marks. [5]

4 — According to the order for reference, the wording of Article 3(1)(a) to (d) of the Trade Marks Directive has been included in the version of Article 6 bis (1) of the UBL which came into force in 2004 following amendment by the Protocol modifying the Uniform Law on Trade Marks of 11 December 2001 ('the 2001 Protocol'). The referring court assumes, however, that there is no material difference between that version and its predecessor.

5 — Subsequently, the 2001 Protocol introduced into the UBL a new Article 14 ter which states: 'Courts may decide that a registered trade mark has acquired a distinctive character by reason of the use made of it'. Article 14 ter entered into force on 1 January 2004.

14. It became apparent during the course of the proceedings that Article 13C(1) of the UBL (although not mentioned in the order for reference) is also pertinent. That provides:

'The exclusive right to a trade mark expressed in one of the national or regional languages of the Benelux territory extends automatically to its translation in another of those languages.' [6]

The main proceedings and the questions referred

15. In May 1997, Bovemij applied to register the sign EUROPOLIS as a word mark for the following classes of services: insurance, financial affairs, monetary affairs, real estate affairs, transport, packaging and storage of goods, and travel arrangements.

16. In October 1997 the BTMO informed Bovemij that it was provisionally refusing registration on the ground that the sign EUROPOLIS lacked distinctive character as such.

17. In April 1998 Bovemij lodged an objection to that provisional refusal on the ground that the sign had been lawfully used as a trademark in trade since 1988 by Europolis BV, a subsidiary company of Bovemij.

18. In May 1998 the BTMO stated that it saw no reason to alter its provisional refusal in the light of Bovemij's objection and informed Bovemij of its decision 'definitively refusing' registration of the sign.

19. Bovemij applied to the Gerechtshof te 's-Gravenhage (Hague Regional Court of Appeal) (Netherlands), for an order that the BTMO register the sign on the basis, primarily, that EUROPOLIS has intrinsic distinctive character and, in the alternative, because it had become accepted as a mark before the date of the application.

20. The Gerechtshof takes the view that the sign EUROPOLIS consists exclusively of signs and indications that may be used in trade to designate characteristics of the services and has no intrinsic distinctive character.

6 — See Case C-363/99 *Koninklijke PKN Nederland ('Postkantoor')* [2004] ECR I-1619, paragraph 13, where this provision is set out in full.

21. In relation to acquired distinctiveness, the Gerechtshof observes that the parties disagree on the conditions under which the sign may acquire distinctive character through use. The BTMO argues that it is necessary that the sign be regarded, through use, as a trade mark by the relevant public throughout the Benelux territory, and therefore in each of the three Benelux countries. Bovemij submits that, provided the other conditions are satisfied, it is enough for a sign to be regarded as a mark by the relevant public in a substantial part of the Benelux territory, in the present case, solely in the Netherlands.

22. The Gerechtshof has accordingly referred the following questions to the Court for a preliminary ruling: [7]

'(1) Must Article 3(3) of the Trade Marks Directive be interpreted as meaning that in order to acquire distinctive character (in the present case through a Benelux trade mark) as a result of use, as referred to in that provision, it is necessary that the sign be regarded as a trade mark, before the date of application, by the relevant public throughout the Benelux territory and, therefore, in Belgium, the Netherlands and Luxembourg?

If the answer to question 1 is in the negative:

(2) Is the condition for registration laid down in Article 3(3) of the Trade Marks Directive satisfied, for the purposes of that provision, if the sign, as a result of the use made of it, is regarded as a trade mark by the relevant section of the public in a substantial part of the Benelux territory and can this substantial part be, for example, the Netherlands alone?

(3) (a) When assessing distinctive character acquired through use, within the meaning of Article 3(3) of the Trade Marks Directive, of a sign — consisting of one or more words of an official language in the territory of a Member State (or, as in the case in point, the Benelux territory) — is it necessary to take into account the language regions within that territory?

(b) For registration as a mark, should the other requirements for registration be satisfied, is it sufficient if/required that the sign be regarded as

7 — In the actual order for reference, the question labelled 'question 1' is a separate question referred by the national court to the Benelux Court of Justice. I have therefore relabelled questions 2 to 4 of the order for reference as questions 1 to 3, and shall so refer to them in the remainder of this opinion.

a trade mark by the relevant section of the public in a substantial part of the language region of the Member State (or, as in the case in point, of the Benelux territory) in which that language is an official language?'

23. Written observations have been submitted by Bovemij, the BTMO, the Commission and the Netherlands. The parties and the Commission were represented at the hearing. The United Kingdom made submissions at the hearing alone.

Assessment

24. The questions referred fall into two groups. First, the referring court wishes to know if, in assessing whether a sign has acquired distinctive character through use within the meaning of Article 3(3) of the Trade Marks Directive, account should be taken of the perception of the relevant public throughout the Benelux territory (question 1), or merely in a substantial part of the Benelux territory (question 2). Those questions are framed in terms of trade marks in general. Second, the referring court has raised two concerns relating specifically to word marks. [8] The resulting questions enquire as to the significance of linguistic communities in making an assessment of distinctive character through use under Article 3(3). Given the subject-matter of the proceedings before the referring court, I consider it desirable to answer all the questions referred by reference to word marks.

Preliminary observations

25. It is helpful to begin by examining three issues. First, how do word marks fit within the scheme of the Directive, and how have they been considered by the Court? Second, on what basis has the Court determined whether a trade mark (and more particularly a word mark) is 'devoid of any distinctive character' (Article 3(1)(b)) and/or is descriptive (Article 3(1)(c))? Third, how has the Court approached assessment of 'distinctive character through use' for the purposes of Article 3(3)? Against that background, the specific questions referred may then be analysed relatively succinctly.

8 — In the third question referred.

Word marks

26. Article 3(1)(b) of the Trade Marks Directive prohibits registration of 'trade marks which are devoid of any distinctive character'.

27. Article 3(1)(c) prohibits registration of '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 other characteristics of the goods or service'.

28. In the context of the Trade Marks Directive, words may be used in two ways. First, a word or combination of words may serve to designate some characteristic(s) of a product. Words used for that purpose are not registrable by virtue of Article 3(1)(c). They are similarly necessarily devoid of any distinctive character with regard to that product within the meaning of Article 3(1)(b), as the Court has already held. [9] Second, a word or combination of words may *identify* a product (whether or not in the process they also incidentally describe it). Such a word mark is registrable as a trade mark because it is not caught by either Article 3(1)(b) or Article 3(1)(c).

29. Article 3(1)(c), according to the case-law, pursues a specific public interest, namely that all signs or indications which may serve to designate characteristics of the goods or services for which registration is sought may be freely used by all. [10] The public interest in not allowing a descriptive combination of words to be registered and protected as a trade mark is clear. Such registration prevents other undertakings (and hence potential competitors) from using obvious terms to describe their products to consumers, [11] thus placing them at a competitive disadvantage. That would run directly counter to the purpose of the Trade Marks Directive, which

9 — See, for example, *Postkantoor*, cited in footnote 6, paragraph 86; Case C-265/00 *Campina Melkunie* [2004] ECR I-1699, paragraph 19.

10 — *Campina Melkunie*, paragraph 35. See also Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee* [1999] ECR I-2779, paragraph 25; Case C-104/01 *Libertel* [2003] ECR I-3793, paragraph 52.

11 — See Joined Cases C-53/01, C-54/01 and C-55/01 *Linde* [2003] ECR I-3161, paragraphs 73 and 74, and *Campina Melkunie*, paragraph 36.

puts in place partial harmonisation in order to remove 'disparities which may impede the free movement of goods and freedom to provide services and may distort competition within the common market'. [12]

Analysis under Article 3(1)(b) and/or Article 3(1)(c)

30. In assessing under Article 3(1)(b) and 3 (1)(c) whether (respectively) a trade mark lacks distinctive character or is descriptive of the goods or services for which its registration is sought, [13] what matters is the perception of that trade mark by the 'relevant class of persons'. That relevant class has been defined as those in the trade and amongst average consumers of the goods or services concerned who are reasonably well informed and reasonably observant. [14]

31. The Court has recognised that because of linguistic, cultural, social and economic differences between the Member States, a trade mark which lacks distinctive character or is descriptive of the goods or services concerned in one Member State may not be so in another Member State, [15] and may therefore legitimately be registered in that second Member State. Moreover, the Court has recently held that Article 3(1)(b) and Article 3(1)(c) of the Trade Marks Directive do not prohibit registration in one Member State of a sign consisting of a word or words borrowed from the language of another Member State in which that sign lacks distinctive character, unless the relevant class of persons in the Member State in which

12 — Recital 1.

13 — Given the public interest in prohibiting the registration of descriptive words or combinations of words, it is perhaps not surprising that the Court does not appear in general to draw a particular distinction between Article 3(1)(b) and Article 3(1)(c). Thus, in *Postkantoor*, the assessment of distinctiveness was conducted under Article 3(1)(b) (see, for example, paragraphs 29 to 35), whilst the discussion of the public interest was framed in terms of Article 3(1)(c) (see paragraphs 53 to 58). In the context of the equivalent provisions in the Community Trade Mark Regulation the position is less clear-cut. See the Opinion of Advocate General Jacobs in Case C-191/01 P *OHIM* v *Wrigley* [2003] ECR I-12447, points 51 to 53 and the case-law there cited.

14 — See *Windsurfing Chiemsee*, paragraph 29, and *Postkantoor*, paragraph 75.

15 — Case C-421/04 *Matratzen Concord* [2006] ECR I-2303, paragraph 25, in which the Court referred, by way of analogy, to Case C-313/94 *Graffione* [1996] ECR I-6039, paragraph 22. *Graffione* concerned the assessment of the deceptive character of a trade mark for the purposes of Article 12(2)(b) of the Directive. In that context, the effect of linguistic, cultural and social differences between Member States is examined in the Opinion of Advocate General Jacobs in *Graffione*, point 10, and in the Opinion of Advocate General Gulmann in Case C-315/92 *Clinique* [1994] ECR I-317, point 18.

registration is sought is capable of identifying the meaning of the word or words. [16]

32. Put another way, words that convey meaning through their ability to describe goods or services may not be registered as marks, but where they fail to convey meaning because of linguistic differences, they cannot perform a descriptive function. There is therefore no bar to their registration arising from Article 3(1).

33. Thus the linguistic ability of the relevant class of persons to identify the meaning of a sign consisting of a word or words must be taken into account in making an assessment under Article 3(1)(b) and/or Article 3(1)(c).

Article 3(3)

34. In determining whether a mark has acquired distinctive character through use for the purposes of Article 3(3), the competent authority must make an overall assessment of the evidence showing that the mark has come to identify the product concerned as originating from a particular undertaking, and thus to distinguish that product from goods (or services) of other undertakings. [17]

35. In *Windsurfing Chiemsee*, the Court suggested that the following factors may be taken into account in assessing the distinctive character of a mark under Article 3(3): the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant class of persons who, because of the mark, identify goods (or services) as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations. [18] Those factors relate to (a) the use made of the mark and (b) whether that use enables relevant traders and consumers

16 — *Matratzen Concord*, paragraph 26. See also the Opinion of Advocate General Jacobs in that case, points 46, 47 and 50

17 — See *Windsurfing Chiemsee*, paragraph 49 and *Libertel*, both cited in footnote 10, paragraph 67. Paragraphs 62 to 67 of *Libertel* contain a thoughtful and helpful analysis of the function of the trademark, the definition of the relevant public and its perception of the mark, and how familiarisation through use leads to acquired distinctiveness.

18 — *Windsurfing Chiemsee*, paragraph 51.

to identify goods or services as originating from a particular undertaking.

36. In making that overall assessment of whether a mark has acquired distinctiveness through use, account must be taken of whether the relevant class of persons, or at least a significant proportion thereof, identify the goods (or services) as originating from a particular undertaking because of the trade mark. [19] Consideration should be given to the presumed expectations of an average consumer of the category of goods or services in question, who is reasonably well informed and reasonably observant. [20]

37. These requirements for the application of Article 3(3) mirror what the Court has said in respect of the assessment under Article 3(1)(b) and/or Article 3(1)(c). That is logical. If a mark is prima facie not registrable because the relevant class of persons, possessing reasonable levels of information and reasonable powers of observation, would tend to perceive it to be inherently devoid of distinctive character and/or descriptive, one should ask whether that perception, in the same class of persons, has been displaced because the mark has acquired distinctive character through use. [21]

38. Are the linguistic abilities of the relevant class of persons (which, unlike the factors listed in *Windsurfing Chiemsee,* do not relate to the actual use of a word mark or its identification with the product) significant in assessing acquisition of distinctive character through use? That depends on whether the words used were, or were not, understood as being descriptive in the first place. Where the relevant class does not understand in the words a meaning, registration will not be prohibited by Article 3(1). There will therefore be no need to consider whether distinctive character has been acquired through use for the purposes of Article 3 (3). Where the fact that the words normally convey descriptive meaning to the relevant class was a bar to registration, it must then be relevant to examine whether, for those

19 — *Windsurfing Chiemsee*, paragraph 52. Subsequently that test has been consistently applied. See, for example, Case C-299/99 *Philips* [2002] ECR I-5475, paragraph 61 et seq. I understand 'significant' to mean not necessarily a majority of the relevant class, but nevertheless a considerable part of it.

20 — *Philips*, paragraph 63.

21 — In this respect, a parallel may legitimately be drawn between the structure of Article 3(1) and Article 3(3) of the Trade Marks Directive, on the one hand, and the structure of Article 7(1) and Article 7(3) of the Community Trade Mark Regulation, on the other hand. Because the logical structure is the same, the ruling of the Court of First Instance in Case T-91/99 *Ford Motor Company* v *OHIM (OPTIONS)* [2000] ECR II-1925, paragraph 27, may sensibly also be applied here. However, that does not mean, in my view, that the territorial reasoning of the Community Trade Mark Regulation, as explained by the Court of First Instance in *Ford*, should likewise be transposed to the context of the Trade Marks Directive (see below point 44).

persons, the word mark has nevertheless acquired distinctive character through use and thus qualifies for registration under Article 3(3).

39. That approach seems to me to follow from the structure of Article 3. Article 3(3) qualifies the grounds for refusing registration listed in Articles 3(1)(b), (c) and (d). It only needs to be applied in cases where lack of distinctiveness has been shown under Article 3(1). It therefore makes sense to apply it, when it is applied, within the same parameters as were used to identify the original lack of distinctiveness.

40. Against that background, I turn to the specific questions referred by the national court.

Questions 1 and 2: territorial scope of assessment

41. These two questions ask whether it is appropriate to refer to the relevant class of persons in part of the Benelux territory, or throughout that territory.

42. The Court has already held in *General Motors* [22] that, in applying Article 5(2) of the Trade Marks Directive, [23] the Benelux territory should be equated with the territory of a Member State. It went on to find that for the purposes of Article 5(2) it was sufficient for a Benelux trade mark to have a reputation in a substantial part of the Benelux territory, which may consist of a part of one of the Benelux countries. [24]

43. What has been said of the scope of the Directive in the context of Article 5(2) must equally hold good for Article 3 thereof. It would make no sense to say that it is sufficient for a mark to have a reputation in a substantial part of the Benelux territory, which may consist of a part of one of the Benelux countries, for the mark owner to be

22 — Case C-375/97 [1999] ECR I-5421, paragraph 29.

23 — Article 5(2) states: 'Any Member State may ... provide that the proprietor shall be entitled to prevent all third parties not having his consent from using in the course of trade any sign which is identical with, or similar to, the trade mark in relation to goods or services which are not similar to those for which the trade mark is registered, where the latter has a reputation in the Member State and where use of that sign without due cause takes unfair advantage of, or is detrimental to, the distinctive character or the repute of the trade mark.'

24 — Ibid.

able to invoke Article 5(2), and yet to insist that a mark must have acquired distinctive character through use in the entire Benelux territory in order to be registrable in the first place.

44. The BTMO's position — namely that the sign must be regarded as a mark throughout the Benelux territory before it can be registered — is based on *Ford*.[25] That case was concerned with whether a mark had acquired sufficient distinctive character through use to be registered as a Community trade mark under Article 7(3) of the Community Trade Mark Regulation. It seems to me that the rationale for the territorial assessment applied in *Ford* is *not* appropriate when determining whether distinctive character through use has been acquired by a national mark under the Trade Marks Directive.

45. The Community trade mark and national trade marks are conceptually different. If a mark is to be given Community-wide recognition in the terms provided for by the Community Trade Mark Regulation, it is reasonable to require the mark's owner to demonstrate distinctive character acquired through use over a greater geographical area. The Community trade mark has a unitary character throughout the Community.[26] National registration of a trade mark merely gives it that character throughout the Member State in question.[27] It is significant that Article 7(2) of the Community Trade Mark Regulation states that Article 7(1) is to apply notwithstanding that the grounds of non-registrability obtain in only part of the Community. There is, however, no equivalent to that provision in Article 3 of the Trade Marks Directive. Because the Community trade mark is a unitary mark which, if registered, will be effective throughout the territory of the Community, it is right to impose the condition contained in Article 7 (2). Such a mark ought not to be registered if there exist, in any part of the Community, grounds for non-registration. The same considerations do not apply to the registration of national trade marks as harmonised by the Trade Marks Directive.

46. Furthermore, the two measures are concerned with different situations. Although both aim to further the establishment and functioning of the internal market,[28] the Trade Marks Directive does so in a

25 — Cited in footnote 21.

26 — See Article 1(2) of the Community Trade Mark Regulation.

27 — Or, in the case of a Benelux trade mark, throughout Belgium, Luxembourg and the Netherlands.

28 — See, respectively, the first recital of each measure.

more limited way, by putting in place a partial harmonisation of national trade mark law. In contrast, the Community Trade Mark Regulation creates a new type of intellectual property right, namely a Community trade mark.

47. Finally, the Court ruled on the interpretation of Article 5(2) of the Trade Marks Directive in *General Motors* in the knowledge that, within the Benelux system of trade mark registration, registration at national (or sub-Benelux) level is not possible. [29] It has thus already implicitly made the distinction that I draw here between the two measures.

48. Accordingly, I conclude that it is not necessary, for the purposes of assessing acquisition of distinctive character through use of a word mark under Article 3(3) of the Trade Marks Directive, to have regard to the entirety of the Benelux territory (Belgium, the Netherlands and Luxembourg) if for linguistic reasons the relevant class of persons, as previously defined for the purposes of Article 3(1), is to be found only in parts of that territory.

29 — Thus, the fact that, in a sense, the Benelux trade mark is also a 'unitary' trade mark for the purposes of the Benelux territory did not prevent the Court from concluding that reputation in a sub-unitary part of the Benelux territory, even a part of one of the Benelux countries, was sufficient for the purposes of Article 5(2).

Questions 3(a) and 3(b): linguistic communities and relevant proportions

49. I agree with the submission of the BTMO and the Netherlands that linguistic communities in a Member State or in the Benelux territory should be taken into account in assessing distinctive character acquired through use of a sign consisting of word or words.

50. For the reasons I have already given, the relevant class of persons for the purposes of Article 3(3) must be that which forms the basis for objecting to registration under Article 3(1). In the present case, that is the class of (Dutch-speaking) persons for whom the referring court has found that EUROPOLIS lacks distinctive character. Acquired distinctiveness presupposes initial lack of distinctiveness. In a case such as the present, that initial lack of distinctiveness is presumed to be limited to a particular linguistic community. It is therefore only within that

linguistic community that distinctiveness must be acquired for registration purposes. [30]

51. The remaining issue is, what proportion of the relevant class of persons must regard the mark as identifying the goods or services concerned as originating from a particular undertaking (so that it may be said to have acquired distinctiveness through use for the purposes of Article 3(3))?

52. It seems to me that inherent in the analysis of whether a proposed word mark is 'devoid of any distinctive character' (Article 3(1)(b)) and/or descriptive (Article 3(1)(c)) is the concept that a significant proportion of the relevant class of persons should perceive it in that way. In a reasonably large class, it is statistically likely that one will find some data that are at variance with the norm. [31] When reaching a conclusion as to what is 'typical' of that class, what matters is the story told by the data taken as a whole. Given that the effect of allowing registration of a word mark is to deprive other undertakings of the possibility of using those words descriptively, which may have a negative effect on competition in the market, it is correspondingly important not to allow a word mark to be registered under Article 3(3) unless a significant proportion of the relevant class of persons do indeed perceive it as identifying, in a distinctive way, the origin of the goods or services to which it is applied.

53. Thus, if a significant proportion of the relevant class of persons may reasonably be expected to understand a meaning in the mark put forward for registration (so that prima facie it lacks distinctive character for the purposes of Article 3(1)(b) and/or is descriptive in the sense of Article 3(1)(c)), the relevant question becomes whether a significant proportion of that same relevant class of persons who understand in the mark a meaning nevertheless perceive the mark as identifying the goods or services concerned as originating from a particular undertaking (so that it may be said to have acquired distinctive character through use for the purposes of Article 3(3)). Conversely, regis-

30 — In this connection, I recall that in *Libertel* the Court emphasised, at paragraph 76, that the competent authority 'may not carry out an examination in the abstract, but must of necessity undertake its examination by reference to the actual situation. That examination must take account of all the relevant circumstances of the case ...'. Where, as here, the 'actual situation' necessarily involves an assessment that takes into account linguistic differences, the linguistic aspect must be kept consistent throughout the analysis.

31 — Here, there are only two possible data values: distinctive or non-distinctive.

tration should not be granted under Article 3(3) where a sign has become distinctive merely for a small, as opposed to a significant, proportion of the relevant class of persons in the Benelux territory.

54. There are obvious disadvantages in the opposite approach — that is, allowing registration provided it can be shown that even a small proportion of those in the relevant class throughout the territory consider that the sign has become distinctive. First, that would lead to a situation in which the mark remained descriptive of the goods or services for the remainder of the relevant class, [32] and yet could not be used by other undertakings because it had been registered under Article 3(3). That would undermine the public interest aim of Article 3(1)(c), that all signs or indications which may serve to designate characteristics of the goods or services for which registration is sought may be freely used by all. [33]

55. Second, it would imply that Article 3(3) could be applied independently of Article 3(1). Not only would that go against the wording of Article 3(3), which indicates that Article 3(3) qualifies Article 3(1), but it would also produce the paradox that both provisions — which have opposite effects — could be satisfied at the same time in the same territory. That would render incoherent any attempt to assess the registrability of a mark that could be shown to be simultaneously descriptive and distinctive within the same territory.

56. I also recall that, by virtue of Article 13C(1) of the UBL, the exclusive right to a trade mark expressed in one of the national or regional languages of the Benelux territory extends automatically to its translation in another of those languages. Whilst this is not a point that is raised in the order for reference, it seems to me that the existence of that provision also militates against allowing a word mark to be registered on the basis of distinctive character through use when it is so recognised only by a small proportion of the relevant class of persons located in part of the territory. Such a provision enhances the restrictive effect of registering the mark. It therefore highlights the importance of *not* overriding the public interest aims of Article 3(1)(b) and Article 3(1)(c) save where acquisition of distinctive

32 — *Ex hypothesi*, a greater proportion.

33 — See point 29 above and the case-law there cited.

character through use is indeed solidly established. [34]

57. For those reasons, I reject the argument advanced by Bovemij and the Netherlands, applying the reasoning in *General Motors* by analogy, that it is sufficient for the sign to be regarded by the relevant section of the public as a mark in a substantial part of the relevant linguistic community within (a Member State or) the Benelux territory in which the language concerned is an official language. It is not difficult to conceive of circumstances in which a sign or indication might have become distinctive through use in only a substantial part of a particular sub-part of a linguistic community within Benelux. [35] Such a sub-part, it seems to me, might comprise only a small proportion of the relevant class of persons. [36] For the reasons I have given, that is an insufficient basis on which to establish distinctiveness acquired through use. Rather, it must be found that at least a significant proportion of the relevant class of persons identify the goods or services concerned as originating from a particular undertaking. That relevant class of persons must be the linguistic community within the Member State (or here, within the Benelux territory) as a whole.

58. I therefore agree with the Commission that, where a word mark would fall to be refused registration as devoid of any distinctive character (Article 3(1)(b)) and/or because it is descriptive (Article 3(1)(c)) in a particular language, that mark may only be registered under Article 3(3) where it can be shown that the mark has acquired distinctive character through use throughout the relevant linguistic community.

59. In so saying, I should make it clear that I do not accept the Commission's suggestion that one should transpose, into the context of the Trade Marks Directive, the analysis of Articles 7(1) to 7(3) of the Community Trade Mark Regulation provided by the Court of First Instance in *Ford*. [37] As I have already indicated, I consider that there are significant differences between the two measures that make such transposition inappropriate.

34 — This point has not been developed to any real extent in these proceedings. It seems to me that, if the translation (of Europolis, for example, into French as Europolice) did not exist before the application for registration was made, the translated term cannot (by definition) have acquired distinctive character through use for the purposes of Article 3(3). Since the translation will seek to echo the acquired distinctiveness of the original, however, it is probably correspondingly less likely to be caught by Article 3(1)(b) and/or Article 3(1)(c).

35 — For example, Flanders.

36 — Whereas the relevant linguistic community would be all Dutch-speakers in the Benelux territory, not only in Flanders, but also in (at least) the Netherlands and the bilingual region of Brussels.

37 — See paragraphs 25 to 27 of the judgment, cited in footnote 21 above.

Conclusion

60. For the reasons set out above, I am of the view that the Court should respond as follows to the questions referred by the Gerechtshof:

Questions 1 and 2

It is not necessary, for the purposes of assessing acquisition of distinctive character of a word mark through use under Article 3(3) of the Trade Marks Directive, to have regard to the entirety of the Benelux territory (Belgium, the Netherlands and Luxembourg) if for linguistic reasons the relevant class of persons, as previously defined for the purposes of Article 3(1), is to be found only in parts of that territory.

Question 3

Linguistic communities in a Member State or in the Benelux territory should be taken into account in assessing acquired distinctive character through use of a sign consisting of word or words.

Where a word mark would fall to be refused registration as devoid of any distinctive character (Article 3(1)(b)) and/or because it consists entirely of a word or words that are descriptive in a particular language (Article 3(1)(c)), that mark may only be registered under Article 3(3) where it can be shown that the mark has acquired distinctive character through use throughout the relevant linguistic community (namely, of the Member State, or of the Benelux territory taken as a whole).