JUDGMENT OF THE COURT OF FIRST INSTANCE (Second Chamber)
22 June 2004*

In Case T-66/03,

Koffiebranderij en Theehandel 'Drie Mollen sinds 1818' BV, established in 's-Hertogenbosch (Netherlands), represented by P. Steinhauser, lawyer, with an address for service in Luxembourg,

applicant,

v

Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM), represented by J. Novais Gonçalves and S. Laitinen, acting as Agents,

defendant,

the other party to the proceedings before the Board of Appeal of OHIM having been

Manuel Nabeiro Silveria, L^da, established in Campo Maior (Portugal),

ACTION brought against the decision of the Second Board of Appeal of OHIM of 17 December 2002 (Case R 270/2001-2) concerning an opposition procedure between Koffiebranderij en Theehandel 'Drie Mollen sinds 1818' BV and Manuel Nabeiro Silveria, L^da,

* Language of the case: English.

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

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

Registrar: J. Plingers, Administrator,

having regard to the application lodged at the Registry of the Court of First Instance on 26 February 2003,

having regard to the response of OHIM lodged at the Registry of the Court of First Instance on 20 June 2003,

further to the hearing, at which the applicant was not present, on 20 January 2004,

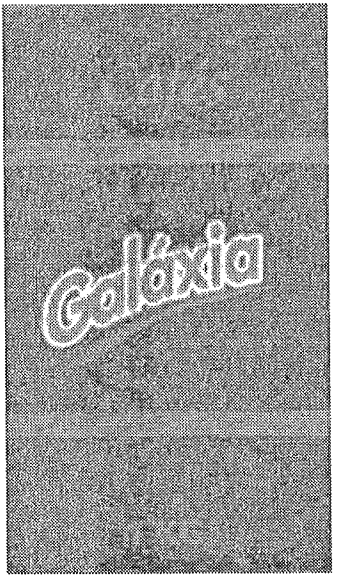
gives the following

Judgment

Background to the dispute

1 On 15 June 1998 Manuel Nabeiro Silveria, L[da], filed an application for a Community trade mark under Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark (OJ 1994 L 11, p. 1), as amended, at the Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM).

2 The figurative mark registration of which was sought is the following sign:



3 The mark applied for relates to 'coffee' and is in class 30 of the Nice Agreement concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, as revised and amended.

4 The application was published in *Community Trade Marks Bulletin* No 17/1999 of 8 March 1999.

5 On 6 April 1999, the applicant filed a notice of opposition pursuant to Article 42(1) of Regulation No 40/94 against the registration of this mark on the grounds of a likelihood of confusion as referred to in Article 8(1)(b) of Regulation No 40/94 between the mark applied for and earlier marks held by the applicant.

6 The earlier marks relied on in support of the opposition protect the word sign GALA and cover goods in class 30 of the Nice Agreement, particularly 'coffee and/or tea' products. The marks are the following:

— Greek trade mark registration number 32533 for 'coffee and tea' products;

— two national trade marks registered in the United Kingdom trade mark number 870174 for 'coffee and tea' products, and trade mark number 1469857 for, inter alia, 'coffee and tea' products);

— Benelux trade mark registration number 042335 for 'coffee and tea' products;

— international registration number R210550, having effect in France, Italy and Austria, for 'coffee and tea' products;

— international registration number 570004, having effect in Portugal, for the product 'tea'.

7 By decision of 29 January 2001 the Opposition Division of OHIM rejected the opposition on the grounds that, despite the identical nature of the goods covered by the mark applied for and by the earlier trade marks, there was no similarity between the signs, and there was therefore no likelihood of confusion.

8 On 16 March 2001 the applicant brought an appeal under Article 59 of Regulation No 40/94 seeking to have the decision annulled on the ground of infringement of Article 8(1)(b) of Regulation No 40/94.

9 The Second Board of Appeal of OHIM dismissed the appeal by decision of 17 December 2002 ('the contested decision'). It held that the opposing marks were visually, phonetically and conceptually dissimilar. There was therefore no likelihood of confusion.

Forms of order sought

10 The applicant claims that the Court should:

— annul the contested decision;

— order OHIM to refuse to register the mark applied for;

— order OHIM to bear its own costs.

11 OHIM contends that the Court should:

— dismiss the action;

— order the applicant to pay the costs.

Law

The first head of claim, for annulment of the contested decision

12 In support of its application, the applicant essentially relies on two pleas in law, the first plea being infringement of Article 8(1)(b) of Regulation No 40/94 and the second infringement of Article 8(5) of Regulation No 40/94, both provisions read in conjunction with Article 42(1) of Regulation No 40/94.

The first plea: infringement of Article 8(1)(b) of Regulation No 40/94

— Arguments of the parties

13 The applicant considers that the products covered by the marks in question are identical, that the marks concerned are similar and that, as a result, there exists a likelihood of confusion between them.

14 According to the applicant, the Board of Appeal has not taken into consideration sufficiently the fact that the mark GALA is well known, or the fact that the coffee is sold on a market where the product is primarily referred to orally, so that particular importance should be given to the phonetic similarity of the marks in question.

15 In addition, the applicant claims that the fact that the first four letters of the word of the opposed mark are identical to the letters of the word signs of the earlier marks automatically leads the public to assume that the products come from commercial sources which are economically linked.

16 OHIM disputes the arguments of the applicant and maintains that the contested decision is not vitiated by an error in law.

— Findings of the Court

17 Under Article 8(1)(b) of Regulation No 40/94, upon opposition by the proprietor of an earlier trade mark, the trade mark applied for is not to be registered if because of its identity with or similarity to the earlier trade mark and the identity or similarity of the goods or services covered by the trade marks there exists a likelihood of confusion on the part of the public in the territory in which the earlier trade mark is protected.

18 Under Article 8(2)(a)(ii) and (iii) of Regulation No 40/94, earlier trade marks are to mean trade marks registered in a Member State, or trade marks registered under international arrangements, with a date of application for registration which is earlier than the date of application for registration of the Community trade mark.

19 In this case, the earlier national and international marks were registered in Greece, the Benelux countries, the United Kingdom, Portugal, France and Italy. Therefore, for the purposes of assessing the likelihood of confusion the view of the public in

those Member States must be taken into account. Given that the products covered by the earlier marks are everyday consumer products, that public consists of average consumers.

20 According to settled case-law, there is a likelihood of confusion if the public might think that the products or services at issue come from the same undertaking or, as the case may be, economically-linked undertakings.

21 According to the same line of case-law, the likelihood of confusion must be assessed globally, according to the perception that the relevant public has of the signs and the products or services at issue, and taking into account all factors relevant to the circumstances of the case, in particular the interdependence of the similarity between the signs and the similarity between the goods or services covered (see the judgment of 9 July 2003 in Case T-162/01 *Laboratorios RTB* v *OHMI — Giorgio Beverly Hills (GIORGIO BEVERLY HILLS)* ECR II-2831, paragraphs 31 to 33, and the case-law cited).

22 The parties agree that the product referred to in the trade mark application (coffee) and the products covered by the earlier marks (coffee and tea) are identical or similar.

23 In those circumstances, the outcome of the action depends on the degree of similarity between the signs in question. As is clear from settled case-law, the global assessment of the likelihood of confusion, as far as concerns the visual, aural or conceptual similarity of the opposing signs, must be based on the overall impression given by the marks, bearing in mind, inter alia, their distinctive and dominant components (see the judgment of 14 October 2003 in Case T-292/01 *Phillips-Van Heusen* v *OHIM — Pash Textilvertriebund Einzelhandel (BASS)* ECR II-4335, paragraph 47, and the case-law cited).

24 As to the visual similarity of the signs concerned, the first four letters of the word of the mark applied for are identical to the letters making up the word sign protected by the earlier marks. However, the two words in question, 'Galáxia' and 'Gala', are clearly different in length. In addition, the first four letters of the word 'Galáxia' do not constitute an element which will be perceived separately from the ending of that word ('xia'). In particular, they are not separated from that ending, they are not written differently and nothing else distinguishes them from the ending 'xia'. The word 'Galáxia' will therefore be perceived as a whole rather than as a word made up of different parts, including the word 'Gala'. Finally, the mark applied for is a figurative mark; the red lettering outlined in white on a black background is therefore an integral part of the sign applied for and is the dominant visual aspect of that mark. Therefore it must be held, as the Board of Appeal did (point 19 of the contested decision), that the signs at issue are visually dissimilar.

25 As regards the possible phonetic similarity of the signs at issue, OHIM correctly pointed out that there are important differences between the words 'Gala' and 'Galáxia'. In particular, the number of syllables is different. Moreover, the consonant 'x' in the middle of the word 'Galáxia', followed by the vowels 'i' and 'a', is striking in the aural impression of this word and this will be perceived by the consumer. It follows that the signs at issue are also aurally dissimilar.

26 Accordingly, the applicant's argument that the phonetic characteristics of the signs are of particular importance on the market concerned having regard to the way in which coffee is usually sold must also be rejected as irrelevant.

27 So far as concerns the possible conceptual similarities of the signs at issue, the earlier GALA marks allude — in the languages used in the markets concerned, except in Greek — to a festive occasion, whereas 'Galáxia' calls to mind — in all the languages in question — the idea of a group of stars (a galaxy). In Greek, from which the word

'Galáxia' comes, the term 'gala' (γάλα) means milk. However, even in Greek there is a clear conceptual difference between the terms at issue, namely 'milk' (γάλα) on the one hand and 'galaxy' (γαλαξίας) on the other.

28 It follows from the foregoing that the Board of Appeal was entitled to hold, in point 19 of the contested decision, that the conflicting marks were visually, aurally and conceptually dissimilar.

29 The further arguments put forward by the applicant relating to the alleged well-known character of its marks and a likelihood of association of the signs at issue are not such as to weaken that conclusion.

30 As regards the first of those arguments, that the Board of Appeal did not take into consideration the claim, made for the first time in the proceedings before it, that the earlier marks are well known on a part of the Community market, as is apparent from the seventh recital in the preamble to Regulation No 40/94, the reputation of a mark is a factor which must be taken into account when determining whether the similarity between the signs or between the goods or services is sufficient to give rise to a likelihood of confusion (Case C-39/97 *Canon* [1998] ECR I-5507, paragraphs 18 and 24, on the interpretation 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, and the judgment of 22 October 2003 in Case T-311/01 *Éditions Albert René* v *OHIM — Trucco (Starix)* ECR II-4625, paragraph 61).

31 In this respect, the Court finds, first, that at no point in the proceedings before OHIM did the applicant put forward any facts or proof whatsoever regarding the well-known character of one or more of its marks. Further, in particular it did not specify on which relevant market or markets its marks enjoyed such a reputation.

32 However, pursuant to the last part of Article 74(1) of Regulation No 40/94, in proceedings relating to relative grounds for refusal of registration, the examination to be carried out by OHIM is to be restricted to the facts, evidence and arguments provided by the parties and the relief sought. It follows from that provision that it is also for the parties to state the facts and evidence in support of the relief sought (see, to that effect, as regards evidence, Case T-232/00 *Chef Revival USA* v *OHIM—Massagué Marin (Chef)* [2002] ECR II-2749, paragraph 45). If the party bringing the opposition proceedings intends to rely on the fact that its mark is well known, it is required to put forward facts and, if necessary, evidence to enable OHIM to determine the truth of such a claim. Therefore, if the applicant wished the possible well-known character of its earlier marks to be taken into account in this case, it could not simply claim the existence of such a reputation. It follows that there is no need to examine whether one of the earlier marks enjoyed a reputation on the market.

33 Next, even if it were conceded that the applicant's contention is true, the result of the analysis of the similarity of the marks could not lead to different conclusions. As well known as the earlier marks may be in this case, there remain important differences enabling the consumers concerned to clearly distinguish the mark applied for from the earlier marks. In particular, as is noted in paragraph 24 above, the mark applied for is a figurative mark with an appearance which is markedly different from that of the earlier word marks in question.

34 Therefore the applicant's argument relating to the alleged well-known character of the earlier marks must be dismissed.

35 As regards the second argument referred to in paragraph 29 above, the applicant appears to be claiming that there is a likelihood of association between the signs at issue, based on the identity of the earlier marks (GALA) and the first part of the word of the sign applied for ('Galá'), a likelihood which is not offset by the fact that

the meaning of the signs at issue is different, particularly because there is no semantic link between the mark applied for and the product it covers.

36 In that connection, it is to be remembered that Article 8(1)(b) of Regulation No 40/94 is designed to apply only if, by reason of the identity or similarity both of the marks and of the goods or services which they designate, 'there exists a likelihood of confusion on the part of the public in the territory in which the earlier trade mark is protected; the likelihood of confusion includes the likelihood of association with the earlier trade mark'. It follows from that wording that the concept of likelihood of association is not an alternative to that of likelihood of confusion, but serves to define its scope. The terms of the provision itself thus exclude its application where there is no likelihood of confusion on the part of the public (Case C-251/95 *SABEL* [1997] ECR I-6191, paragraph 18, and Case C-425/98 *Marca Mode* [2000] ECR I-4861, paragraph 34). Consequently, likelihood of confusion within the meaning of that provision exists only if it is shown that consumers might believe that the products sold under the opposing marks come from the same undertaking or from economically-linked undertakings (*Canon*, cited above, paragraph 29). In this case, that condition might be fulfilled if the first four letters of the word of the sign applied for ('Galá') could be perceived as a designation of origin attached to the holder of the earlier marks and if the ending of the word ('xia') could be identified as a related element designating, for example, a particular product line. However, it is apparent from paragraph 24 above that the first part of the word 'Galáxia' ('Galá') will not be perceived by consumers as separate and distinct from the ending of that word ('xia'). It follows that consumers cannot be led to suppose that the products sold under the earlier marks (GALA) and the product sold under the mark applied for consisting of the word 'Galáxia' come from the same undertaking or economically-linked undertakings. In addition, pursuant to the provisions of Regulation No 40/94, in particular Articles 4, 7 and 8 thereof, trademark applicants are certainly not required to prove a semantic link between the mark and the product covered by it. Therefore, the fact that there is no semantic link between the word of the mark applied for and the product covered by it (coffee) is irrelevant.

37 It appears from the foregoing that the Board of Appeal did not err in law by holding that, on account of the absence of similarity of the signs at issue, likelihood of confusion could be precluded in this case. It follows that the plea alleging infringement of Article 8(1)(b) of Regulation No 40/94 is unfounded.

The second plea: infringement of Article 8(5) of Regulation No 40/94

— Arguments of the parties

38 Citing Article 8(5) of Regulation No 40/94, the applicant claims that the GALA mark has a particular renown on the Benelux market and that, on that market, the mark applied for would be detrimental to the distinctive character of the earlier marks. According to the applicant, OHIM should have taken this into consideration in the contested decision.

39 According to OHIM, this plea is inadmissible for three reasons. First, OHIM claims that after the expiry of the period of three months provided for in Article 42(1) of Regulation No 40/94, any plea which has not been raised in the opposition specifying the grounds required under Article 42(3) is inadmissible. Secondly, according to OHIM, the plea is inadmissible under Article 135(4) of the Rules of Procedure of the Court of First Instance under which, in proceedings before the Court, the parties cannot change the subject-matter of the proceedings before the Board of Appeal. Thirdly, OHIM claims that, under Article 74(1) of Regulation No 40/94, the Board of Appeal was not entitled to examine a relative ground for refusal of registration which had not been put forward by the applicant at that stage of the proceedings.

— Findings of the Court

40 The Court finds that the plea alleging infringement of Article 8(5) of Regulation No 40/94 was not invoked during the opposition proceedings before OHIM, since the applicant only made that plea in the application filed before the Court.

41 According to OHIM's case-file, lodged by OHIM at the Court Registry, the applicant in fact claimed in its application that the earlier marks were widely known. However, that argument was put forward in connection with the plea alleging a likelihood of confusion within the meaning of Article 8(1)(b) of Regulation No 40/94, without reference by the applicant to Article 8(5).

42 In the light of that finding, the second plea put forward by the applicant can be construed as covering two separate complaints.

43 First, if that plea is construed as covering a complaint against OHIM that it did not examine of its own motion the ground for refusal in Article 8(5) of Regulation No 40/94, that plea relates in fact to an infringement of Article 74(1) of Regulation No 40/94. However, as is clear from the wording of that provision, the Board of Appeal did not have to examine the relative ground for refusal of registration deriving from Article 8(5) of Regulation No 40/94 since the applicant did not put forward the law, facts and evidence relating to it.

44 It follows that the plea construed as meaning that it relates to infringement of Article 74(1) of Regulation No 40/94 is unfounded.

45 Secondly, should that plea be intended to lead the Court to examine itself whether the conditions for application of Article 8(5) of Regulation No 40/94 are fulfilled in this case, it must be pointed out that the purpose of this action is to review the legality of the decision taken by the Board of Appeal of OHIM (Case T-128/01 *DaimlerChrysler* v *OHIM (vehicle grille)* [2003] ECR II-701, paragraph 18, the judgment of 3 July 2003 in Case T-129/01 *José Alejandro* v *OHIM — Anheuser-Busch (BUDMEN)* ECR II-2251, paragraph 67, and *Starix*, paragraph 70). Therefore the Court's review cannot go beyond the factual and legal context of the dispute as it was brought before the Board of Appeal (Case T-194/01 *Unilever* v *OHIM* (ovoid tablet) [2003] ECR II-383, paragraph 16).

46 The facts to which an examination of the second plea would have had to relate are not identical to the relevant facts in the context of the applicant's first plea concerning Article 8(1)(b) of Regulation No 40/94 and the applicant has not provided the facts, arguments and specific proof for the plea concerning Article 8(5) of that regulation. Therefore, the conditions for the application of Article 8(5) cannot (and could not) be the subject of the examination of the case carried out by the Board of Appeal of OHIM. Accordingly, the Court's examination of the factual and legal evidence on the conditions for the application of Article 8(5) of Regulation No 40/94 would go beyond the factual and legal context of the contested decision.

47 It follows that the second plea, construed as being intended to lead the Court to examine itself whether the conditions for the application of Article 8(5) of Regulation No 40/94 are fulfilled, alters the subject-matter of the proceedings, contrary to Article 135(4) of the Rules of Procedure, and is therefore inadmissible (see, to that effect, *Starix*, paragraphs 70 and 71).

48 No part of the second plea can therefore be upheld.

49 It follows from the foregoing considerations that the first head of claim, for annulment of the contested decision, must be rejected.

The second head of claim, for OHIM to be ordered to refuse the registration applied for

50 It follows from the context of the different claims brought by the applicant that the second head of claim presupposes that the claim for annulment is granted, at least in part, and is therefore brought only if the first head of claim is allowed.

51 As appears from paragraph 49 above, there are no grounds for annulling the contested decision. It follows that there is no need to adjudicate on the admissibility or the merits of the second head of claim.

Costs

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

On those grounds,

THE COURT OF FIRST INSTANCE (Second Chamber)

hereby:

1. Dismisses the application.

2. Orders the applicant to pay the costs.

Pirrung Meij Forwood

Delivered in open court in Luxembourg on 22 June 2004.

H. Jung

Registrar

J. Pirrung

President