Reports of Cases

JUDGMENT OF THE COURT (First Chamber)

21 February 2013 *

(Community trade marks — Regulation (EC) No 207/2009 — Article 9(1) — Concept of 'third party' — Proprietor of a later Community trade mark)

In Case C-561/11,

REQUEST for a preliminary ruling under Article 267 TFEU from the Juzgado de lo Mercantil nº 1 de Alicante y nº 1 de Marca Comunitaria (Spain), made by decision of 27 October 2011, received at the Court on 8 November 2011, in the proceedings

Fédération Cynologique Internationale

v

Federación Canina Internacional de Perros de Pura Raza,

THE COURT (First Chamber),

composed of A. Tizzano, President of the Chamber, A. Borg Barthet, M. Ilešič (Rapporteur), M. Safjan and M. Berger, Judges,

Advocate General: P. Mengozzi,

Registrar: M. Ferreira, Principal Administrator,

having regard to the written procedure and further to the hearing on 3 October 2012,

after considering the observations submitted on behalf of:

— the Fédération Cynologique Internationale, by E. Jordi Cubells, abogado,

— the Federación Canina Internacional de Perros de Pura Raza, by S. Doménech López, abogado,

— the Greek Government, by D. Kalogiros and G. Papadaki, acting as Agents,

— the Italian Government, by G. Palmieri, acting as Agent, assisted by S. Fiorentino, avvocato dello Stato,

— the European Commission, by F.W. Bulst and R. Vidal Puig, acting as Agents,

after hearing the Opinion of the Advocate General at the sitting on 15 November 2012,

* Language of the case: Spanish.

gives the following

Judgment

1 This request for a preliminary ruling concerns the interpretation of Article 9(1) of Council Regulation (EC) No 207/2009 of 26 February 2009 on the Community trade mark (OJ 2009 L 78, p. 1) ('the Regulation').

2 The request has been made in proceedings between the Fédération Cynologique Internationale ('FCI') and the Federación Canina Internacional de Perros de Pura Raza ('FCIPPR'), concerning an action for infringement and an application for a declaration of invalidity of a trade mark brought by FCI.

Legal context

3 Article 8 of the Regulation, entitled 'Relative grounds for refusal', provides:

'1. Upon opposition by the proprietor of an earlier trade mark, the trade mark applied for shall not be registered:

(a) if it is identical with the earlier trade mark and the goods or services for which registration is applied for are identical with the goods or services for which the earlier trade mark is protected;

(b) 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; the likelihood of confusion includes the likelihood of association with the earlier trade mark.

2. For the purposes of paragraph 1, "earlier trade mark" means:

(a) trade marks of the following kinds with a date of application for registration which is earlier than the date of application for registration of the Community trade mark, taking account, where appropriate, of the priorities claimed in respect of those trade marks:

(i) Community trade marks;

(ii) trade marks registered in a Member State, or, in the case of Belgium, the Netherlands or Luxembourg, at the Benelux Office for Intellectual Property;

(iii) trade marks registered under international arrangements which have effect in a Member State;

(iv) trade marks registered under international arrangements which have effect in the Community;

(b) applications for the trade marks referred to in subparagraph (a), subject to their registration;

(c) trade marks which, on the date of application for registration of the Community trade mark, or, where appropriate, of the priority claimed in respect of the application for registration of the Community trade mark, are well known in a Member State, in the sense in which the words "well known" are used in Article 6 *bis* of the Paris Convention.

3. Upon opposition by the proprietor of the trade mark, a trade mark shall not be registered where an agent or representative of the proprietor of the trade mark applies for registration thereof in his own name without the proprietor's consent, unless the agent or representative justifies his action.

4. Upon opposition by the proprietor of a non-registered trade mark or of another sign used in the course of trade of more than mere local significance, the trade mark applied for shall not be registered where and to the extent that, pursuant to the Community legislation or the law of the Member State governing that sign:

(a) rights to that sign were acquired prior to the date of application for registration of the Community trade mark, or the date of the priority claimed for the application for registration of the Community trade mark;

(b) that sign confers on its proprietor the right to prohibit the use of a subsequent trade mark.

5. Furthermore, upon opposition by the proprietor of an earlier trade mark within the meaning of paragraph 2, the trade mark applied for shall not be registered where it is identical with, or similar to, the earlier trade mark and is to be registered for goods or services which are not similar to those for which the earlier trade mark is registered, where, in the case of an earlier Community trade mark, the trade mark has a reputation in the Community and, in the case of an earlier national trade mark, the trade mark has a reputation in the Member State concerned and where the use without due cause of the trade mark applied for would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark.'

4 Under the provisions of Article 9 of the Regulation, entitled 'Rights conferred by a Community trade mark':

'1. A Community trade mark shall confer on the proprietor exclusive rights therein. The proprietor shall be entitled to prevent all third parties not having his consent from using in the course of trade:

(a) any sign which is identical with the Community trade mark in relation to goods or services which are identical with those for which the Community trade mark is registered;

(b) any sign where, because of its identity with, or similarity to, the Community trade mark and the identity or similarity of the goods or services covered by the Community trade mark and the sign, there exists a likelihood of confusion on the part of the public; the likelihood of confusion includes the likelihood of association between the sign and the trade mark;

(c) any sign which is identical with, or similar to, the Community trade mark in relation to goods or services which are not similar to those for which the Community trade mark is registered, where the latter has a reputation in the Community 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 Community trade mark.

...

3. The rights conferred by a Community trade mark shall prevail against third parties from the date of publication of registration of the trade mark. Reasonable compensation may, however, be claimed in respect of acts occurring after the date of publication of a Community trade mark application, which acts would, after publication of the registration of the trade mark, be prohibited by virtue of that publication. The court seised of the case may not decide upon the merits of the case until the registration has been published.'

5 Article 12 of the Regulation, entitled 'Limitation of the effects of a Community trade mark', states:

'A Community trade mark shall not entitle the proprietor to prohibit a third party from using in the course of trade:

(a) his own name or address;

(b) indications concerning the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of the goods or of rendering of the service, or other characteristics of the goods or service;

(c) the trade mark where it is necessary to indicate the intended purpose of a product or service, in particular as accessories or spare parts,

provided he uses them in accordance with honest practices in industrial or commercial matters.'

6 Title IV of the Regulation, entitled 'Registration Procedure', consists of Articles 36 to 45.

7 Paragraph 1 of Article 40 of the Regulation, entitled 'Observations by third parties', is worded as follows:

'Following the publication of the Community trade mark application, any natural or legal person and any group or body representing manufacturers, producers, suppliers of services, traders or consumers may submit to [the Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)] written observations, explaining on which grounds under Article 7, in particular, the trade mark shall not be registered *ex officio*. ...'

8 Article 41 of the Regulation, entitled 'Opposition', provides:

'1. Within a period of three months following the publication of a Community trade mark application, notice of opposition to registration of the trade mark may be given on the grounds that it may not be registered under Article 8 ...

...

3. Opposition must be expressed in writing and must specify the grounds on which it is made. It shall not be treated as duly entered until the opposition fee has been paid. Within a period fixed by [OHIM], the opponent may submit in support of his case facts, evidence and arguments.'

9 Article 53(1) of the Regulation states:

'A Community trade mark shall be declared invalid on application to [OHIM] or on the basis of a counterclaim in infringement proceedings:

(a) where there is an earlier trade mark as referred to in Article 8(2) and the conditions set out in paragraph 1 or paragraph 5 of that Article are fulfilled;

(b) where there is a trade mark as referred to in Article 8(3) and the conditions set out in that paragraph are fulfilled;

(c) where there is an earlier right as referred to in Article 8(4) and the conditions set out in that paragraph are fulfilled.'

10 Paragraph 1 of Article 54 of the Regulation, entitled 'Limitation in consequence of acquiescence', provides:

'Where the proprietor of a Community trade mark has acquiesced, for a period of five successive years, in the use of a later Community trade mark in the Community while being aware of such use, he shall no longer be entitled on the basis of the earlier trade mark either to apply for a declaration that the later trade mark is invalid or to oppose the use of the later trade mark in respect of the goods or services for which the later trade mark has been used, unless registration of the later Community trade mark was applied for in bad faith.'

The dispute in the main proceedings and the question referred for a preliminary ruling

11 FCI is the proprietor of the Community word and figurative mark No 4438751, FCI FEDERATION CYNOLOGIQUE INTERNATIONALE. Registration of the mark was applied for on 28 June 2005 and the date of publication of the registration was 5 July 2006. The registered sign takes the following form:



12 The trade mark was registered, inter alia, in respect of the organisation and conducting of exhibitions for commercial and advertising purposes with regard to dogs, training in the field of the breeding, rearing, care and keeping of dogs, arranging and conducting of dog breeding shows, creating parentage certificates and control certificates relating to dogs in the field of population and genetics, and the breeding, rearing and care of dogs.

13 FCIPPR is the proprietor of the following national marks:

— national word mark No 2614806, FEDERACIÓN CANINA INTERNACIONAL DE PERROS DE PURA RAZA – F.C.I., registration of which was applied for on 23 September 2004 and published in the register on 20 June 2005;

— national word and figurative mark No 2786697, FEDERACIÓN CANINA INTERNACIONAL DE PERROS DE PURA RAZA, registration of which was applied for on 9 August 2007 and published in the register on 12 March 2008:



— national word and figurative mark No 2818217, FEDERACIÓN CINOLOGICA INTERNACIONAL + F.C.I., registration of which was applied for on 11 February 2008 and published in the register on 26 August 2008:



14 FCIPPR is also the proprietor of Community figurative mark No 7597529. Registration of this trade mark was applied for on 12 February 2009 and published in the register on 3 September 2010. The registered sign takes the following form:



15 The above marks, of which FCIPPR is the proprietor, were registered, inter alia, in respect of purebred dog competitions and shows, the issuing of accreditation certificates, diplomas and cards, publications, printed matter and material relating to dog breeds and publications and catalogues on purebred dogs.

16 FCI opposed the registration by FCIPPR of Community trade mark No 7597529, but the opposition was rejected on the ground of non-payment of the relevant fee. On 18 November 2010 FCI applied to OHIM for a declaration that that mark was invalid. On 11 July 2011 FCIPPR requested a stay of the invalidity proceedings by reason of the initiation of the main proceedings. OHIM granted the stay on 20 September 2011.

17 On 18 June 2010, FCI filed proceedings against FCIPPR before the Juzgado de lo Mercantil nº 1 de Alicante y nº 1 de Marca Comunitaria (Commercial Court No 1 of Alicante and Community Trade Mark Court No 1) (Spain) comprising two actions:

— an action for infringement of Community trade mark No 4438751, held by FCI, and

— an application for a declaration of invalidity of the national trade marks No 2614806, No 2786697 and No 2818217, held by FCIPPR, on the ground, inter alia, that those marks give rise to a likelihood of confusion with Community trade mark No 4438751, held by FCI.

18 FCIPPR denied that there was any likelihood of confusion between the signs which it uses and Community trade mark No 4438751 held by FCI, and, by way of a counterclaim, sought a declaration that that Community trade mark was invalid on the ground that it had been registered in bad faith and that it gave rise to confusion with the earlier national trade mark, No 2614806.

19 The referring court takes the view that the dispute in the main proceedings raises the question as to whether the exclusive right which Article 9(1) of the Regulation confers on the proprietor of a Community trade mark, in this case FCI, may be enforced against a third party which is the proprietor of a subsequently registered Community trade mark, in this case FCIPPR, as long as the latter trade mark has not been declared invalid.

20 The referring court takes the view that Article 9(1) of the Regulation may be interpreted in two different ways. On the one hand, that provision could be interpreted as meaning that the exclusive right conferred by a Community trade mark does not entitle its proprietor to prohibit the proprietor of a subsequent Community trade mark from making use of that latter mark. It is only if the second Community trade mark were to be declared invalid that the proprietor of the first Community trade mark could bring infringement proceedings. This interpretation, it finds, was adopted by the Tribunal Supremo (Supreme Court) (Spain), in a judgment of 23 May 1994, and was followed by the Tribunal de Marcas comunitario (Community Trade Marks Court) (Spain), as can be seen from the decision of that court of 18 March 2010.

21 On the other hand, Article 9(1) of the Regulation could be interpreted as meaning that the right of a Community trade mark proprietor can be enforced against any third party, including one who subsequently registered a Community trade mark, even if the latter mark has not previously or simultaneously been declared invalid.

22 In those circumstances, the Juzgado de lo Mercantil nº 1 de Alicante y nº 1 de Marca Comunitaria decided to stay the proceedings and to refer to the Court the following question for a preliminary ruling:

‘In proceedings for infringement of the exclusive right conferred by a Community trade mark, does the right to prevent the use thereof by third parties in the course of trade provided for in Article 9(1) of [the Regulation] extend to any third party who uses a sign that involves a likelihood of confusion (because it is similar to the Community trade mark and the services or goods are similar) or, on the contrary, is the third party who uses that sign (capable of being confused) which has been registered in his name as a Community trade mark excluded until such time as that subsequent trade mark registration has been declared invalid?’

The question referred for a preliminary ruling

Admissibility

23 FCI contends that the question referred is inadmissible. First, it asserts that the question is hypothetical because the interpretation sought is not necessary for the purposes of resolving the case in the main proceedings. The actions contained in FCI's application concern solely national trade marks No 2614806, No 2786697 and No 2818217, while Community trade mark No 7597529, which was registered at a later date, is not mentioned in any way in the application. Furthermore, FCIPPR did not refer to this Community trade mark, either in its defence or in its counterclaim, apart from a mention for information purposes.

24 In addition, FCI maintains that the interpretation of Article 9(1) of the Regulation leaves no scope for any reasonable doubt. Thus, the question referred is broadly influenced by the case-law of the Tribunal Supremo, according to which infringement proceedings brought by the proprietor of an earlier registered mark against the proprietor of a later registered mark cannot succeed in the absence of a prior declaration that the latter mark is invalid.

25 Secondly, FCI submits that the rights of defence of the parties to the main proceedings have been prejudiced inasmuch as the question referred for a preliminary ruling was raised by the national court of its own motion without those parties having had an opportunity, before the conclusion of the hearing, to set out their views on whether the reference was appropriate.

26 It should first of all be recalled that in proceedings under Article 267 TFEU, which are based on a clear separation of functions between the national courts and the Court of Justice, it is solely for the national court before which the dispute has been brought, and which must assume responsibility for the subsequent judicial decision, to determine, in the light of the particular circumstances of the case, both the need for a preliminary ruling in order to enable it to deliver judgment and the relevance of the questions which it submits to the Court. Consequently, where the questions referred concern the interpretation of European Union law, the Court of Justice is, in principle, bound to give a ruling (see, inter alia, Case C-119/05 *Lucchini* [2007] ECR I-6199, paragraph 43; Case C-52/09 *TeliaSonera Sverige* [2011] ECR I-527, paragraph 15; and Joined Cases C-509/09 and C-161/10 *eDate Advertising and Others* [2011] ECR I-10269, paragraph 32).

27 The Court may refuse to rule on a question referred for a preliminary ruling from a national court only where it is quite obvious that the interpretation of European Union law that is sought bears no relation to the actual facts of the main action or its purpose, where the problem is hypothetical, or where the Court does not have before it the factual or legal material necessary to give a useful answer to the questions submitted to it (see, inter alia, *Lucchini*, paragraph 44; *TeliaSonera Sverige*, paragraph 16; and *eDate Advertising and Others*, paragraph 33).

28 In the present case, however, it is not manifestly clear from the case-file submitted to the Court that the interpretation of European Union law sought bears no relation to the purpose of the action, or that the problem raised by the national court is hypothetical.

29 On the contrary, it is evident from that case-file that the actions brought by FCI raise questions concerning FCIPPR's use of the signs that are liable to infringe the earlier Community trade mark held by FCI. Those signs include the sign covered by the later Community trade mark, No 7597529. Moreover, in its application, FCI explicitly referred to the use of, and the application to register, that Community trade mark by FCIPPR.

30 Furthermore, it should be pointed out that the fact that the parties to the main proceedings did not raise a point of European Union law before the referring court does not preclude the latter from bringing the matter before the Court of Justice. In providing that a request for a preliminary ruling may be submitted to the Court where 'a question is raised before any court or tribunal of a Member State', the second and third paragraphs of Article 267 TFEU are not intended to restrict this procedure exclusively to cases where one or other of the parties to the main proceedings has taken the initiative of raising a point concerning the interpretation or the validity of European Union law, but also extend to cases where a question of this kind is raised by the court or tribunal itself, which considers that a decision thereon by the Court of Justice is 'necessary to enable it to give judgment' (Case 126/80 *Salonia* [1981] ECR 1563, paragraph 7, and Case C-251/11 *Huet* [2012] ECR, paragraph 23).

31 In those circumstances, the request for a preliminary ruling must be regarded as admissible.

Substance

32 By its question, the national court is asking, essentially, whether Article 9(1) of the Regulation must be interpreted as meaning that the exclusive right of the proprietor of a Community trade mark to prevent all third parties from using, in the course of trade, signs identical with or similar to its trade mark extends to a third-party proprietor of a later Community trade mark without the need for that latter mark to have been declared invalid beforehand.

33 First of all, it should be noted that Article 9(1) of the Regulation does not make any distinction on the basis of whether the third party is the proprietor of a Community trade mark or not. Thus, that provision grants the proprietor of a Community trade mark an exclusive right to prevent 'any third party', not having its consent, from using, in the course of trade, any signs liable to infringe its mark (see, by analogy, Case C-488/10 *Celaya Emparanza y Galdos Internacional* [2012] ECR, paragraphs 33 and 34).

34 Consideration should then be given to Article 54 of the Regulation, concerning limitation in consequence of acquiescence, which states that '[w]here the proprietor of a Community trade mark has acquiesced, for a period of five successive years, in the use of a later Community trade mark …, he shall no longer be entitled … either to apply for a declaration that the later trade mark is invalid or to oppose the use of the later trade mark'.

35 It is apparent from the wording of this provision that, before the limitation in consequence of acquiescence takes effect, the proprietor of a Community trade mark is entitled both to apply to OHIM for a declaration of invalidity of the later Community trade mark and to oppose its use through infringement proceedings before a Community trade mark court.

36 Finally, it should be pointed out that neither Article 12 of the Regulation, relating to the limitation of the effects of a Community trade mark, nor any of its other provisions provides for an express limitation of the exclusive right of the proprietor of a Community trade mark in favour of the third-party proprietor of a later Community trade mark.

37 It is thus apparent from the wording and the general approach of Article 9(1) of the Regulation that the proprietor of a Community trade mark must be able to prevent the proprietor of a later Community trade mark from using that latter trade mark.

38 That conclusion is not called into question by the fact that the proprietor of a later trade mark also has the benefit of an exclusive right by virtue of Article 9(1) of the Regulation.

39 It should be noted in that connection that, as submitted by the European Commission in its observations, the provisions of the Regulation must be interpreted in the light of the priority principle, under which the earlier Community mark takes precedence over the later Community mark (see, by analogy, *Celaya Emparanza y Galdos Internacional*, paragraph 39).

40 It is clear from, inter alia, Articles 8(1) and 53(1) of the Regulation that, in the event of a conflict between two marks, the mark registered first is presumed to have met the conditions required to obtain Community protection before the mark registered second.

41 Furthermore, it is necessary to reject FCIPPR's argument that the characteristics of the registration procedure for Community trade marks require that, if, at the end of this procedure, the registration of the trade mark is allowed, that mark should confer on its owner a right of use that can be called into question only by an action for invalidity before OHIM or by a counterclaim in infringement proceedings.

42 It is, admittedly, true that the procedure for the registration of Community trade marks, laid down in Articles 36 to 45 of the Regulation, includes a substantive examination that seeks to determine, prior to registration, whether the Community mark fulfils the requirements for protection.

43 In addition, under this procedure, there is a publication phase in which third parties may submit to OHIM written observations explaining why the trade mark should not be registered *ex officio*, as well as an opportunity for owners of earlier trade marks to oppose registration of the trade mark within a period of three months following the publication of the Community trade mark application by putting forward, inter alia, the relative grounds for refusal set out in Article 8 of the Regulation.

44 However, as the Advocate General has observed in points 32 and 42 of his Opinion, those circumstances are not conclusive.

45 First, it must be stated that, despite the safeguards provided by the procedure for registering Community trade marks, it is not entirely inconceivable that a sign that is liable to infringe an earlier Community trade mark may be registered as a Community trade mark.

46 This may arise, inter alia, where the proprietor of the earlier Community trade mark has not filed a notice of opposition under Article 41 of the Regulation, or where that opposition has not been examined on its merits by OHIM by reason of non-compliance with the procedural requirements laid down by Article 41(3), as indeed was the position in the case in the main proceedings.

47 Secondly, the Court has already held, in the context of Council Regulation (EC) No 6/2002 of 12 December 2001 on Community designs (OJ 2002 L 3, p. 1), that actions alleging infringement and actions for a declaration of invalidity are distinguished in terms of their object and effects, with the result that the fact that it is possible for the holder of an earlier registered Community design to bring infringement proceedings against the holder of a later registered Community design cannot render the bringing of an application for a declaration of invalidity against the latter before OHIM devoid of all purpose (*Celaya Emparanza y Galdos Internacional*, paragraph 50).

48 That finding may be applied, *mutatis mutandis*, to the context of Community trade marks, in such a way that the possibility for the proprietor of an earlier Community trade mark to bring infringement proceedings against the proprietor of a later registered Community trade mark cannot render either the bringing of an application for a declaration of invalidity before OHIM or the mechanisms for prior control available under the procedure for registering Community trade marks devoid of all purpose.

49 It is, furthermore, important to emphasise the need to preserve the essential function of the trade mark, which is to guarantee to consumers the origin of the goods (Case C-206/01 *Arsenal Football Club* [2002] ECR I-10273, paragraph 51).

50 In that regard, the Court has repeatedly held that the exclusive right under Article 9(1) of the Regulation was conferred in order to enable the trade mark proprietor to protect his specific interests as proprietor of the mark, that is to say, to ensure that the trade mark can fulfil its own function (Joined Cases C-236/08 to C-238/08 *Google France and Google* [2010] ECR I-2417, paragraph 75 and the case-law cited).

51 As the Advocate General observed in points 43 and 44 of his Opinion, if the proprietor of an earlier trade mark, in order to prevent the use by a third party of a sign that is liable to affect the functions of its trade mark, were required to await the declaration of invalidity of the later Community mark held by that third party, the protection accorded to it by Article 9(1) of the Regulation would be significantly weakened.

52 In the light of the foregoing, the answer to the question referred is that Article 9(1) of the Regulation must be interpreted as meaning that the exclusive right of the proprietor of a Community trade mark to prohibit all third parties from using, in the course of trade, signs identical with or similar to its trade mark extends to a third-party proprietor of a later registered Community trade mark, without the need for that latter mark to have been declared invalid beforehand.

Costs

53 Since these proceedings are, for the parties to the main proceedings, a step in the action pending before the national court, the decision on costs is a matter for that court. Costs incurred in submitting observations to the Court, other than the costs of those parties, are not recoverable.

On those grounds, the Court (First Chamber) hereby rules:

Article 9(1) of Council Regulation (EC) No 207/2009 of 26 February 2009 on the Community trade mark must be interpreted as meaning that the exclusive right of the proprietor of a Community trade mark to prohibit all third parties from using, in the course of trade, signs identical with or similar to its trade mark extends to a third-party proprietor of a later registered Community trade mark, without the need for that latter mark to have been declared invalid beforehand.

[Signatures]