World Trademark Review

7 Oct 2021

General Court: Board of Appeal erred in taking account of highly distinctive character for certain goods

European Union - Dr Helen G Papaconstantinou and Partners Law Firm

- **dm-drogerie opposed the registration of the . gurative mark ALBÉA by Albéa Services based on its earlier word mark BALEA**
- **This is the second decision issued by the General Court in this case**
- **The board erred in taking account of the earlier mark's enhanced distinctive character for some of the goods**

In ***Albéa Servicesv European Union Intellectual Property Office*** (EUIPO) (Case T-852/19, 15 September 2021), the Third Chamber of the General Court has partly annulled a decision of the Second Board of Appeal of the EUIPO in opposition proceedings between Albéa Services and dm-drogerie markt GmbH & Co KG, upholding the challenged decision of the Opposition Division as regards "cosmetics" in Class 3. The con. icting signs were as follows:

ALBÉA	BALEA

Background

In 2013 French company Albéa Services applied to WIPO for the registration of International Registration No 1210553 designating the European Union. The mark at issue was the figurative sign shown above on the left, covering goods in Classes 3, 5, 6, 8, 16, 17, 20, 21, 40 and 42. After the application was published on 20 August 2014, German company dm-drogerie markt GmbH & Co KG filed an opposition in respect of the goods in Classes 3, 8 and 21, claiming infringement of Articles 156 and 41 of Regulation 207/2009 (now Articles 196 and 46 of Regulation 2017/1001). The basis for the opposition was the earlier word mark BALEA, covering, in particular, goods in Classes 3, 8 and 21.

The Opposition Division of the EUIPO rejected the action, finding that there was no likelihood of confusion. The German company appealed, but the appeal was dismissed by the First Board of Appeal of the EUIPO. The board's decision was annulled by the General Court, by **judgment of 28 March 2019**, upon application of the German company, which alleged infringement of Article 8(1)(b) of Regulation 207/2009.

By decision of 23 September 2019, the Second Board of Appeal of the EUIPO partially annulled the decision of the Opposition Division as regards all goods in Classes 3, 8 and 21, and most of the goods in Classes 16 and 20, allowing the application to proceed for the remaining goods and services in Classes 5, 6, 17, 40 and 42 and part of the goods in Classes 16 and 20. The Board of Appeal found as follows:

- The goods in Class 3 targeted the average consumers with an average level of attention, in contrast to those in Classes 8, 16, 20 and 21, which apart form the general public, were intended for professionals. Thus, the average level of attention should be taken into account.
- The goods in Class 3 were identical, as the General Court had found in its decision of 28 March 2019.
- The degree of visual and phonetic similarity of the marks was low and there was no conceptual similarity.
- The earlier mark enjoyed an enhanced reputation in Germany for cosmetics.
- In view of the enhanced distinctiveness of the earlier mark, there was a likelihood of confusion among the relevant public, despite the low degree of similarity of the marks, as regards goods in Classes 3, 8, 16, 20 and 21, but not as regards the rest of the goods in the other classes.

Albéa Services brought the case before the General Court, alleging infringement of Article 8(1)(b) of Regulation 207/2009. According to Albéa Services, the board had erred in finding that there was a likelihood of confusion to the extent that it had annulled the decision of the Opposition Division.

General Court decision

The General Court stressed the importance of the public's recognition of the trademark in question in the assessment of the likelihood of confusion and found that dm-drogerie's allegation that the Board of Appeal had accepted enhanced distinctiveness for both "cosmetics" and cosmetic-related products was not justified by the board's findings, which in fact applied only to "cosmetics".

With regard to dm-drogerie's allegation that a cosmetic product is almost always presented as a unit together with the associated container, the General Court replied that the relevant public would still perceive a container filled with the cosmetic product as a finished cosmetic product, and not as a container. It also found the fact that marks covering cosmetics often also cover the corresponding containers was irrelevant. Albéa Services' reference to the definition of 'cosmetic products' in Article 2(1)(a) of Regulation 1223/2009 on cosmetic products was considered to be erroneous, as the classification of goods according to other rules of EU law, such as Regulation 1233/2009, is not decisive with regard to their classification in the context of EU trademark law. The court thus upheld the finding of the Board of Appeal that the earlier trademark had a highly distinctive character for all cosmetic products.

In contrast, the General Court considered that the board had erred in taking account of such highly distinctive character for all other goods in respect of which it had annulled the decision of the Opposition Division, without expressly justifying its finding. According to the court, this erroneous finding had a decisive influence on the board's assessment as to the likelihood of confusion and, therefore, the contested decision had to be annulled to that extent.

Concerning the goods in Class 3, the General Court found the board's assessment erroneous insofar as it did not carry out a detailed examination of the degree of similarity of said goods. Therefore, it annulled the contested decision to this extent as well.

However, as regards "cosmetics", the General Court acknowledged that the board had correctly established all the factors to be taken into account for the global assessment of the likelihood of confusion. Thus, the court concluded that the board was correct in finding that there was a likelihood of confusion as regards cosmetics, despite the low degree of visual and phonetic similarities of the marks and the absence of conceptual similarity.

Consequently, the General Court annulled the contested decision to the extent that it annulled the decision of the Opposition Division, except insofar as it annulled the decision with regard to "cosmetics" in Class 3.

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TAGS

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