The “Tertulia” of June 30, 2011 at the OHIM hosted by Casalonga

Since the establishment of the OHIM in Alicante in 1996, IP firms have organized periodic meetings with the OHIM’s Examiners, called “Tertulias” in Spanish, in order to discuss Community trademark and design issues.

The most recent Tertulia, hosted by Casalonga, took place at the OHIM on June 30, 2011. The subject was “Recent Jurisprudence in Trademark Matters”.

The speakers were Mr. José Crespo Carrillo from the OHIM’s Litigation Unit, Mr. Oreste Montalto, a practicing attorney who was previously the Head of the OHIM’s Legal Affairs Division and the Litigation Unit and Mr. Francisco Jose Soriano Guzman, a Judge at the Spanish Community Trademark Courts of Alicante.

The following significant decisions were discussed:

**DHL EXPRESS FRANCE SAS v. CHRONOPOST**

Chronopost SA is the owner of the French and Community trademarks WEBSHIPPING, applied for in 2000 and registered in respect of, inter alia, services relating to logistics and data transmission, collecting and distributing mail and express mail management. Chronopost filed suit against DHL Express France SAS (the successor to DHL
International) for having used the terms WEBSHIPPING in order to designate an express mail management service accessible principally via the Internet.

By judgment of 15 March 2006, the Paris Court of First Instance – which heard the case as a Community trade mark court – found that DHL Express France had infringed the French trade mark WEBSHIPPING, although it did not adjudicate upon the infringement of the Community trademark. The Paris Court of Appeal, following an appeal filed by Chronopost, upheld that decision on 9 November 2007, prohibiting DHL from continuing to use the signs ‘WEB SHIPPING’ and ‘WEB SHIPPING’, with any violation of such prohibition resulting in a fine. The Court limited its ruling to France, however, excluding the rest of the European Union Member States from the prohibition. DHL brought an appeal before the French High Court. The appeal was dismissed, but since Chronopost had brought a cross-appeal against restricting the prohibition and fine to France, the High Court held that it was necessary to refer the matter to the Court of Justice.

The Court of Justice ruled as follows:

- A prohibition against infringement, issued by a national court sitting as a Community trade mark court, extends, as a rule, to the entire area of the European Union.
- A coercive measure – such as a periodic penalty payment – aimed at ensuring that this prohibition is complied with has effect, as a rule, throughout the EU.

With respect to its first ruling, the Court found that the territorial scope of a prohibition issued by a Community trade mark court is determined by two factors, the first based upon the territorial jurisdiction of that court and the second the exclusive right of a Community trade mark proprietor.

First, the territorial jurisdiction of the trademark court is an exclusive one to adjudicate upon all infringement actions and, if they are permitted under national law, actions in respect of threatened infringement relating to Community trademarks. Thus, the court has jurisdiction, in particular, for all acts of infringement within the territory of any of the Member States. Therefore, its jurisdiction extends, as a rule, to the entire area of the European Union.

Second, a Community trade mark has a unitary character whose objective is the uniform protection, throughout the entire European Union, of the right conferred by the Community trade mark against the risk of infringement. In order to ensure that uniform protection, a prohibition against further infringement or threatened infringement issued by a Community trade mark court must therefore, as a rule, extend to the entire area of the European Union.

The Court established, however, that the territorial scope of the prohibition may, under certain circumstances, be restricted, in particular in the following cases:

- the applicant for a prohibition order has restricted the territorial scope of its claim or,
- the defendant proves that the use of the sign does not affect or is not liable to affect the functions of the trade mark, for example on linguistic grounds – that court must limit the territorial scope of the prohibition which it issues.

Finally, the Court ruled that a coercive measure ordered by a Community trade mark court by application of its national law also has effect in Member States other than such Court’s Member State.
The Court noted that the purpose of coercive measures ordered by a Community trade mark court by application of its national law is to ensure compliance with a prohibition against further infringement or threatened infringement which it has issued. Therefore, such measures can be effective only if they have effect in the same territory as that in which the prohibition order itself has effect.

Thus, in order to ensure that the prohibition is complied with, when a court of a Member State where the prohibition was infringed is seized, it must recognize and enforce the decision coupled with coercive measures, in accordance with the rules and procedures laid down by its national law.

Where the law of a Member State does not provide for coercive measures similar to those ordered by the Community trade mark court of the Member State which issued the prohibition, the court seized must achieve enforcement by having recourse to the relevant provisions of its national law so as to ensure that the prohibition originally issued is complied with in an equivalent manner.

The possibility of restricting the territorial scope of the measures was lively discussed as it was considered that such a restriction would significantly impact the unitary character of the Community Trademark.

Since the Community Trademark WEBSHIPPING is protected in the entire EU, it seems difficult to defend how the same use could be an infringement in some Member States and not in others.

The question has been left open to the national Community Trademark Courts. In this respect, the French High Court will render a decision shortly on this issue.

**Case Havaianas v. Bahianas Las Originales (T-422/09)**

The General Court annulled the OHIM’s Boards of Appeal decision and considered that the relevant signs were visually similar, phonetically very similar and conceptually similar for those Spanish consumers that would understand the term havaianas as (hawaians) and bahianas (as coming from the Bahía islands in Honduras). For the rest of the consumers, it was held that the marks would be perceived as fantasy terms. In view of the above, the Court held that there was a risk of confusion and the opposition was upheld.

**Cases T-475/09 to 483/09 in the BRICO CENTER v. ATB CENTROS DE BRICOLAGE BRICO CENTRO**

On June 29, 2011, the General Court, considering that there was a likelihood of confusion, reversed a series of 9 decisions issued by the Fourth Board of Appeal confirming the refusal of the oppositions filed against the CTM Application BRICO CENTER. Crucial to its decision was the General Court’s holding that the term BRICO was perfectly distinctive in some of the languages of the European Union.
In its decision of May 24, 2011, the General Court reversed the first Board of Appeal’s decision as it considered that the Board had committed an error determining the relevant public to be considered in analyzing the likelihood of confusion. The Board of Appeal had considered that the relevant public was formed not only of professionals in the telecommunications field but also of the general public. The Court, on the other hand, considered that the relevant public was exclusively formed of professional consumers following a restriction of the specification of the opposed CTM Application by the applicant. The case was remitted to the Board of Appeal for further prosecution.

In its decision of June 28, 2011, the General Court reversed the Fourth Board’s of Appeal decision. It held that the phonetic and visual similarity between the signs Buonfatti and Bonfait was low. Concerning to the conceptual similarity, it was found that the Fourth Board of Appeal erroneously decided that the signs involved were highly similar on a conceptual basis. In this respect, since the Prior Mark Bonfait was a Benelux registration, the relevant public, which taking into account the relevant products, is the general public will not necessarily understand the meaning of the terms.