



Reports of Cases

JUDGMENT OF THE GENERAL COURT (Seventh Chamber, Extended Composition)

24 October 2018*

(EU trade mark — Invalidity proceedings — EU figurative mark representing an L-shaped groove — Absolute ground for refusal — Sign consisting exclusively of the shape of goods which is necessary to obtain a technical result — Article 7(1)(e)(ii) of Regulation (EC) No 40/94 — Article 7(1)(e)(ii) of Regulation (EC) No 207/2009 (now Article 7(1)(e)(ii) of Regulation (EU) 2017/1001) — Regulation (EU) 2015/2424 — Application of the law *ratione temporis* — Shape of the goods — Nature of the sign — Account taken of material relevant to identifying the essential characteristics of the sign — General interest underlying Article 7(1)(e)(ii) of Regulation No 40/94)

In Case T-447/16,

Pirelli Tyre SpA, established in Milan (Italy), represented by T.M. Müller and F. Togo, lawyers,

applicant,

v

European Union Intellectual Property Office (EUIPO), represented by J. Ivanauskas, acting as Agent,

defendant,

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

The Yokohama Rubber Co. Ltd, established in Tokyo (Japan), represented by F. Boscarriol de Roberto, D. Martucci and I. Gatto, lawyers,

ACTION brought against the decision of the Fifth Board of Appeal of EUIPO of 28 April 2016 (Case R 2583/2014-5), relating to invalidity proceedings between Yokohama Rubber and Pirelli Tyre,

THE GENERAL COURT (Seventh Chamber, Extended Composition),

composed of V. Tomljenović, President, M. Kancheva, E. Bieliūnas (Rapporteur), A. Marcoulli and A. Kornezov, Judges,

Registrar: J. Weychert, Administrator,

having regard to the application lodged at the Court Registry on 4 August 2016,


having regard to the response of EUIPO lodged at the Court Registry on 26 October 2016,

* Language of the case: English.

having regard to the response of the intervener lodged at the Court Registry on 7 November 2016,
further to the hearing on 17 November 2017,
gives the following

Judgment

Background to the dispute

- 1 On 23 July 2001, the applicant, Pirelli Tyre SpA, filed an application for registration of an EU trade mark with the European Union Intellectual Property Office (EUIPO) pursuant to Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark (OJ 1994 L 11, p. 1), as amended (replaced by Council Regulation (EC) No 207/2009 of 26 February 2009 on the European Union trade mark (OJ 2009 L 78, p. 1), as amended, itself 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 The EU trade mark in respect of which registration was sought is the following figurative sign:

- 3 The goods in respect of which registration was sought are in Class 12 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 to the following description: ‘Tyres, solid, semi-pneumatic and pneumatic tyres, rims and covers for vehicle wheels of all kinds, vehicle wheels of all kinds, inner tubes, wheel rims, parts, accessories and spare parts for vehicle wheels of all kinds’.
- 4 The EU trade mark application was published in *Community Trade Marks Bulletin* No 36/2002 of 6 May 2002 and the figurative sign referred to in paragraph 2 above was registered as a trade mark on 18 October 2002 under number 2319176.
- 5 On 27 September 2012, the intervener, The Yokohama Rubber Co. Ltd, filed before EUIPO an application for a declaration of invalidity of the contested trade mark for the goods ‘Tyres, solid, semi-pneumatic and pneumatic tyres for vehicle wheels of all kinds’. That application was based on Article 52(1)(a) of Regulation No 40/94, read in conjunction with Article 7(1)(b) or Article 7(1)(e)(ii) of that regulation.
- 6 By decision of 28 August 2014, the Cancellation Division of EUIPO declared the contested mark invalid for the goods referred to in paragraph 5 above, as well as for ‘rims and covers for vehicle wheels of all kinds’, on the ground that the contested sign consisted exclusively of the shape of the goods concerned necessary to obtain a technical result within the meaning of Article 7(1)(e)(ii) of Regulation No 40/94.
- 7 The applicant filed an 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 decision of the Cancellation Division.

- 8 By decision of 28 April 2016 ('the contested decision'), the Fifth Board of Appeal of EUIPO upheld the appeal in part. In paragraph 1 of the operative part of the contested decision, it annulled the Cancellation Division's decision in so far as the latter had declared the contested trade mark invalid for 'rims and covers for vehicle wheels of all kinds'. The Board of Appeal held that those goods were not covered by the application for a declaration of invalidity and that the Cancellation Division's declaration of invalidity went beyond the scope of that application. In paragraph 2 of the operative part of the contested decision, the Board of Appeal confirmed the decision of the Cancellation Division as to the remainder and declared the contested mark to be invalid in respect of 'Tyres, solid, semi-pneumatic and pneumatic tyres for vehicle wheels of all kinds'. In that regard, first, the Board of Appeal considered that, in the light of the evidence submitted and the goods in question, 'it [was] clear that the sign represent[ed] a tyre tread and, thus, the (perhaps) most crucial part of the contested goods ... at least from a technical perspective'. Second, the Board of Appeal noted that the main feature of the mark at issue was an L-shaped groove with the following essential characteristics: an approximately 90° angle, a curved segment and two sides shifting from pointy to thick. Third, the Board of Appeal decided, in essence, that it was clear from the evidence submitted by the intervener that the sign at issue played an essential role in the proper functioning of the tyres in terms of facilitating efficient traction, breaking and comfort. In paragraph 3 of the operative part of the contested decision, the Board of Appeal ordered the applicant to pay EUR 1 700 to the intervener on the ground that the applicant had been unsuccessful before EUIPO.

Forms of order sought

- 9 The applicant claims that the Court should:
- annul the contested decision in so far as it:
 - confirms the decision of the Cancellation Division of 28 August 2014 and declared the contested mark invalid for the following products: 'Tyres, solid, semi-pneumatic and pneumatic tyres for vehicle wheels of all kinds';
 - orders the applicant to pay EUR 1 700 to the intervener;
 - order EUIPO to pay the costs.
- 10 EUIPO and the intervener contend that the Court should:
- dismiss the action;
 - order the applicant to pay the costs.

Law

- 11 The applicant puts forward three pleas in support of its action. By its first plea, the applicant criticises the Board of Appeal for having based its decision on a version of Article 7(1)(e)(ii) that was not applicable *ratione temporis*. By its second plea in law, the applicant complains of procedural irregularities and infringement of the obligation to state reasons. By its third plea, it alleges infringement of Article 7(1)(e)(ii) of Regulation No 40/94.
- 12 In their responses, EUIPO and the intervener contend that the pleas relied on by the applicant are unfounded. They also argue that the evidence in Annex 5 to the application, which consists of angular measurements of various tyre treads, must be declared inadmissible on the ground that it has been adduced for the first time before the Court.

13 It is appropriate to examine in turn the applicant's first and third pleas.

The first plea in law, alleging that the contested decision is based on a version of Article 7(1)(e)(ii) which is inapplicable *ratione temporis*

14 The applicant claims that, in the contested decision, the Board of Appeal applied Article 7(1)(e)(ii) of Regulation No 207/2009 in the version resulting from Regulation (EU) 2015/2424 of the European Parliament and of the Council of 16 December 2015 amending Regulation No 207/2009 and Commission Regulation (EC) No 2868/95 implementing Regulation No 40/94, and repealing Commission Regulation (EC) No 2869/95 on the fees payable to the Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OJ 2015 L 341, p. 21).

15 According to Article 7(1)(e)(ii) of Regulation No 207/2009, as amended by Regulation 2015/2424, signs 'which consist exclusively of the shape, or another characteristic, of goods which is necessary to obtain a technical result' are to be refused registration.

16 However, according to the applicant, in the present case the existence of an absolute ground for invalidity had to be assessed on the basis of the provision in force on the date on which the application for registration of the contested trade mark was filed, that is to say, Article 7(1)(e)(ii) in the version resulting from Regulation No 40/94, which excluded from registration only signs which consist exclusively 'of the shape of goods' which is necessary to obtain a technical result.

17 In that regard, it is necessary, first, to establish which provision was applicable *ratione temporis* before EUIPO and, second, to assess whether, in the contested decision, the Board of Appeal did in fact apply the provision that was applicable *ratione temporis*.

The provision applicable *ratione temporis*

18 According to settled case-law, procedural rules are generally held to apply on the date on which they enter into force (see judgment of 11 December 2012, *Commission v Spain*, C-610/10, EU:C:2012:781, paragraph 45 and the case-law cited), as opposed to substantive rules, which are usually interpreted as applying to situations existing before their entry into force only in so far as it follows clearly from their terms, their objectives or their general scheme that such effect must be given to them (judgments of 12 November 1981, *Meridionale Industria Salumi and Others*, 212/80 to 217/80, EU:C:1981:270, paragraph 9, and of 11 December 2008, *Commission v Freistaat Sachsen*, C-334/07 P, EU:C:2008:709, paragraph 44).

19 First, EUIPO does not dispute that it was Article 7(1)(e)(ii) in its version resulting from Regulation No 40/94 that was applicable in the present case.

20 Second, it is important to point out that Regulation 2015/2424 did in fact amend the wording of Article 7(1)(e)(ii) of Regulation No 207/2009 (now Article 7(1)(e)(ii) of Regulation 2017/1001), which concerns a substantive rule and, more precisely, one of the absolute grounds on which a sign may be refused registration or, in conjunction with Article 52(1)(a) of Regulation No 207/2009 (now Article 59(1)(a) of Regulation 2017/1001), one of the absolute grounds on which a mark may be declared invalid. However, Regulation 2015/2424 entered into force on 23 March 2016 and it is not apparent from its terms, its objectives or its general scheme that Article 7(1)(e)(ii) of Regulation No 207/2009, in its version resulting from Regulation 2015/2424, should apply to situations existing before its entry into force.

21 It follows that Article 7(1)(e)(ii) of Regulation No 207/2009, in the version resulting from Regulation 2015/2424, is clearly not applicable in the present case, given that the contested mark was registered on 18 October 2002 following an application for registration filed on 23 July 2001.

22 In the light of the foregoing, the Board of Appeal was in the present case obliged to assess whether the contested mark should be declared invalid under Article 7(1)(e)(ii) of Regulation No 40/94.

The provision applied in the contested decision

23 In paragraph 14 of the contested decision, the Board of Appeal drew attention to the wording of Article 7(1)(e)(ii) of Regulation No 207/2009 as amended by Regulation 2015/2424.

24 In this regard, it must be noted that, as EUIPO acknowledges, the Board of Appeal, in the contested decision, wrongly cited the wording of Article 7(1)(e)(ii) of Regulation No 207/2009 as amended by Regulation 2015/2424.

25 However, it is important to note that, when the Board of Appeal set out in detail the interpretation that it was necessary to give to that provision in the contested decision, that Board mentioned several times the case-law handed down under Article 7(1)(e)(ii) of Regulation No 40/94, which refers to the ‘shape of goods’ only. In addition, it is apparent from reading the contested decision that the Board of Appeal made an assessment of the facts on the basis of the conditions laid down in Article 7(1)(e)(ii) of Regulation No 40/94, as interpreted by the relevant case-law.

26 In those circumstances, although it wrongly cited the wording of Article 7(1)(e)(ii) of Regulation No 207/2009, as amended by Regulation 2015/2424, the Board of Appeal did not apply the amendment made by Regulation 2015/2424 in the contested decision.

27 Consequently, it must be found that the contested decision is based on the provision that was applicable at the time, namely Article 7(1)(e)(ii) of Regulation No 40/94, which provides for the refusal of registration of ‘signs which consist exclusively of ... the shape of goods which is necessary to obtain a technical result’.

28 The first plea in law must therefore be rejected.

The third plea, alleging infringement of Article 7(1)(e)(ii) of Regulation No 40/94

29 By the first part of its third plea in law, the applicant claims that the contested sign does not constitute the shape of the goods in question within the meaning of Article 7(1)(e)(ii) of Regulation No 40/94. In that regard, the applicant submits that the Board of Appeal erred when it took the view that the contested sign formed an integral part of a tyre’s tread and therefore of the goods covered by the contested trade mark, namely ‘tyres, solid, semi-pneumatic and pneumatic tyres for vehicle wheels of all kinds’.

30 EUIPO submits, in the first place, that the Board of Appeal’s conclusion that the contested sign represents a tyre tread, which is (perhaps) the most crucial part of the contested goods, at least from a technical perspective, was drawn, first, from the assessment of the graphic representation constituting the contested sign in the light of the goods in respect of which registration was applied for and, second, from the evidence submitted by the parties. In the second place, in order for a sign to be caught by Article 7(1)(e)(ii) of Regulation No 40/94, it is enough that that sign forms part of a product included in its specification. In other words, the mere fact that the shape in question may be applied to a more complex product, or incorporated into it, does not preclude the application of that ground for refusal. In the third place, EUIPO notes that a tyre groove is not a product since it is not a separable

element of a tyre. Consequently, the contested sign was registered in respect of tyres, which is the product incorporating the L-shaped groove in question and on which that groove performs a technical function. In the fourth place, the presumed perception of the sign by the public is not a decisive aspect when applying the ground for refusal set out in Article 7(1)(e)(ii) of Regulation No 40/94. That ground is based on an objective test for which, apart from the graphic representation of a sign, EUIPO may take into account any material relevant to identifying a sign appropriately in the context of Article 7(1)(e)(ii) of Regulation No 40/94. In the fifth place, the purpose of Article 7(1)(e)(ii) of Regulation No 40/94 is to prevent the granting of a monopoly over functional characteristics of a product. Consequently, if the applicant were granted the trade-mark rights in respect of the contested sign (because it represents only a part of a tyre), it would be able to prevent other undertakings from marketing tyres that incorporate the same or similar signs, namely grooves.

- 31 The intervener submits, first, that certain documents in the file show that the applicant, through its agent, has already described, and thus acknowledged, that the contested trade mark is a ‘tread pattern design’. Second, it contends, a trade mark should be examined in the light of the circumstances of the case and no provision prevents EUIPO from carrying out ‘reverse engineering’, that is to say, from determining what the trade mark really represents and the element on which the trade mark proprietor seeks to secure exclusive rights. Third, it submits, it is correct to affirm that the contested mark constitutes the shape of the goods or the most crucial part of the goods concerned, in the light, in particular, of the documents in the file and the goods actually marketed by the applicant. Fourth, the examples of use, by the applicant, of the contested sign as an indication of origin, without any technical function, in brochures and catalogues to designate some its tyre models, are irrelevant.

Preliminary observations

- 32 In the first place, it must be noted that, in the present case, the application for a declaration of partial invalidity, lodged before EUIPO by the intervener, was based on Article 7(1)(e)(ii) of Regulation No 40/94 and Article 7(1)(b) of that regulation. As regards the intervener’s application for a declaration of invalidity based on Article 7(1)(b) of Regulation No 40/94 and thus based on the lack of distinctive character of the contested mark, the applicant claimed, before EUIPO, that that mark had a distinctive character, at least through the use which has been made of it, in accordance with Article 7(3) of Regulation No 40/94.
- 33 The Cancellation Division, and subsequently the Board of Appeal, declared the contested mark invalid on the basis of Article 7(1)(e)(ii) of Regulation No 40/94 and did not examine whether there were grounds for invalidity based on the lack of distinctive character of that mark.
- 34 Marks which may be refused registration on the grounds listed in Article 7(1)(b) to (d) of Regulation No 40/94 may, under Article 7(3) of that regulation, acquire a distinctive character by the use made of them. By contrast, a sign which is refused registration under Article 7(1)(e) of Regulation No 40/94 can never acquire a distinctive character for the purposes of Article 7(3) by the use made of it. Article 7(1)(e) thus concerns certain signs which are not such as to constitute trade marks and is a preliminary obstacle liable to prevent a sign consisting exclusively of the shape of a product from being capable of being registered (see, by analogy, judgment of 18 June 2002, *Philips*, C-299/99, EU:C:2002:377, paragraphs 75 and 76).
- 35 Consequently, if the examination of a sign under Article 7(1)(e) of Regulation No 40/94 leads to the conclusion that one of the criteria mentioned in that provision is met, this results in a release from examination of the sign under Article 7(3) of that regulation, since registration of the sign in such circumstances is clearly impossible. That release explains the advantage of undertaking a prior examination of the sign under Article 7(1)(e) of Regulation No 40/94 in the case where several of the absolute grounds for refusal provided for in paragraph 1 may apply, although such a release may not be

interpreted as implying that there is an obligation to examine that sign first under Article 7(1)(e) of Regulation No 40/94 (judgment of 6 October 2011, *Bang & Olufsen v OHIM (Representation of a loudspeaker)*, T-508/08, EU:T:2011:575, paragraph 44).

- 36 In the second place, it is important to bear in mind that the interest underlying Article 7(1)(e) of Regulation No 40/94 is to prevent trade-mark law from granting an undertaking a monopoly on technical solutions or functional characteristics of a product (see, by analogy, judgment of 18 June 2002, *Philips*, C-299/99, EU:C:2002:377, paragraph 78).
- 37 In this connection, the rules laid down by the legislature reflect the balancing of two considerations, both of which are likely to help establish a healthy and fair system of competition (judgment of 14 September 2010, *Lego Juris v OHIM*, C-48/09 P, EU:C:2010:516, paragraph 44).
- 38 First, the inclusion in Article 7(1) of Regulation No 40/94 of the prohibition on registering as a trade mark any sign consisting of the shape of goods which is necessary to obtain a technical result ensures that undertakings may not use trade-mark law in order to perpetuate, indefinitely, exclusive rights relating to technical solutions (judgment of 14 September 2010, *Lego Juris v OHIM*, C-48/09 P, EU:C:2010:516, paragraph 45).
- 39 Second, by restricting the ground for refusal set out in Article 7(1)(e)(ii) of Regulation No 40/94 to signs which consist ‘exclusively’ of the shape of goods which is ‘necessary’ to obtain a technical result, the legislature duly took into account that any shape of goods is, to a certain extent, functional and that it would therefore be inappropriate to refuse to register a shape of goods as a trade mark solely on the ground that it has functional characteristics. The terms ‘exclusively’ and ‘necessary’ in that provision ensure that solely shapes of goods which only incorporate a technical solution, and registration of which as a trade mark would therefore actually impede the use of that technical solution by other undertakings, are not to be registered (judgment of 14 September 2010, *Lego Juris v OHIM*, C-48/09 P, EU:C:2010:516, paragraph 48).
- 40 In the third place, the correct application of Article 7(1)(e)(ii) of Regulation No 40/94 requires that the essential characteristics of a three-dimensional sign be properly identified by the authority deciding on the application for registration of the sign as a trade mark. The expression ‘essential characteristics’ must be understood as referring to the most important elements of the sign (see, to that effect, judgment of 14 September 2010, *Lego Juris v OHIM*, C-48/09 P, EU:C:2010:516, paragraphs 68 and 69).
- 41 The identification of those essential characteristics must be carried out on a case-by-case basis. There is no hierarchy that applies systematically between the various types of elements of which it may consist. Moreover, when determining the essential characteristics of a sign, the competent authority may either base its assessment directly on the overall impression produced by the sign, or first examine in turn each of the components of the sign (judgment of 14 September 2010, *Lego Juris v OHIM*, C-48/09 P, EU:C:2010:516, paragraph 70).
- 42 Consequently, the identification of the essential characteristics of a three-dimensional sign with a view to a possible application of the ground for refusal under Article 7(1)(e)(ii) of Regulation No 40/94 may, depending on the case, and in particular in view of its degree of difficulty, be carried out by means of a simple visual analysis of the sign or, on the contrary, be based on a detailed examination in which relevant criteria of assessment are taken into account, such as surveys or expert opinions, or data relating to intellectual property rights conferred previously in respect of the goods concerned (judgment of 14 September 2010, *Lego Juris v OHIM*, C-48/09 P, EU:C:2010:516, paragraph 71).

- 43 The possibility afforded to the competent authority, to take into account material relevant to identifying the essential characteristics of a contested three-dimensional sign, has been extended to the examination of two-dimensional signs (see, to that effect, judgment of 6 March 2014, *Pi-Design and Others v Yoshida Metal Industry*, C-337/12 P to C-340/12 P, not published, EU:C:2014:129, paragraph 55).
- 44 In the fourth place, it should be pointed out that, in its decision, the Cancellation Division noted that it was true that a figurative sign could be an indication of commercial origin and be found on a tyre, without representing a tyre tread. However, the Cancellation Division added that, in the present case, it was difficult to deny that the contested mark was a realistic representation of a tyre tread used on real tyres.
- 45 In paragraph 25 of the contested decision, the Board of Appeal explained that it fully endorsed the approach taken by the Cancellation Division, which qualified the contested sign as ‘a representation of a type of tyre tread’. Indeed, the Board of Appeal clarified that the Cancellation Division was not only entitled, but also required, to take into account the material submitted by the parties for the purposes of identifying appropriately the nature of the sign and what it represents in the context of the goods in question. The Board of Appeal concluded from this that, ‘in view of the evidence submitted and the goods at hand, it [was] clear that the sign represent[ed] a tyre tread and, thus, the (perhaps) most crucial part of the contested goods “tyres, solid, semi-pneumatic and pneumatic tyres for vehicles of all kinds” in Class 12, at least from a technical perspective’.
- 46 It is in the light of these observations that it is necessary to examine the first part of the third plea in law relied on by the applicant, alleging that the contested mark does not constitute the shape of the goods within the meaning of Article 7(1)(e)(ii) of Regulation No 40/94.

The nature of the contested sign

- 47 It follows from the case-law, first, that the graphic representation of a mark must be self-contained, easily accessible and intelligible, in order that a sign may always be perceived unambiguously and in the same way so that the mark is guaranteed as an indication of origin. Second, the function of the graphic representability requirement is, in particular, to define the mark itself in order to determine the precise subject of the protection afforded by the registered mark to its proprietor (see, to that effect, judgment of 6 March 2014, *Pi-Design and Others v Yoshida Metal Industry*, C-337/12 P to C-340/12 P, not published, EU:C:2014:129, paragraph 57 and the case-law cited).
- 48 In the present case, in the first place, it is important to note that, with regard to its graphic representation, the contested mark consists of a figurative two-dimensional sign. When abstractly analysed, that sign resembles, for example, the shape of an inclined hockey stick, as the applicant claims, or the shape of an inclined ‘L’.
- 49 Therefore, first, it is clear that the sign, as registered, represents neither the shape of a tyre nor the shape of a tyre tread. Next, it is not apparent from the graphic representation of the contested sign that that sign is intended for use on a tyre or a tyre tread. Lastly, it is also not apparent from the graphic representation of the contested sign that it is a functional shape that fulfils or performs a technical function. Indeed, when it was registered, the contested sign was not accompanied by an additional description.
- 50 In the second place, it is apparent from the case-law referred to in paragraphs 40 to 43 above that, in order to identify the essential characteristics of a two-dimensional sign, such as the contested sign, the Board of Appeal may carry out a detailed examination that takes into account, in addition to the graphic representation and any descriptions filed at the time of application for registration, material that makes it possible to assess what the sign at issue actually represents.

- 51 In the present case, the graphic representation constituting the contested sign shows no contours and is not accompanied by any additional description. Furthermore, the applicant does not contest that some of its tyre models contain, on the surface of the tyre, a groove in the shape represented by the contested sign.
- 52 Accordingly, in view of the case-law mentioned in paragraphs 40 to 43 above, EUIPO cannot be criticised for having, in its assessment of the contested sign pursuant to Article 7(1)(e)(ii) of Regulation No 40/94, considered the nature of the sign at issue in the context of the goods covered by the contested mark and having taken the view that that sign could represent a groove similar to those which feature on the tyres marketed by the applicant.
- 53 However, the fact that some of the applicant's tyre models have a groove in the shape represented by the contested sign on the surface of the tyre does not support the conclusion that the contested sign represents a tyre or a whole tyre tread.
- 54 First, it must be pointed out that a tyre is a complex product composed of several elements, in particular, a carcass, plies, rubber, sidewalls and a tread. Next, and as is apparent from EUIPO's file, a tyre tread is not composed solely of a single groove. A tyre tread is made up of multiple elements, in particular ribs, circumferential or transverse grooves, central blocks and shoulders with sipes. Lastly, the evidence submitted to EUIPO shows that the groove represented by the contested sign does not appear alone on the applicant's tyres. That groove appears repeatedly and criss-crossed on the tyre tread to the point where it creates a shape displaying interlacing and which is different from the shape of the initial, individual groove.
- 55 Thus, the contested sign — including if account is taken of the fact that it is a two-dimensional representation of a shape that is three dimensional on account of its depth — is, as the applicant claims, only a very limited part, namely a single groove, of another part, namely a tyre tread, which is formed of multiple interlacing elements. That tyre tread is itself a part which, together with other parts, particularly sidewalls, constitutes the goods in question covered by the contested mark, namely tyres, solid, semi-pneumatic and pneumatic tyres for vehicle wheels of all kinds. The contested sign therefore does not represent the goods in question covered by the contested mark, or a tyre tread.
- 56 Admittedly, it follows from the case-law referred to in paragraphs 40 to 43 above that EUIPO may take into account all information that makes it possible to assess the 'various types of elements of which a sign may consist' or 'the components of the sign'. EUIPO is, therefore, entitled to identify what the shape at issue actually represents.
- 57 However, that case-law cannot be interpreted as meaning that EUIPO is permitted, in order to qualify the shape represented by a contested sign, to add to that shape elements which do not form part of the sign and which are therefore external and foreign. In other words, the expert's report and all the relevant items mentioned in that case-law serve to establish what the sign actually represents. By contrast, the expert's report and all the relevant items do not allow EUIPO to define the contested sign by including within it characteristics which it does not possess and which it does not cover.
- 58 In the contested decision, the Board of Appeal departed from the shape represented by the contested sign and modified it. Even if account is taken of the fact, not disputed by the applicant, that some of its tyre models contain a groove in the shape represented by that sign on their tyre tread, the Board of Appeal was not entitled to go beyond the contested sign in order to qualify it as 'a representation of a tyre tread'. In other words, the Board of Appeal, by adding elements which do not form part of the contested sign — that is, on the basis of all the elements which appear on a tyre tread — took the view that that sign represented the shape of the goods in question for which it had been registered.

- 59 This assessment is not called into question by the argument, put forward by the intervener, that certain documents in the file show that the applicant, through its agent, has already described the contested trade mark as, and thus acknowledged that it is, a ‘tread pattern design’.
- 60 On the one hand, the documents relied on by the intervener and in which the applicant allegedly acknowledged that the contested mark was a ‘tread pattern design’, refer to or show signs which are different from that mark. More precisely, it must be noted that, in Annex 8 to the intervener’s observations submitted before EUIPO on 19 December 2013, the contested mark is described as a representation of a stick (*figura di mazza*). In addition, it should be noted that Annexes 9 and 10 to the same observations show signs that differ from the contested mark.
- 61 Moreover, it must be noted that the entry of a mark in the Register of EU trade marks is intended to allow the Board of Appeal to exercise its powers and to safeguard the interests of the parties to a dispute, but also to inform third parties of the specific nature of the registered rights and therefore to determine the subject of the protection afforded (see, to that effect, judgment of 21 June 2017, *M/S. Indeutsch International v EUIPO — Crafts Americana Group (Representation of chevrons between two parallel lines)*, T-20/16, EU:T:2017:410, paragraph 46). It must be stated that, when analysed objectively and specifically, the contested mark does not represent a tread pattern design. It represents, at most, an individual groove of a tyre tread.
- 62 In the third place, the case-law relied on by the parties, and in particular by EUIPO and the intervener, cannot be interpreted as meaning that it authorises the Board of Appeal to qualify the contested sign as a tyre or as ‘a representation of a tyre tread’.
- 63 The case that gave rise to the judgment of 10 November 2016, *Simba Toys v EUIPO* (C-30/15 P, EU:C:2016:849), concerned a sign composed of the three-dimensional representation of the goods designated by the contested mark, namely three-dimensional puzzles. The case that gave rise to the judgment of 14 September 2010, *Lego Juris v OHIM* (C-48/09 P, EU:C:2010:516), concerned a sign composed of the three-dimensional representation of a brick of the goods designated by the contested mark, namely construction games. In addition, the case giving rise to the judgment of 18 June 2002, *Philips* (C-299/99, EU:C:2002:377), concerned a sign composed of the three-dimensional representation of the shaving heads of the goods designated by the contested mark, namely, electric shavers. Lastly, the case that gave rise to the judgments of 6 March 2014, *Pi-Design and Others v Yoshida Metal Industry* (C-337/12 P to C-340/12 P, not published, EU:C:2014:129), and of 11 May 2017, *Yoshida Metal Industry v EUIPO* (C-421/15 P, EU:C:2017:360), concerned a sign composed of the two-dimensional representation of an object defined by its contours, namely the handle of the goods designated by the contested mark (kitchen utensils such as a knife).
- 64 Consequently, the cases referred to in paragraph 63 above concerned signs which did not have the same characteristics as the contested sign. The conclusion that the EU Courts reached in those cases cannot, therefore, be applied to a sign, such as the one contested in the present case, which does not reveal the outline of the goods covered by the contested mark and which represents only a very small part of those goods.
- 65 It is, moreover, important to note that, in the cases mentioned in paragraph 63 above, the shape actually represented by the sign at issue had been defined by the EU Courts on the basis of visible or invisible characteristics which were ‘specific’ to the sign at issue or ‘constituent’ of it, and not on the basis of elements the sign did not contain.
- 66 It follows that the case-law relied on by the parties does not call into question the assessment carried out in paragraph 58 above.

- 67 In the fourth place, it must be stated that the assessment of what the contested sign actually represents is a step which allows, first, its essential characteristics to be identified, and second, any potential functionality of those essential characteristics to be gauged. The mere fact that the Board of Appeal includes in its assessment elements which do not form part of the shape actually represented by the contested sign is capable of invalidating the conclusion that the conditions set out in Article 7(1)(e)(ii) of Regulation No 40/94 are met. Therefore, the general interest, which underlies Article 7(1)(e)(ii) of Regulation No 40/94 and which is referred to in paragraph 36 above, does not allow the Board of Appeal, in applying that specific provision, to go beyond the shape represented by the contested sign and to take into account elements which do not form part of the shape actually represented by that sign.
- 68 In the fifth place, EUIPO notes that a groove is not a product since it is not a separable element of a tyre. It concludes from this that the contested sign was registered in respect of tyres, which are the goods which incorporate the L-shaped groove in question and on which that groove performs a technical function.
- 69 In that regard, it is true that the scope of the absolute ground for refusal provided for in Article 7(1)(e)(ii) of Regulation No 40/94 is not limited solely to signs formed exclusively of the shape of 'goods' as such. Indeed, as EUIPO maintains, in essence, the general interest which underlies that provision could require signs consisting of the shape of part of a product that is necessary to obtain a technical result to also be refused registration. That would be the case if that shape represented, quantitatively and qualitatively, a significant part of that product.
- 70 However, it is important to state that, in the present case, the contested sign represents a single groove of a tyre tread. Accordingly, in the context of the goods in question, the contested sign does not represent a tyre tread since it does not incorporate the other elements of a tyre tread, with which that sign creates numerous shapes, which are complex and different from the shape of each of the grooves and of each of the elements considered in isolation.
- 71 Consequently, the contested sign is not made up exclusively of the shape of the goods in question or of a shape which, on its own, represents, quantitatively and qualitatively, a significant part of those goods.
- 72 Indeed, the evidence submitted by the intervener and examined by the Board of Appeal does not establish that a single groove, in the shape identical to that represented by the contested sign, is capable of producing the technical result accepted in the contested decision. That evidence shows that it is the combination and the interaction of the different elements which form a tyre tread and which appear repeatedly across the whole of that tread, to the point where it creates a shape that is different from those elements taken individually, which may be capable of producing the technical result noted in the contested decision.
- 73 It follows that the registration of the contested sign, the protection of which is limited to the shape which it represents, is not liable to prevent the applicant's competitors from making and marketing tyres which incorporate an identical or similar shape to that represented by that sign when that identical or similar shape is combined with other elements of a tyre tread and creates, in conjunction with those other elements, a shape that is different from each of the elements taken individually. As such, the shape represented by the contested sign does not necessarily feature on a tyre tread in a manner that enables the sign to be identified.
- 74 The Board of Appeal was therefore wrong to take the view that the contested sign represented a tyre tread and that that sign consisted of the 'shape of the goods' within the meaning of Article 7(1)(e)(ii) of Regulation No 40/94. That provision could not, therefore, be applied to the contested mark and the declaration of invalidity of that mark, made in the contested decision, rests on an incorrect legal basis.

- 75 Consequently, the first part of the third plea in law relied on by the applicant must be upheld, without there being any need to take into consideration the evidence mentioned in paragraph 12 above and without there being any need to rule on the second plea in law set out in paragraph 11 above, or the second part of the third plea relied on by the applicant, alleging that the essential characteristics of the contested sign do not all have exclusive functionality.
- 76 In the light of all of the foregoing, the contested decision is annulled in so far as, in paragraph 2 of the operative part of that decision, the Board of Appeal confirmed in part the decision of the Cancellation Division referred to in paragraph 6 above and declared invalid the registration of the contested mark for ‘tyres, solid, semi-pneumatic and pneumatic tyres for vehicle wheels of all kinds’, on the basis of Article 52(1)(a) of Regulation No 40/94, read in conjunction with Article 7(1)(e)(ii) of that regulation. In addition, and as a consequence, the contested decision is also annulled in so far as, in paragraph 3 of the operative part of that decision, the Board of Appeal ordered the applicant, as the unsuccessful party before EUIPO, to pay EUR 1 700 to the intervener.

Costs

- 77 Under Article 134(1) of the Rules of Procedure of the General Court, the unsuccessful party is to be ordered to pay the costs if they have been applied for in the successful party’s pleadings.
- 78 Since the applicant has applied for costs and EUIPO has been unsuccessful, the latter must be ordered to bear its own costs and to pay those incurred by the applicant.
- 79 Since the applicant has not applied for costs against the intervener, the latter must be ordered to bear its own costs.

On those grounds,

THE GENERAL COURT (Seventh Chamber, Extended Composition)

hereby:

- 1. Annuls paragraphs 2 and 3 of the operative part of the decision of the Fifth Board of Appeal of the European Union Intellectual Property Office (EUIPO) of 28 April 2016 (Case R 2583/2014-5);**
- 2. Orders EUIPO to bear its own costs and to pay the costs incurred by Pirelli Tyre SpA;**
- 3. Orders Yokohama Rubber Co. Ltd to bear its own costs.**

Tomljenović

Kancheva

Bieliūnas

Marcoulli

Kornezov

Delivered in open court in Luxembourg on 24 October 2018.

E. Coulon
Registrar

V. Tomljenović
President