JUDGMENT OF THE COURT OF FIRST INSTANCE (Second Chamber)
28 January 2004 *

In Joined Cases T-146/02 to T-153/02,

Deutsche SiSi-Werke GmbH & Co. Betriebs KG, established in Eppelheim (Germany), represented by A. Franke, lawyer,

applicant,

v

Office for Harmonisation in the Internal Market (Trade Marks and Designs), represented by G. Schneider, acting as Agent,

defendant,

* Language of the case: German.

ACTIONS brought against the decisions of the Second Board of Appeal of the Office for Harmonisation in the Internal Market (Trade Marks and Designs) of 28 February 2002 (Cases R 719/1999-2 to R 724/1999-2, R 747/1999-2 and R 748/1999-2) concerning the registration of three-dimensional trade marks (stand-up pouches),

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

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

Registrar: D. Christensen, Administrator,

having regard to the applications lodged at the Registry of the Court of First Instance on 8 May 2002,

having regard to the order of 9 July 2002 by which Cases T-146/02 to T-153/02 were joined,

having regard to the response lodged at the Court Registry on 20 September 2002,

further to the hearing on 23 September 2003,

gives the following

Judgment

Background to the dispute

1 On 8 July 1997 the applicant filed eight applications for Community trade marks at the Office for Harmonisation in the Internal Market (Trade Marks and Designs) (the 'Office') under Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark (OJ 1994 L 11, p. 1), as amended.

2 The three-dimensional shapes for which registration was sought consist of various stand-up pouches for packaging drinks. The pouches have a convex form, are wider at the bottom and, viewed straight on, look, depending on the application concerned, somewhat like an elongated triangle or an oval with, in some cases, concave sides.

3 Registration of the marks was sought in respect of goods and services in Classes 1, 3, 5, 6, 16, 20, 29, 30, 32, 33, 39 and 40 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 By decisions of 24 and 27 September 1999, the examiner refused the eight trade-mark applications pursuant to Article 38 of Regulation No 40/94 on the ground that the marks applied for were devoid of any distinctive character under Article 7(1)(b) of Regulation No 40/94.

5 On 11 November 1999, the applicant brought eight appeals before the Office under Article 59 of Regulation No 40/94 against the Examiner's decisions, and limited its trade-mark applications to the following products:

— 'beers; mineral and aerated waters and other non-alcoholic drinks; fruit drinks and fruit juices; syrups and other preparations for making beverages' in Class 32;

— 'alcoholic beverages (except beers)' in Class 33.

6 By decisions of 28 February 2002 ('the contested decisions'), notified to the applicant on 11 March 2002, the Board of Appeal dismissed the appeals on the ground that the marks applied for were not distinctive under Article 7(1)(b) of Regulation No 40/94.

7 In essence, the Board of Appeal found that consumers would not perceive the stand-up pouches as an indication of commercial origin but solely as a form of packaging. It added that, in the interests of competitors, packaging manufacturers and beverage producers, there could be no monopoly in this type of packaging.

8 By an application made to the Office on 6 May 2002, the applicant confined its trade-mark applications to the following products: 'fruit drinks and fruit juices', in Class 32.

Forms of order sought

9 The applicant claims that the Court should:

— annul the contested decisions;

— order the Office to pay the costs.

10 The Office contends that the Court should:

— dismiss the actions;

— order the applicant to pay the costs.

Law

The subject-matter of the proceedings

11 When questioned on this point, the Office confirmed that the limitation of the list of relevant products, effected by the applicant on 6 May 2002 after the contested decisions were adopted, was in order and could take effect.

12 The Court of First Instance notes that at the hearing the parties agreed that by virtue of that limitation the present proceedings must be taken to seek annulment of the contested decisions only in so far as the latter do not uphold the applicant's claims in relation to 'fruit drinks and fruit juices', in Class 32.

The legal basis of the contested decisions

13 The applicant maintains that the Board of Appeal, by giving as the reason for its decisions the necessity of avoiding a monopoly, relied on the need to preserve the availability of certain signs and, consequently, on Article 7(1)(c) of Regulation No 40/94.

14 The Court finds that the applicant's conclusion on the legal basis of the need for availability is incorrect. First, Article 7(1)(b) of Regulation No 40/94 is the only legal basis mentioned in the contested decisions. Second, no direct and exclusive link can be established between the risk that a monopoly may be created and a specific absolute ground for refusal. On the contrary, there is settled case-law to the effect that the absolute grounds for refusal set out in Article 7(1)(b) to (e) of Regulation No 40/94 address the concern of the Community legislature to prevent the grant to one operator of exclusive rights which could hinder competition on the market for the goods or services concerned (see, as regards the ground for refusal relating to a trade mark's distinctive character, Case C-104/01 *Libertel* [2003] ECR I-3793, paragraph 60).

15 However, for the same reasons, the fact that the applicant's plea concerning Article 7(1)(c) of Regulation No 40/94 has been rejected does not of itself mean

that its complaints relating to the application in this instance of the need for availability must also be dismissed. Those complaints stand in so far as they concern the unlawful application of that principle in the context of Article 7(1)(b) of Regulation No 40/94.

The distinctive character of the marks applied for

Arguments of the parties

16 The applicant submits in essence that it is unusual to find fruit drinks and fruit juices packaged in stand-up pouches. The fact that this type of packaging is unusual for the products concerned removes the need for the signs at issue to remain available and confers distinctive character on the marks applied for.

17 The consumer is accustomed to drinks packaging being used in marketing campaigns. Thus, where there are grounds for doing so, consumers perceive drinks packaging as an indication of the product's commercial origin.

18 The applicant accepts that it is in the general interest to preserve the availability of signs which, because they coincide with the usual way of designating the products or services concerned, or their characteristics, do not perform the function of identifying the undertaking which places them on the market. By contrast, any signs which are unusual, in particular the graphic representation of the shape of a product, can be registered as a Community trade mark. In light of the criteria laid down by the judgment in *Libertel*, cited in paragraph 14 above, the general interest at which the need for availability is aimed is not undermined

in this instance. First, the relevant sector is particularly narrow, since it covers only fruit drinks and fruit juices, and, second, the signs claimed do not belong to a narrow category, since drinks packaging may take an infinite number of forms.

19 The applicant observes that, under Article 7(1)(b) of Regulation No 40/94, a minimum degree of distinctive character is sufficient for a mark to be registrable. Therefore, a three-dimensional shape cannot be held devoid of distinctive character if it is unusual in the sector under consideration.

20 As regards the product itself, the applicant maintains that it is unusual to package fruit drinks and fruit juices in stand-up pouches. As the Board of Appeal admits, those drinks are most often packaged and sold in bottles or, less frequently, in cans or cartons. The fact that that state of affairs has prevailed in spite of the applicant's long-standing commercial success with stand-up pouches shows that there is no general interest in using such pouches for drinks. Moreover, stand-up pouches with the appearance applied for are completely out of the ordinary and cannot be described simply as variations on that type of pouch. They are also technically complex to manufacture, expensive and present no advantages in relation to customary drinks packaging. In addition, their novel appearance, primarily their shape and their metallic finish, achieved by a special technique, gives the marks applied for a unique 'look'.

21 The stand-up pouches for which the marks are applied are sufficiently novel for the average consumer to be able to recognise a quite specific non-alcoholic drink which he can attribute to a particular manufacturer.

22 The applicant submits that the items found on the internet and cited by the Board of Appeal in the contested decisions do not establish that stand-up pouches for fruit juices and fruit drinks are commonplace. Those items provide no evidence of

any current need for the signs to remain available, since none of them relates to the European market. Furthermore, those items — some of which go back several years — provide no grounds for a claim that there will be a need for availability in the future.

23 The applicant maintains that, in light of the Office's practice, the Board of Appeal applied the requirement for originality in a mark representing drinks packaging too strictly in this instance. In that regard, the applicant specifically makes mention of two Community registrations relating to the 'Granini' bottle and to the 'Brunnenflasche' and of a registration relating to a curvy drinks can.

24 Finally, the applicant refers to the registration by the Deutsches Patent- und Markenamt (German Patent and Trade Mark Office) of four of the marks currently applied for. Although those registrations are not binding on the Office, they should none the less be examined as to their substance when the marks applied for are assessed, since the Deutsches Patent- und Markenamt applies the law in compliance with the 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), which is interpreted uniformly by the Community Courts and which corresponds on the point under consideration to Regulation No 40/94.

25 The Office contends that the Board of Appeal merely supplemented its assessment of the distinctive character of the marks applied for with some additional observations on the risk that a monopoly would be created, without making that a condition for the application of Article 7(1)(b) of Regulation No 40/94.

26 In the Office's submission, in the case of products which cannot be marketed unpackaged (liquids or perishable goods), and in particular in the case of everyday consumer goods, if the packaging is to function as an indication of

commercial origin, the product's packaging must clearly stand out from all comparable packaging used for the product. As regards the marks applied for in the present case, the Office submits that the differences between the pouches whose representation is claimed as a mark and the other stand-up pouches on the market are not sufficient to confer distinctive character on the marks applied for. Examination of the internet sites referred to by the Board of Appeal and other sites bears out that this type of packaging is commonplace for foodstuffs in general and for drinks in particular.

27 The Office contends that the long-standing use by the applicant of the pouches whose graphic representation is claimed can be taken into account only under Article 7(3) of Regulation No 40/94, a provision which the applicant has not invoked.

28 As regards the national registrations and decisions of the Office which are mentioned by the applicant, the Office observes *inter alia* that it is not legally bound by them.

Findings of the Court

29 Under Article 7(1)(b) of Regulation No 40/94, 'trade marks which are devoid of any distinctive character' are not to be registered.

30 Marks falling within Article 7(1)(b) of Regulation No 40/94 as devoid of any distinctive character are those not capable of exercising the essential function of a trade mark, which is to identify the commercial origin of the goods or services.

31 As is clear from the case-law, the trade marks covered by Article 7(1)(b) of Regulation No 40/94 are, in particular, those which, from the point of view of the relevant public, are commonly used, in trade, for the presentation of the goods or services concerned or with regard to which there exists, at the very least, concrete evidence justifying the conclusion that they are capable of being used in that manner (Case T-323/00 *SAT.1* v *OHIM (SAT.2)* [2002] ECR II-2839, paragraph 37, and Case T-194/01 *Unilever* v *OHIM (Ovoid tablet)* [2003] ECR II-383, paragraph 39).

32 It should be observed that the interest that competitors of an applicant for a three-dimensional mark consisting of the product's design may have in being able freely to choose shapes and patterns for their own products is not in itself a ground for refusing registration of such a mark, nor a criterion sufficient in itself for the assessment of the mark's distinctive character. Article 7(1)(b) of Regulation No 40/94, in excluding the registration of signs devoid of any distinctive character, protects any interest there may be in keeping available various alternatives for a product's design only to the extent to which the design of the product in respect of which registration is sought is not capable, *a priori* and irrespective of the use made of it within the meaning of Article 7(3) of Regulation No 40/94, of functioning as a trade mark, that is to say, of enabling the relevant public to distinguish the product concerned from those having a different trade origin.

33 A sign's distinctiveness can only be assessed, first, by reference to the goods or services for which registration is sought and, second, on the basis of the perception of that sign by the relevant public.

34 So far as the instant cases are concerned, it is appropriate to point out that the marks applied for consist of the appearance of the packaging for the products concerned, that is to say, of the graphic representation of various stand-up pouches designed to contain fruit drinks and fruit juices.

35 The Board of Appeal, in each of the contested decisions, found (i) that 'a person buying drinks, on seeing the stand-up pouch concerned, will not perceive it first and foremost as referring to a manufacturer but merely as a form of packaging for the drink which he wishes to purchase' (contested decisions, paragraph 16, *in fine*), (ii) that all the graphic representations claimed showed a commonplace container for the products in respect of which the applicant sought registration (contested decisions, paragraph 22; Decision R 722/1999-2, paragraph 21), and (iii) that the average consumer would perceive them as additional variations on stand-up pouches (contested decisions, paragraph 20, except for Decision R 722/1999-2). It also found that, given the increasing significance of this type of pouch in the packaging and drinks industries, a stand-up pouch such as those at issue in the present proceedings could not be monopolised by a single manufacturer (contested decisions, paragraph 20; Decision R 722/1999-2, paragraph 19).

36 The public concerned by the marks applied for consists of all end consumers. Fruit drinks and fruit juices are intended for everyday consumption. Therefore, in any assessment of the distinctive character of the marks applied for, account must be taken of the presumed expectations of an average consumer who is reasonably well informed and reasonably observant and circumspect (see, by analogy, Case C-210/96 *Gut Springenheide and Tusky* [1998] ECR I-4657, paragraphs 30 to 32).

37 In that regard, the Court recalls that the perception of the relevant public is not necessarily the same in relation to a three-dimensional mark consisting of the appearance of the product itself as it is in relation to a word mark, a figurative mark or a three-dimensional mark not consisting of that appearance. Whilst the public is used to recognising the latter marks instantly as signs identifying the product, this is not necessarily so where the sign is indistinguishable from the appearance of the product itself (see, by analogy, *Libertel*, cited in paragraph 14 above, paragraph 65, and *Ovoid tablet*, cited in paragraph 31 above, paragraph 45).

38 Since a liquid product must of necessity be packaged for sale, the average consumer will perceive the packaging first and foremost simply as a means of packaging the product for sale. However, a sign which fulfils functions other than that of a trade mark is distinctive for the purposes of Article 7(1)(b) of Regulation No 40/94 only if it may be perceived immediately as an indication of the commercial origin of the goods or services in question, so as to enable the relevant public to distinguish, without any possibility of confusion, the goods or services of the owner of the mark from those of a different commercial origin (Case T-130/01 *Sykes Enterprises* v *OHIM (REAL PEOPLE, REAL SOLUTIONS)* [2002] ECR II-5179, paragraph 20). Therefore, the average consumer will see the form of drinks packaging as an indication of the product's commercial origin only if that form may be perceived immediately as such an indication.

39 The applicant maintains, first, that packaging fruit drinks and fruit juices in stand-up pouches is, in itself, unusual.

40 In that regard, the Board of Appeal established to the requisite legal standard, in the light of the internet sites mentioned in the contested decisions, first, that stand-up pouches were already used as packaging for certain beverages and, second, that their use was likely to become general for all types of beverages (contested decisions, paragraphs 17 to 19).

41 The applicant's criticisms of the geographic and temporal relevance of the internet examples do not render those examples irrelevant. Overall the information on the various internet sites shows that stand-up pouches are currently used worldwide for packaging drinks, in particular fruit juices, and that such pouches are used in the Community as packaging for liquids for human consumption. The information available on the internet provides concrete

evidence that stand-up pouches are commonly used, in trade, for presentational purposes for the products concerned or, at the very least, that they are capable of being used in that way.

42 Since this form of packaging is in general use for liquids for human consumption, including beverages, it is not sufficiently unusual for the average consumer to perceive it, *per se*, as an indication of the specific commercial origin of a product within that category. This kind of packaging for liquids for human consumption is devoid of distinctive character as regards each of the products within that category and, in particular, the beverages concerned in this instance. The expected development of this type of packaging confirms, if confirmation were needed, that its use is unexceptional.

43 As regards the applicant's argument based on the fact that it has used the type of packaging at issue for the products concerned for a long time and that its use has not been imitated, the Court points out that even though a sign has been used exclusively, that does not make it intrinsically distinctive. In accordance with the general scheme of Article 7 of Regulation No 40/94, the use of a sign may be taken into account only for the purposes of Article 7(3) in order to establish that the sign has acquired distinctiveness. Since the applicant has not claimed that the marks applied for have acquired distinctive character through use within the Community as a whole, its argument cannot succeed.

44 The applicant then maintains that the graphic representations claimed have design features which are not merely commonplace or functional attributes. In that regard, it mentions chiefly, in addition to a set of features amounting to a detailed description of the pouches whose representation is applied for as a mark, the novelty of the essential shape of the pouches, namely, depending on the case under consideration, an oval or a triangle, and their metallic finish.

45 Thus, the overall impression produced by the appearance of the pouches concerned must be examined (see, by analogy, Case C-251/95 *SABEL* [1997] ECR I-6191, paragraph 23). That is not incompatible with an examination of each of the individual features in turn (*Ovoid tablet*, cited in paragraph 31 above, paragraph 54).

46 In that regard, the Court finds, first, that the graphic representations claimed depict a certain type of packaging for liquids. The examples of stand-up pouches supplied in the contested decisions show that, very generally, the pouches consist of three surfaces joined by seams on five sides with a square or rectangular-shaped front and rear surface.

47 Most of the design features mentioned by the applicant either simply coincide with the standard shape of stand-up pouches or are too insignificant to be capable of being memorised by the relevant public. Thus, the convex form, the parallel lines down the sides and even the upper horizontal line where the surfaces are joined cannot confer any degree of distinctiveness on the applicant's pouches in comparison with the basic shapes of stand-up pouches. Furthermore, the circular arc or the 'V', formed by the seam at the bottom of the pouches, the different size of the front and back and the absence of an upper line are not capable of being apprehended by the relevant public as characteristics enabling them to recognise the pouches.

48 There then remain three features capable of appreciably distinguishing the graphic representations of the pouches at issue from the standard form of a stand-up pouch, namely the basic shapes of the pouches, their concave sides and their metallic finish.

49 First, the basic shapes of the various pouches concerned consist of a rectangle, an oval or a triangle. They correspond to the basic geometric shapes which may be used for stand-up pouches. Furthermore, because of technical constraints and the purpose of the stand-up packaging, which is to stand up, the oval and triangular shapes are rendered less distinct by straight lower and upper edges which make them look more like a square or a rectangle. As a consequence, these basic shapes cannot, *per se*, confer distinctive character on the marks applied for, since they are, or may be, commonly used for stand-up pouches.

50 Second, the concave sides of four of the graphic representations claimed will be associated in the average consumer's mind with making the pouches easier to hold. In addition, the indents are a fairly minor feature and are variations on straight sides which are too basic to be capable, in themselves, of conferring distinctive character on the shapes concerned.

51 Third, the relevant public will, rightly or wrongly, perceive the pouches' metallic finish resulting from the play of light on grey as deriving from the constituents of the foil used in the manufacture of the pouches. Therefore, the metallic finish will not be perceived by the average consumer as an indication of the commercial origin of the products concerned.

52 Finally, as regards the appearance of each of the pouches concerned, taken as a whole, the Board of Appeal was right to find that the differences between the shapes and 'look' applied for and the standard appearance of stand-up pouches constituted mere variations on that appearance. The sum of those differences does not make the overall appearance of each of the pouches concerned markedly

different from the standard appearance of any stand-up pouch. The association of various minor design features or the overall appearance of the different pouches is not such as to be retained by the average consumer, whose level of attention in this regard is low, as an indication of the commercial origin of the products concerned.

53 It should also be added that technical difficulties and the cost of manufacturing the pouches as they appear in the graphic representations claimed are not relevant criteria for the purpose of assessing whether the marks applied for have distinctive character. A shape which is devoid of any distinctive character cannot acquire it because its production is difficult or costly.

54 Furthermore, the Board of Appeal was entitled to mention the risk of a monopoly being created in stand-up pouches for the drinks concerned, since its findings confirmed that the pouches were devoid of distinctive character for those products, reflecting the general interest underlying the absolute ground for refusal founded on Article 7(1)(b) of Regulation No 40/94. Moreover, the risk of a monopoly being created is appreciably higher in this instance given that the trade-mark applications cover a large number of the conceivable variations on the standard form of stand-up pouch.

55 As regards the applicant's reliance on various Community registrations for drinks packaging, the Court observes that, in accordance with settled case-law, the registrability of a sign as a Community trade mark must be assessed only on the basis of the relevant Community legislation, as interpreted by the Community judicature, and not on the basis of the approach taken in the past by the Boards of Appeal in their decisions (*SAT.2*, cited in paragraph 31 above, paragraph 60, and *Sykes Enterprises* v *OHIM (REAL PEOPLE, REAL SOLUTIONS)*, cited at paragraph 38 above).

56 As regards the argument concerning the four trade marks registered by the Deutsches Patent- und Markenamt, three of which are similar to certain of the marks applied for in this instance (Cases T-148/02, T-149/02 and T-151/02), it is apparent from settled case-law that registrations already made in the Member States are only factors which may merely be taken into consideration, without being given decisive weight, for the purposes of registering a Community trade mark (see *Ovoid tablet*, cited in paragraph 31 above, paragraph 68 and the case-law referred to). Consequently, the Board of Appeal correctly took account of those national registrations, stating that they did not persuade it to alter its findings.

57 In the light of the foregoing, the Board of Appeal was right to find that the eight graphic representations of stand-up pouches were devoid of distinctive character in relation to the products concerned, including fruit drinks and fruit juices.

58 The present actions must therefore be dismissed.

Costs

59 Under Article 87(2) of the Rules of Procedure of the Court of First Instance, the unsuccessful party is to be ordered to pay the costs if they were applied for in the successful party's pleadings. Since the applicant has been unsuccessful, it must be ordered to pay the costs, as applied for by the Office.

On those grounds,

THE COURT OF FIRST INSTANCE (Second Chamber)

hereby:

1. Dismisses the actions;

2. Orders the applicant to pay the costs.

Forwood Pirrung Meij

Delivered in open court in Luxembourg on 28 January 2004.

H. Jung

Registrar

J. Pirrung

President