Reports of Cases

JUDGMENT OF THE GENERAL COURT (Fourth Chamber)

23 September 2020*

(EU trade mark – Opposition proceedings – Application for EU word mark MUSIKISS – Earlier United Kingdom word and figurative marks KISS – Agreement on the withdrawal of the United Kingdom from the European Union and Euratom – Transition period – Decision of the Board of Appeal to remit the case to the Opposition Division – Admissibility – Relative ground for refusal – Likelihood of confusion – Article 8(1)(b) of Regulation (EC) No 207/2009 (now Article 8(1)(b) of Regulation (EU) 2017/1001))

In Case T-421/18,

Bauer Radio Ltd, established in Peterborough (United Kingdom), represented by G. Messenger, Barrister,

applicant,

v

European Union Intellectual Property Office (EUIPO), represented by S. Bonne, H. O'Neill and V. Ruzek, acting as Agents,

defendant,

the other party to the proceedings before the Board of Appeal of EUIPO, intervener before the General Court, being

Simon Weinstein, residing in Vienna (Austria), represented by M.-R. Petsche and M. Grötschl, lawyers,

ACTION brought against the decision of the First Board of Appeal of EUIPO of 14 March 2018 (Case R 510/2017-1), relating to opposition proceedings between Bauer Radio and Mr Weinstein,

THE GENERAL COURT (Fourth Chamber),

composed of S. Gervasoni, President, L. Madise and R. Frendo (Rapporteur), Judges,

Registrar: P. Cullen, Administrator,

having regard to the application lodged at the Court Registry on 10 July 2018,

having regard to the plea of inadmissibility raised by EUIPO by document lodged at the Court Registry on 10 October 2018,

* Language of the case: English.

having regard to the response of the intervener lodged at the Court Registry on 10 October 2018,

having regard to the order of 12 February 2019 reserving the decision on the plea of inadmissibility for the final judgment,

having regard to the response of EUIPO lodged at the Court Registry on 24 April 2019,

having regard to the change in the composition of the Chambers of the General Court,

further to the hearing on 16 January 2020,

having regard to the order of 25 February 2020 reopening the oral part of the procedure,

having regard to the written questions put by the Court to the parties and their answers to those questions lodged at the Court Registry on 13, 16 and 19 March 2020,

gives the following

Judgment [1]

Background to the dispute

1 On 15 November 2013, the intervener, Mr Simon Weinstein, filed an application for registration of an EU trade mark with the European Union Intellectual Property Office (EUIPO), pursuant to Council Regulation (EC) No 207/2009 of 26 February 2009 on the European Union trade mark (OJ 2009 L 78, p. 1), as amended (replaced by Regulation (EU) 2017/1001 of the European Parliament and of the Council of 14 June 2017 on the European Union trade mark (OJ 2017 L 154, p. 1)).

2 Registration as a mark was sought for the word sign MUSIKISS.

3 The services in respect of which registration was sought are in Classes 35, 41 and 45 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, and correspond, for each of those classes, to the following description:

– Class 35: ‘Advertising, including online, in particular advertisements, for others; Employment agencies, in particular in connection with music or for those interested in music; Retailing and wholesaling, including online, of goods and services in the music sector’;

– Class 41: ‘Organising, Coordination and Provision of recreational events; Booking of events; Performance of music, song, (short) films, radio and television programmes and cultural programmes; Ticket reservation and advance sale for events; Compilation, gathering, management and providing of data in connection with music or for those interested in music, including via databases searchable online or via apps’;

– Class 45: ‘Social services, namely arranging groups sharing interests and dating via social networks’.

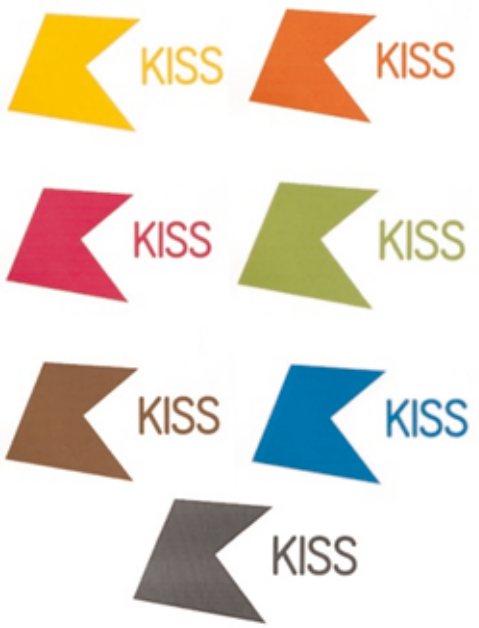
4 The trade mark application was published in the *Community Trade Marks Bulletin* No 2014/036 of 24 February 2014.

1 Only the paragraphs of the present judgment which the Court considers it appropriate to publish are reproduced here.

5 On 23 May 2014, the applicant, Bauer Radio Ltd, filed a notice of opposition pursuant to Article 41 of Regulation No 207/2009 (now Article 46 of Regulation 2017/1001) to registration of the mark applied for in respect of the services referred to in paragraph 3 above.

6 The opposition was based on the following earlier marks:

– the series of seven United Kingdom figurative marks filed on 24 August 2006 and registered on 17 October 2008 under No 2430834 covering, inter alia, 'broadcasting services; radio broadcasting; radio broadcasting and transmission' in Class 38 and 'organising, conducting, production of shows, events, displays, and parties; organisation of events for cultural, and entertainment purposes; radio entertainment services' in Class 41, which are services in respect of which the Board of Appeal concluded that genuine use had been established:



– the United Kingdom word mark KISS filed on 17 September 2013 and registered on 28 February 2014 under No 3022390 covering, inter alia, the goods and services in Classes 9 and 41 corresponding, for each of those classes, to the following description:

  – Class 9: 'Downloadable application software; downloadable mobile application software for mobile devices; downloadable mobile application software phones and tablets; computer software for use as an application programming interface (API)';

  – Class 41: 'Providing use of software applications through a website; Entertainment services provided via a website; radio entertainment services provided via a website; competitions provided via a website; provision of information relating to entertainment, sporting and cultural activities for accessing by means of software applications; provision of music and music entertainment for accessing by means of software applications; provision of radio broadcasts for accessing by means of software applications; provision of radio entertainment services for accessing by means of software applications; provision of competitions for accessing by means of software applications'.

7 The grounds relied on in support of the opposition were those set out in Article 8(1)(b) and Article 8(5) of Regulation No 207/2009 (now Article 8(1)(b) and Article 8(5) of Regulation 2017/1001).

8 The applicant claimed that the earlier marks are distinctive and have a reputation in the United Kingdom in respect of all the goods and services covered by those marks and that use of the mark applied for would take unfair advantage of the earlier marks' distinctiveness and reputation and would be detrimental to them.

9 By decision of 17 January 2017, the Opposition Division upheld the opposition in part, on the basis of Article 8(1)(b) of Regulation No 207/2009, and rejected the application for registration in respect of the following services:

– Class 35: 'Retailing and wholesaling, including online, of goods and services in the music sector';

– Class 41: 'Organising, Coordination and Provision of recreational events; Booking of events; Performance of music, song, (short) films, radio and television programmes and cultural programmes; Ticket reservation and advance sale for events; Compilation, gathering, management and providing of data in connection with music or for those interested in music, including via databases searchable online or via apps';

– Class 45: 'Social services, namely arranging groups sharing interests and dating via social networks'.

10 The opposition was rejected and the application for registration was allowed in respect of the following services in Class 35: 'Advertising, including online, in particular advertisements, for others; Employment agencies, in particular in connection with music or for those interested in music'.

11 On 14 March 2017, the intervener filed a notice of appeal with EUIPO, pursuant to Articles 58 to 64 of Regulation No 207/2009 (now Articles 66 to 71 of Regulation 2017/1001), against the Opposition Division's decision.

12 On 18 July 2017, the applicant filed an ancillary appeal against the Opposition Division's decision, pursuant to Article 8(3) of Commission Regulation (EC) No 216/96 of 5 February 1996 laying down the rules of procedure of the Boards of Appeal of the Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OJ 1996 L 28, p. 11).

13 By decision of 14 March 2018 ('the contested decision'), the First Board of Appeal of EUIPO annulled the Opposition Division's decision and remitted the case to it 'for further prosecution of Article 8(1)(b) and Article 8(5) of Regulation No 207/2009'.

14 As regards the application of Article 8(1)(b) of Regulation No 207/2009, the Board of Appeal found that some of the services in the application for registration were different from the services covered by the earlier word mark and that there could therefore be no likelihood of confusion in respect of those services. The Opposition Division's decision was therefore annulled in so far as it found those services to be similar. The services covered by the mark applied for in respect of which the Opposition Division's decision was annulled were the following:

– Class 35: 'Retailing and wholesaling, including online, of goods and services in the music sector';

– Class 45: 'Social services, namely arranging groups sharing interests and dating via social networks'.

15 In addition, the Board of Appeal found that the following services in Class 35 covered by the mark applied for were different from the services covered by the earlier marks: 'Advertising, including online, in particular advertisements, for others; Employment agencies, in particular in connection with music or for those interested in music'. Consequently, the applicant's ancillary appeal was dismissed as regards the issue of whether the services in question are similar.

16 As regards 'Retailing and wholesaling, including online, of goods and services in the music sector', covered by the mark applied for and in Class 35, the Board of Appeal found, in paragraph 51 of the contested decision, a low degree of similarity between those services and the applicant's services in Class 41 covered by the earlier word mark.

17 In relation to 'Organising, Coordination and Provision of recreational events; Booking of events; Performance of music, song, (short) films, radio and television programmes and cultural programmes; Ticket reservation and advance sale for events; Compilation, gathering, management and providing of data in connection with music or for those interested in music, including via databases searchable online or via apps', covered by the mark applied for and in Class 41, the Board of Appeal found those services to be identical or highly similar to the services in Class 41 which are covered by the earlier word mark.

18 The Board of Appeal also found that the services covered by the mark applied for consisting of 'Compilation, gathering, management and providing of data in connection with music or for those interested in music, including via databases searchable online or via apps' were similar to the services in Class 41 which are covered by the series of earlier figurative marks and in respect of which genuine use had been established.

19 In relation to 'Organising, Coordination and Provision of recreational events; Booking of events; Performance of music, song, (short) films, radio and television programmes and cultural programmes; Ticket reservation and advance sale for events' in Class 41 and covered by the mark applied for, the Board of Appeal found that they were identical to the services in Class 41 which are covered by the series of earlier figurative marks and in respect of which genuine use had been established.

20 As regards the likelihood of confusion, the Board of Appeal found that the degree of visual and phonetic similarity between the signs at issue was low and that there could be no likelihood of confusion, even for the services which were found to be identical or similar, in the event that the earlier marks did not have a reputation. Consequently, it annulled the Opposition Division's decision inasmuch as the Opposition Division had found that there was a likelihood of confusion on the part of the relevant public in respect of the identical or similar services, irrespective of the alleged reputation which the earlier marks might enjoy.

21 In the light of those considerations, the Board of Appeal held that the Opposition Division had to carry out a comprehensive and in-depth assessment of the likelihood of confusion under Article 8(1)(b) of Regulation No 207/2009, taking account of the claim that the earlier marks had a reputation in the light of all the evidence that had been filed before it pursuant to Article 8(5) of Regulation No 207/2009.

22 As regards the series of earlier figurative marks, the Board of Appeal held, in paragraphs 81 and 82 of the contested decision, that 'the degree of similarity between [those marks] and the mark applied for [was] even less' and followed a similar line of reasoning.

23 Furthermore, according to the Board of Appeal, the Opposition Division had erred in finding that the publics targeted by the services it had found to be dissimilar in the application for registration and in the specifications of the earlier marks did not coincide. The Board of Appeal therefore annulled the Opposition Division's decision so far as concerns Article 8(5) of Regulation No 207/2009.

24 Finally, the Board of Appeal stated, in paragraph 114 of the contested decision, that, 'since the case is remitted to [the] Opposition Division, and a final decision has yet to be rendered, this decision will be appealable with the decision definitively deciding on the opposition'.

Forms of order sought

25 The applicant claims that the Court should:

– annul the contested decision;

– order EUIPO and the intervener to pay the costs.

26 In the plea of inadmissibility, EUIPO contends that the Court should:

– declare the action inadmissible;

– order the applicant to pay the costs.

27 In its response, EUIPO contends that the Court should:

– dismiss the action;

– order the applicant to pay the costs.

28 The intervener contends that the Court should:

– declare the action inadmissible;

– in the alternative, dismiss the action on its merits;

– order the applicant to pay the costs.

Law

Preliminary considerations

29 At the hearing on 16 January 2020, the intervener submitted that, since the opposition to registration of MUSIKISS as an EU trade mark was based on earlier United Kingdom trade marks, in the event of the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union without an agreement, the opposition would have to be dismissed on the ground that the earlier United Kingdom trade marks would no longer enjoy the same protection and that, consequently, the action brought before the Court would be devoid of purpose.

30 Following the United Kingdom's withdrawal from the European Union, the Court, by way of measures of organisation of procedure adopted in accordance with Article 89 of its Rules of Procedure, invited the parties to comment on the application of Article 127 of the Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community (OJ 2020 L 29, p. 7, 'the withdrawal agreement'), and on the judgments of 29 November 2018, *Alcohol Countermeasure Systems (International)* v *EUIPO* (C-340/17 P, not published, EU:C:2018:965), and of 30 January 2020, *Grupo Textil Brownie* v *EUIPO – The Guide Association (BROWNIE)* (T-598/18, EU:T:2020:22).

31 In that regard, it should be noted that the withdrawal agreement, which sets out the arrangements for the withdrawal of the United Kingdom from the European Union, entered into force on 1 February 2020. The agreement provides for a transition period from 1 February to 31 December 2020, which may be extended once, for a maximum duration of up to one or two years ('the transition period').

32 Article 127 of the withdrawal agreement stipulates that, unless otherwise provided, EU law continues to be applicable in the United Kingdom during the transition period.

33 It follows, as the parties accept in their written replies to the measures of organisation of procedure, that, in the absence of provisions to the contrary in the withdrawal agreement, Regulation 2017/1001 continues to be applicable to United Kingdom trade marks and that, accordingly, until the end of the transition period, the earlier marks registered by the applicant in the United Kingdom continue to receive the same protection as they would have received had the United Kingdom not withdrawn from the European Union.

34 That conclusion is supported by the fact that the existence of a relative ground for opposition must be assessed as at the time of filing of the application for registration of an EU trade mark against which the opposition has been filed (judgment of 30 January 2020, *BROWNIE*, T-598/18, EU:T:2020:22, paragraph 19).

35 The fact that the earlier trade mark could lose the status of a trade mark registered in a Member State at a time after the filing of the application for registration of the EU trade mark, in particular following the possible withdrawal of the Member State concerned from the European Union, is in principle irrelevant to the outcome of the opposition (judgment of 30 January 2020, *BROWNIE*, T-598/18, EU:T:2020:22, paragraph 19).

36 It follows that, in the present case, as at the date of the present judgment, the withdrawal of the United Kingdom from the European Union has no bearing on the protection enjoyed by the earlier trade marks as EU trade marks. Accordingly, those trade marks can still form the basis of an opposition to registration of the mark applied for.

37 As regards the question raised by the intervener at the hearing concerning the applicant's interest in bringing proceedings following the United Kingdom's withdrawal from the European Union, it should be noted that, according to settled case-law, an interest in bringing proceedings requires that the annulment of the contested act must be capable, in itself, of having legal consequences and that the action may therefore, through its outcome, procure an advantage to the party which brought it (see judgment of 17 September 2015, *Mory and Others* v *Commission*, C-33/14 P, EU:C:2015:609, paragraph 55 and the case-law cited). A fortiori, in the present case, in view of the withdrawal agreement, the earlier United Kingdom marks continue to receive the same protection until the end of the transition period. Accordingly, the United Kingdom's withdrawal does not affect the legal consequences of the contested decision vis-à-vis the applicant, with the result that the applicant retains its interest in seeking the annulment of that decision.

38 It follows that the present case retains its purpose despite the United Kingdom's withdrawal from the European Union.

Admissibility of the action

39 EUIPO and the intervener raise two pleas of inadmissibility, based on, first, Article 66(2) of Regulation 2017/1001 and a general principle of administrative law according to which proceedings may be brought only against decisions expressing the administrative body's final position and, second, Article 72(4) of that regulation according to which 'the action shall be open to any party to proceedings before the Board of Appeal adversely affected by its decision'.

Plea of inadmissibility based on Article 66(2) of Regulation 2017/1001 and a general principle of administrative law according to which proceedings may be brought only against decisions expressing the administrative body's final position

40 EUIPO submits that, in accordance with Article 66(2) of Regulation 2017/1001, a decision which does not terminate proceedings as regards one of the parties can be appealed only together with the final decision, unless the decision allows a separate appeal.

41 EUIPO and the intervener argue that the contested decision did not terminate the proceedings as regards the applicant and that, consequently, it does not constitute EUIPO's final position in relation to the mark applied for. According to EUIPO, whilst Article 66(2) of Regulation 2017/1001 is not, as such, applicable to actions before the General Court, it should be regarded as an expression of a general principle of EU administrative law pursuant to which an administrative act cannot be subject to review if it is not the expression of a final position of an EU administrative body.

42 EUIPO and the intervener maintain that the contested decision has placed the Opposition Division in a position to assess the reputation of the earlier marks and, on that basis, to assess the likelihood of confusion between the marks at issue, with the consequence that the applicant will have the opportunity, as the case may be, first, to challenge before the Board of Appeal the new decision issued by the Opposition Division and, subsequently, to bring an action before the General Court against the Board of Appeal's decision.

43 In that regard, it should be noted, as EUIPO accepts, that Article 66(2) of Regulation 2017/1001 is not applicable to actions before the General Court, but applies to appeals brought before the Boards of Appeal of EUIPO against decisions taken by EUIPO at first instance. By contrast, actions before the General Court against decisions of the Boards of Appeal are covered by Article 72 of that regulation. Consequently, contrary to what EUIPO submits, the admissibility of actions brought before the General Court against decisions of the Boards of Appeal cannot be examined in the light of Article 66(2) of that regulation (judgment of 16 April 2018, *Polski Koncern Naftowy Orlen* v *EUIPO (Shape of a service station)*, T-339/15 to T-343/15, not published, EU:T:2018:192, paragraph 28).

44 As regards the argument put forward by EUIPO and the intervener based on a general principle of EU administrative law according to which an administrative act cannot be subject to review if it is not the expression of a final position of an EU administrative body, it should be noted, first, that the Courts of the European Union have recognised no such general principle of law. While it is true that an action brought against a preparatory act is not admissible, since it is not brought against an act which constitutes the final position taken by the administrative body at the end of a procedure, the Courts of the European Union have previously recognised the admissibility of actions against acts which did not set out the final position of the administrative body but whose implications for the persons to whom they were addressed justified them being regarded as more than merely preparatory acts. Moreover, it has never been held that a Board of Appeal's decision is preparatory in nature, even if, after a decision of an Opposition Division has been annulled, it remits the case to that division to be examined. Article 72 of Regulation 2017/1001, which provides that 'actions may be brought before the General Court against decisions of the Boards of Appeal in relation to appeals', does not distinguish between Board of Appeal decisions depending on whether or not they constitute the final position of the EUIPO bodies.

45 In any event, under Article 71(2) of Regulation 2017/1001, if the Board of Appeal remits the case for further prosecution to the department whose decision was appealed, that department is bound by the *ratio decidendi* of the Board of Appeal, in so far as the facts are the same (judgment of 16 April 2018, *Shape of a service station*, T-339/15 to T-343/15, not published, EU:T:2018:192, paragraph 31). It follows that, in the present case, the conclusions and grounds of the contested decision concerning the similarity between the goods and services, the similarity between the signs and the likelihood of confusion in the absence of the alleged reputation of the earlier marks constitute the Board of

Appeal's final position on those aspects of the dispute, which binds the Opposition Division now tasked with considering the issue of reputation under Article 8(1)(b) and Article 8(5) of Regulation No 207/2009. Accordingly, the applicant must be able to challenge the Board of Appeal's final conclusions, without having to wait for proceedings to continue before the Opposition Division so that it can then bring an appeal before the Board of Appeal and, if necessary, subsequently bring an action before the Court against the new decision. It follows that an alleged general principle of EU law relied on by EUIPO that proceedings may be brought only against decisions expressing the final position of an administrative body cannot, in any event, give grounds for finding the present action to be inadmissible.

46 It follows that the first plea of inadmissibility cannot be upheld.

Plea of inadmissibility based on Article 72(4) of Regulation 2017/1001

47 EUIPO and the intervener submit that the applicant does not have a legal interest in bringing proceedings against the contested decision because that decision has given the applicant the possibility of ultimately having its opposition upheld as regards all of the services concerned, including those that were found to be dissimilar, given that the Board of Appeal found that there may be a likelihood of confusion if the earlier marks have a reputation, which must now be examined by the Opposition Division so that a final decision can be given under Article 8(1)(b) and Article 8(5) of Regulation No 207/2009. They submit that, from that perspective, the view cannot be taken that the applicant was adversely affected by the contested decision, with the result that a separate action against the contested decision is not admissible in terms of Article 72(4) of Regulation 2017/1001, which provides that an action before the Court is to be open to any party to proceedings before the Board of Appeal adversely affected by its decision.

48 In that regard, it should be noted that, according to case-law, a Board of Appeal decision is to be regarded as not having adversely affected one of the parties to opposition proceedings where it grants that party's application on the basis of one of the grounds for refusal of registration or for invalidity of a mark or, more generally, of only part of the arguments put forward by that party, even where it does not examine or where it dismisses the other grounds or arguments raised by that party (see judgment of 25 September 2015, *Copernicus-Trademarks* v *OHIM – Bolloré (BLUECO)*, T-684/13, EU:T:2015:699, paragraph 28 and the case-law cited).

49 It is apparent from paragraph 110 of the contested decision that the Board of Appeal dismissed the applicant's ancillary appeal against the finding in the Opposition Division's decision that 'Advertising, including online, in particular advertisements, for others; Employment agencies, in particular in connection with music or for those interested in music' in Class 35 and covered by the mark applied for were dissimilar to the services covered by the earlier marks. Then, the Board of Appeal, first, upheld the intervener's appeal in so far as it sought the annulment of the Opposition Division's decision and, second, dismissed the applicant's ancillary appeal as to the issue of similarity between the services. The applicant was therefore unsuccessful before the Board of Appeal. In addition, it should be noted that the Opposition Division's decision annulled by the Board of Appeal granted in part the applicant's claims since it upheld the applicant's opposition to registration of the mark applied for in respect of all of the services in Classes 41 and 45 and for some of the services in Class 35, namely 'Retailing and wholesaling, including online, of goods and services in the music sector'.

50 Furthermore, it is clear that the applicant was adversely affected by the Board of Appeal's decision on various points.

51 First, the Board of Appeal dismissed the applicant's arguments regarding the similarity between services, concluding that certain services in Classes 35 and 45, covered by the mark applied for, were dissimilar to the services covered by the earlier marks (see paragraphs 14 and 15 above).

52 Second, the Board of Appeal took the view, again contrary to what the applicant had submitted before it, that, in respect of all of the services which were found to be identical or similar, the degree of similarity between the signs was low, with the result that there could be no likelihood of confusion if the earlier marks did not have a reputation (see paragraph 20 above). Accordingly, the applicant's right to oppose registration of the mark applied for depended, according to the contested decision, entirely on the reputation of the earlier marks, so that it cannot be found that the applicant was not adversely affected by the contested decision, especially since the burden which falls on the applicant to establish reputation may prove difficult to satisfy.

53 It follows that the second plea of inadmissibility cannot be upheld.

54 Accordingly, the pleas of inadmissibility raised by EUIPO and the intervener must be dismissed.

…

On those grounds,

THE GENERAL COURT (Fourth Chamber)

hereby:

1. Dismisses the action;

2. Orders Bauer Radio Ltd to pay the costs.

Gervasoni Madise Frendo

Delivered in open court in Luxembourg on 23 September 2020.

[Signatures]