

World Trademark Review Daily

**General Court: OHIM decision vitiated by failure to state reasons
European Union - Casalunga Avocats**

**Examination/opposition
International procedures**

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In *Intesa Sanpaolo SpA v Office for Harmonisation in the Internal Market* (OHIM) (Case T-47/12, March 27 2014), the General Court has annulled a decision of the First Board of Appeal of OHIM on the ground that it was vitiated by a failure to state the reasons identifying the services for which the earlier mark had been registered and for which genuine use had been proven.

Intesa Sanpaolo SpA filed a Community trademark (CTM) application for the figurative mark EQUITER for a number of goods and services in Classes 9, 16, 35, 36, 38, 41 and 42 of the [Nice Classification](#). *Equinet Bank AG* filed a notice of opposition on the basis of its earlier CTM registration for EQUINET covering services in Classes 35, 36 and 38.

During the adversarial part of the opposition proceedings, Intesa requested evidence of use of Equinet's prior CTM in accordance with Article 42(2) of the [Community Trademark Regulation](#) (207/2009).

The Opposition Division rejected the opposition on the ground that, even if the evidence of use filed by Equinet met the conditions relating to the place, time and extent of the use of the earlier mark, it did not meet the requirement relating to the nature of the use of that mark.

On October 26 2010 Equinet filed an appeal against the Opposition Division's decision pursuant to Articles 58 to 64 of the regulation. By decision of October 6 2011, the First Board of Appeal of OHIM annulled the Opposition Division's decision and remitted the case to the Opposition Division.

In essence, the Board of Appeal found that Equinet's prior CTM had been used in a form that did not alter its distinctive character, and that the mark had been used for financial services, valuation and research services, public relations services, and business consultancy services and advisory services.

Intesa filed an appeal before the General Court seeking the reversal of the board's decision, arguing that the appeal should have been dismissed and that the Opposition Division's decision rejecting the opposition should have been confirmed.

The appeal was based on a single plea, alleging infringement of Article 42(2) and (3) in conjunction with Article 15(a) of the regulation. Intesa argued that the Board's of Appeal assessment was vitiated by errors relating to the place, time, extent and nature of use of the earlier mark, the link between its use and the services for which it was registered and, lastly, the link between the earlier mark as registered and the mark as used.

In its reasoning, the court noted that there are two inseparable parts to the task of assessing whether a mark relied on in support of a notice of opposition has been put to genuine use within the meaning of Article 42(2) of the regulation. The first is intended to determine whether the mark at issue has been put to genuine use in the European Union, even in a form which differs by aspects that do not alter its distinctive character. The second is intended to determine the goods or services in connection with which the earlier mark is registered and which are cited as justification for the opposition, to which the genuine use demonstrated relates.

In the present case, although Intesa stated that genuine use, within the meaning of Article 42(2), had to be demonstrated for the services in respect of which the earlier mark was registered, it did not formally raise a plea alleging a failure to state reasons. However, an absence or inadequate statement of reasons constitutes an infringement of essential procedural requirements for the purposes of Article 263 of the [Treaty on the Functioning of the European Union](#) and is a plea involving a matter of public policy which may, and even must, be raised by the European Union judicature of its own motion (*Commission v Ireland* (Case C-89/08), Paragraph 34).

Since the parties were heard, at the hearing, on whether the board's decision contained sufficient reasons with regard to the correspondence between the services in respect of which the board had held that genuine use of the earlier mark was demonstrated and those for which the mark was registered and which were cited as justification for the opposition, that plea must be raised of the court's own motion. Since the board's decision did not address the two parts of the task of assessing genuine use, as described above, the General Court considered that it would be impossible to review the lawfulness of the board's finding on the genuine use of the earlier mark relied on in support of the opposition.

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In that regard, Equinet had claimed, before the Board of Appeal, that the earlier CTM had been put to genuine use for financial services, valuation and research services, public relations services, and business consultancy services and advisory services. At the end of its reasoning on the evidence presented in support of genuine use, the Board of Appeal had concluded that use had been proven "though not for all the relevant goods and services, but only for financial services, valuation and research services, public relations services, and business consultancy services and advisory services". However, "financial services, valuation and research services and public relations services" were not services for which the prior CTM was registered.

The fact that certain services in Class 36 could be described as financial services did not remedy the board's failure to state reasons so far as concerns that type of services. Thus, since it was impossible to know whether, by referring to "financial services", the Board of Appeal was designating all or even a part of the services in Class 36 in respect of which the earlier mark was registered, it was impossible in practice to ascertain for which services the earlier mark must be deemed to be registered for the purposes of the opposition, which was liable to prevent any subsequent assessment of the likelihood of confusion.

As regards business consultancy and advisory services in Class 35, although the Board of Appeal had concluded that the earlier mark was put to genuine use with regard to such services, it did not refer to the evidence produced which demonstrated such use.

In view of the above, the court found that the board's decision was vitiated by a failure to state reasons insofar as:

1. it did not allow to identify the services, among those in respect of which the earlier mark was registered and which were cited as justification for the opposition, for which the mark was put to genuine use; and
2. it did not state the grounds upon which the board had held that genuine use of the earlier mark had been demonstrated in connection with business consultancy and advisory services in Class 35.

This decision should be welcomed to the extent that it imposes on OHIM the obligation to provide reasons for its decisions by determining with clarity and precision the products and services for which genuine use has been demonstrated and which will be examined for the purposes of assessing the existence of a likelihood of confusion under Article 8(1)(b) of the regulation.

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