



## Reports of Cases

JUDGMENT OF THE COURT (Third Chamber)

19 June 2014\*

(Request for a preliminary ruling — Trade marks — Directive 2008/95/EC — Article 3(1) and (3) — Mark consisting of a contourless red colour, registered for banking services — Application for a declaration of invalidity — Distinctive character acquired through use — Evidence — Consumer survey — Time when distinctive character through use is acquired — Burden of proof)

In Joined Cases C-217/13 and C-218/13,

REQUESTS for a preliminary ruling under Article 267 TFEU from the Bundespatentgericht (Germany), made by decisions of 8 March 2013, received at the Court on 24 April 2013, in the proceedings

**Oberbank AG** (C-217/13),

**Banco Santander SA** (C-218/13),

**Santander Consumer Bank AG** (C-218/13)

v

**Deutscher Sparkassen- und Giroverband eV**,

THE COURT (Third Chamber),

composed of M. Ilešič, President of the Chamber, C.G. Fernlund, A. Ó Caoimh, C. Toader and E. Jarašiūnas (Rapporteur), Judges,

Advocate General: M. Wathelet,

Registrar: A. Calot Escobar,

having regard to the written procedure,

after considering the observations submitted on behalf of:

- Oberbank AG, by S. Jackermeier, Rechtsanwalt,
- Banco Santander SA and Santander Consumer Bank AG, by B. Goebel, Rechtsanwalt,
- Deutscher Sparkassen- und Giroverband eV, by S. Fiscoeder, U. Lüken and U. Karpenstein, Rechtsanwälte,
- the Spanish Government, by N. Díaz Abad, acting as Agent,

\* Language of the case: German.

- the Polish Government, by B. Majczyna, acting as Agent,
- the United Kingdom Government, by S. Brighthouse, acting as Agent, and by S. Ford, Barrister,
- the European Commission, by F.W. Bulst and G. Braun, acting as Agents,

having decided, after hearing the Advocate General, to proceed to judgment without an Opinion,  
gives the following

### Judgment

- 1 The present requests for a preliminary ruling concern the interpretation of Article 3(1) and (3) of Directive 2008/95/EC of the European Parliament and of the Council of 22 October 2008 to approximate the laws of the Member States relating to trade marks (OJ 2009 L 299, p. 25; corrigendum OJ 2009 L 11, p. 86).
- 2 The requests have been made in the course of two sets of proceedings between, first, in Case C-217/13, Oberbank AG ('Oberbank') and, second, in Case C-218/13, Banco Santander SA ('Banco Santander') and Santander Consumer Bank AG ('Santander Consumer Bank'), on the one hand, and Deutscher Sparkassen- und Giroverband eV ('DSGV'), on the other hand, concerning applications for a declaration of invalidity made in respect of a contourless red colour mark of which DSGV is the proprietor.

### Legal context

#### *EU law*

- 3 Directive 2008/95 repealed and replaced First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks (OJ 1989 L 40, p. 1; corrigendum OJ 1989 L 207, p. 44).
- 4 Recital 1 in the preamble to Directive 2008/95 states:  
  
‘The content of [Directive 89/104] has been amended ... In the interests of clarity and rationality the said Directive should be codified.’
- 5 Recitals 6 and 10 in the preamble to Directive 2008/95, which essentially correspond to the fifth and ninth recitals in the preamble to Directive 89/104, state:  
  
‘(6) Member States should ... remain free to fix the provisions of procedure concerning the registration, the revocation and the invalidity of trade marks acquired by registration. They can, for example, determine the form of trade mark registration and invalidity procedures ...  
  
...  
  
(10) It is fundamental, in order to facilitate the free movement of goods and services, to ensure that registered trade marks enjoy the same protection under the legal systems of all the Member States. ...’

- 6 Under Article 2 of Directive 2008/95, which is entitled ‘Signs of which a trade mark may consist’ and worded in the same terms as Article 2 of Directive 89/104:

‘A trade mark may consist of any signs capable of being represented graphically ..., provided that such signs are capable of distinguishing the goods or services of one undertaking from those of other undertakings.’

- 7 Article 3 of Directive 2008/95, which is entitled ‘Grounds for refusal or invalidity’, which reproduces the content of Article 3 of Directive 89/104 without amending its substance, provides:

‘1. The following shall not be registered or, if registered, shall be liable to be declared invalid:

...

(b) trade marks which are devoid of any distinctive character;

...

3. A trade mark shall not be refused registration or be declared invalid in accordance with paragraph 1(b), (c) or (d) if, before the date of application for registration and following the use which has been made of it, it has acquired a distinctive character. Any Member State may in addition provide that this provision shall also apply where the distinctive character was acquired after the date of application for registration or after the date of registration.

...’

*German law*

- 8 Paragraph 8(2)(1) of the Law on the protection of trade marks and other signs (Markengesetz) of 25 October 1994 (BGBl. 1994 I, p. 3082) (‘the MarkenG’), states:

‘The following shall not be registered:

1. trade marks which are devoid of any distinctive character in relation to the goods or services concerned.’

- 9 Paragraph 8(3) of the MarkenG provides:

‘[Subparagraph 2(1)] ... shall not apply where the trade mark has, before the date of the decision on registration, become accepted in the trade circles concerned following the use which has been made of it in respect of the goods or services for which registration has been sought.’

- 10 Paragraph 37(2) of the MarkenG is worded as follows:

‘If the examination reveals that the trade mark did not meet the conditions laid down in Paragraph 8(2)(1), (2) or (3) on the filing date ..., but that the ground for refusal ceased to apply after the filing date, the application may not be refused if the applicant declares his agreement that, irrespective of the original filing date ..., the date on which the ground for refusal ceased to apply is deemed to be the filing date and is relevant for the determination of seniority within the meaning of Paragraph 6(2).’

11 Under Paragraph 50(1) and (2) of the MarkenG:

‘1. The registration of a trade mark shall be declared valid, on request, if it has been registered in contravention of [Paragraph 8].

2. If the trade mark has been registered in contravention of [Paragraph 8(2)(1)], the registration may be declared invalid only if the ground for refusal still exists on the date of the decision on the application for a declaration of invalidity. ...’

### **The actions in the main proceedings and the questions referred for a preliminary ruling**

12 The orders for reference state that, on 7 February 2002, DSGV filed an application for registration of a contourless red colour mark HKS 13 (‘the mark at issue’) in respect of a number of goods and services.

13 By decision of 4 September 2003, the Deutsches Patent- und Markenamt (German Patent and Trade Mark Office) (‘the DPMA’) dismissed that application. DSGV brought an action against that decision, limiting its application for registration to certain services in Class 36 of the Nice Agreement of 15 June 1957 concerning International Classification of Goods and Services for the Purposes of the Registration of Marks, as revised and amended, and submitting a consumer survey dated 24 January 2006.

14 By decision of 28 June 2007, the DPMA annulled that decision. It stated that, on the basis of the survey submitted, it had to be assumed that the mark at issue had gained a degree of acceptance in the trade circles concerned, within the meaning of Paragraph 8(3) of the MarkenG, of 67.9% for the remaining services covered by the application for registration. On 11 July 2007, that mark was accordingly registered for services in Class 36 corresponding, in essence, to various retail banking services.

15 On 15 January 2008, Oberbank applied for a declaration of invalidity in respect of the mark at issue maintaining, inter alia, that it had not acquired a distinctive character through use. DSGV contested that application.

16 By decision of 16 June 2009, the DPMA dismissed that application, considering that the mark at issue, although intrinsically devoid of distinctive character, had acquired a distinctive character through use, as evidenced by the consumer survey of 24 January 2006 and other documents submitted by DSGV.

17 Oberbank lodged an appeal before the referring court seeking the annulment of that decision and a declaration of invalidity in respect of the mark at issue. Before the referring court, Oberbank invokes the lack of distinctive character of that mark. DSGV contends that the appeal should be dismissed and, with regard to whether that mark has acquired a distinctive character through use, submits another consumer survey conducted in June 2011.

18 On 19 October 2009, Banco Santander and Santander Consumer Bank both sought a declaration of invalidity in respect of the mark at issue, on the basis of grounds similar to those relied on by Oberbank in its application of 15 January 2008. In addition, for the purpose of justifying their applications for a declaration of invalidity, they submitted several other consumer surveys and expert reports before the DPMA. DSGV has contested those applications.

19 After joining the two sets of proceedings, the DPMA, by decision of 24 April 2012, dismissed those applications on grounds similar to those put forward in its decision of 16 June 2009.

- 20 Banco Santander and Santander Consumer Bank brought an action against that decision before the referring court, similar to the action brought by Oberbank in the other case. In addition, they submitted that the burden of proof for distinctive character acquired through use, in the context of invalidity proceedings, must be borne by the proprietor of the mark. DSGV also contends that the action should be dismissed.
- 21 The referring court observes, in the first place, that the colour HKS 13 is intrinsically devoid of distinctive character and that, in order to establish whether a colour mark has acquired a distinctive character following the use which has been made of it, the case-law of the German Courts requires that a survey must be conducted so as to determine the ‘adjusted degree of association’ or the ‘degree of acceptance’ of the mark in question.
- 22 According to the referring court, having regard to the specific features of the case, only a degree of acceptance of over 70% would permit the conclusion that the mark at issue has a distinctive character acquired through use, the features in question having as their basis the fact that it is a colour per se and the expenditure incurred by DSGV on advertising does not offer any indication as to whether it has been able to gain acceptance for the tone HKS 13 as a trade mark on its own for the services offered.
- 23 The referring court asks what degree of acceptance in the trade circles concerned must there be for a contourless colour mark to be regarded as having a distinctive character acquired through use. The referring court observes that the Court has not yet ruled in that regard.
- 24 In the second place, the referring court considers that the proceedings turn on whether the mark at issue must have acquired a distinctive character through use on the date on which the application for registration is filed or the date on which the mark was registered. It states that, under German legislation, the registration of a trade mark must be declared invalid where the mark has not acquired a distinctive character through use before the date of the decision on registration (Paragraphs 8 and 50(1) of the MarkenG) and where it has not acquired a distinctive character through use on the date of the decision on the application for a declaration of invalidity (first sentence of Paragraph 50(2) of the MarkenG).
- 25 The referring court states that the German legislation must however be interpreted to the effect that the Federal Republic of Germany has not exercised the power laid down in the second sentence of Article 3(3) of Directive 2008/95. According to the referring court, Paragraph 8(3) of the MarkenG must be read in the light of Paragraph 37(2) of that law which requires that a mark may be registered only if it was distinctive on the date on which the application was filed. In the event that the mark acquired a distinctive character only after the date of application, Paragraph 37(2) of the MarkenG expressly provides for a deferral of seniority, which requires the agreement of the applicant. According to the referring court, the deferral of seniority is thus equivalent to a withdrawal of the application and to a subsequent, fresh application for the trade mark. The referring court states that the German legislation must therefore be interpreted to the effect that the trade mark must have acquired a distinctive character before the date of application and the same applies in the context of proceedings for a declaration of invalidity.
- 26 In the present case, if the date of registration is relevant, the required degree of acceptance of 70% has not been achieved. If, on the other hand, the date on which the application was filed is relevant, it is necessary to examine the situation prevailing on that date.
- 27 In the third place, the referring court points out that the proceedings also turn on the approach to be taken where certain relevant facts can no longer be determined.

28 In those circumstances, the Bundespatentgericht (Federal Patent Court) decided to stay the proceedings and to refer, in each of the cases in the main proceedings, the following questions to the Court of Justice for a preliminary ruling:

- (1) Does Article 3(1) and (3) of [Directive 2008/95] preclude an interpretation of national law according to which, for an abstract colour mark (in this case: red HKS 13) which is claimed for services in the financial affairs sector, a consumer survey must indicate an adjusted degree of association of at least 70% in order to form a basis for the assumption that the trade mark has acquired a distinctive character following the use which has been made of it?
- (2) Is the first sentence of Article 3(3) of [Directive 2008/95] to be interpreted to the effect that the time at which the application for the trade mark was filed — and not the time at which it was registered — is relevant in the case where the trade mark proprietor claims, in his defence against an application for a declaration invalidating the trade mark, that the trade mark acquired a distinctive character, following the use made of it, in any event more than three years after the application, but prior to registration?
- (3) In the event that, under the abovementioned conditions, the time at which the application was filed is also relevant:

Is the trade mark to be declared invalid if it is not clarified, and can no longer be clarified, whether it had acquired a distinctive character, following the use made of it, at the time when the application was filed? Or does the declaration of invalidity require the applicant seeking that declaration to prove that the trade mark had not acquired a distinctive character, following the use made of it, at the time when the application was filed?

29 By decision of the President of the Court of 14 May 2013, the present cases were joined for the purposes of the written and oral procedure and the judgment.

### **The questions referred**

#### *Preliminary observations*

- 30 The requests for a preliminary ruling refer to Directive 2008/95. The Court will, as a consequence, provide the interpretation of Directive 2008/95 which the referring court requests. It should nevertheless be stated that that directive, under Article 18 thereof, entered into force on the 20th day following its publication in the *Official Journal of the European Union*, that is to say 28 November 2008. It is apparent from the order of reference in Case C-217/13 that Oberbank filed its application for a declaration of invalidity in respect of the mark at issue with the DPMA on 15 January 2008, when Directive 89/104 was still in force.
- 31 If the referring court should find that the main proceedings relate, in Case C-217/13, to Directive 89/104, it should be stated that the answers given to the questions referred in the present case are applicable to that earlier legislation. In relation to the equivalent provisions of Directive 89/104, the provisions of Directive 2008/95 that are relevant for the case before the referring court were not substantively amended, as regards their wording, context or purpose, when Directive 2008/95 was adopted and which, pursuant to recital 1 in the preamble to that directive, merely codified Directive 89/104.
- 32 For the same reason, the case-law relating to the relevant provisions of Directive 89/104 is applicable to the equivalent provisions of Directive 2008/95.

*The first question*

- 33 By its first question, the referring court asks, in essence, whether Article 3(1) and (3) of Directive 2008/95 must be interpreted as precluding an interpretation of national law according to which, in the context of proceedings raising the question whether a contourless colour mark has acquired a distinctive character through use, it is in every case necessary that a consumer survey indicate a degree of recognition of that mark of at least 70%.
- 34 Oberbank, Banco Santander and Santander Consumer Bank, and the Spanish and Polish Governments consider that that question should be answered in the negative. In support of that position, Oberbank relies on, inter alia, the special features of colour marks, Banco Santander and Santander Consumer Bank put forward the public interest in maintaining the availability of colours and the low suitability of the mark at issue as an effective trade mark, the Spanish Government invokes the inadequacy of the other evidence in respect of colour marks, and the Polish Government relies on the need to protect consumers against error.
- 35 DSGVO, the United Kingdom Government and the European Commission consider that that first question should be answered in the affirmative. They maintain that Article 3(1) and (3) of Directive 2008/95 requires an assessment of all the relevant circumstances of the case.
- 36 It should be borne in mind at the outset that a colour mark per se is capable of constituting, under certain conditions, a trade mark within the meaning of Article 2 of Directive 2008/95 (see, to that effect, Case C-104/01 *Libertel* EU:C:2003:244, paragraphs 27 to 42, and Case C-49/02 *Heidelberger Bauchemie* EU:C:2004:384, paragraph 42).
- 37 However, the fact that a sign is, in general, capable of constituting a trade mark does not mean that the sign necessarily has a distinctive character for the purposes of Article 3(1)(b) of Directive 2008/95 in relation to a specific product or service (see, by analogy, Case C-265/09 P *OHIM v BORCO-Marken-Import Matthiesen* EU:C:2010:508, paragraph 29 and the case-law cited). In the present case, it is apparent from the orders for reference that, while the mark at issue is capable of constituting a trade mark within the meaning of Article 2 of Directive 2008/95, it is however devoid of any inherently distinctive character in terms of Article 3(1)(b) of that directive. It is also apparent from the orders for reference that the referring court seeks, therefore, only to establish how it should be determined whether, following the use which has been made of it, that mark has acquired a distinctive character within the meaning of Article 3(3) and, in particular, whether that assessment may depend, in significant part, on the results of a consumer survey.
- 38 According to settled case-law, just as distinctive character is one of the general conditions for registering a trade mark under Article 3(1)(b) of Directive 2008/95, distinctive character acquired through use means that the mark must serve to identify the product or service covered by that mark as originating from a particular undertaking, and thus to distinguish that product or service from goods of other undertakings (Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee* EU:C:1999:230, paragraph 46, and Case C-299/99 *Philips* EU:C:2002:377, paragraph 35).
- 39 It is also settled case-law that, whether inherent or acquired through use, the distinctive character of a mark must be assessed in relation, on the one hand, to the goods or services covered by that mark and, on the other, to the presumed expectations within the trade circles concerned, that is to say, an average consumer of the category of goods or services in question, who is reasonably well-informed and reasonably observant and circumspect (Case C-363/99 *Koninklijke KPN Nederland* EU:C:2004:86, paragraph 34 and the case-law cited, and Case C-353/03 *Nestlé* EU:C:2005:432, paragraph 25).
- 40 As regards the question how to determine whether a mark has acquired a distinctive character through use, it is settled case-law that the competent authority for registering trade marks must carry out an examination by reference to the actual situation (*Libertel* EU:C:2003:244, paragraph 77, and Case

C-404/02 *Nichols* EU:C:2004:538, paragraph 27) and make an overall assessment of the evidence that the mark has come to identify the goods or services concerned as originating from a particular undertaking (*Windsurfing Chiemsee* EU:C:1999:230, paragraph 49, and *Nestlé* EU:C:2005:432, paragraph 31). Moreover, that evidence must relate to use of the mark as a trade mark, that is to say for the purposes of such identification by the relevant class of persons (*Philips* EU:C:2002:377, paragraph 64, and *Nestlé* EU:C:2005:432, paragraphs 26 and 29).

- 41 In the context of that assessment, the following items may, inter alia, be taken into consideration: the market share held by the mark in question; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant class of persons who, because of the mark, identifies goods or services as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations (*Windsurfing Chiemsee* EU:C:1999:230, paragraph 51, and *Nestlé* EU:C:2005:432, paragraph 31).
- 42 If, on the basis of those factors, the competent authority finds that the relevant class of persons, or at least a significant proportion thereof, identifies goods or services as originating from a particular undertaking because of the trade mark in question, it must in any event hold that the requirement laid down in Article 3(3) of Directive 2008/95 for the mark not to be excluded from registration or declared invalid is satisfied (see, to that effect, *Windsurfing Chiemsee* EU:C:1999:230, paragraph 52, and *Philips* EU:C:2002:377, paragraph 61).
- 43 It should also be stated that Union law does not preclude the competent authority, where it has particular difficulty in assessing the distinctive character acquired through use of the mark in respect of which registration or a declaration of invalidity is sought, from having recourse, under the conditions laid down by its own national law, to an opinion poll as guidance for its judgment (see, to that effect, *Windsurfing Chiemsee* EU:C:1999:230, paragraph 53 and the case-law cited). If the competent authority finds it necessary to resort to such a survey, it must determine the percentage of consumers that would be sufficiently significant (see, by analogy, Case C-487/07 *Budějovický Budvar* EU:C:2009:521, paragraph 89).
- 44 However, the circumstances in which the requirement concerning the acquisition of a distinctive character through use, under Article 3(3) of Directive 2008/95, may be regarded as satisfied cannot be shown to exist solely by reference to general, abstract data such as predetermined percentages (*Windsurfing Chiemsee* EU:C:1999:230, paragraph 52, and *Philips* EU:C:2002:377, paragraph 62).
- 45 In that regard, it must be observed that, in an overall assessment of the evidence that the mark has acquired a distinctive character through use, it may indeed appear, inter alia, that the perception of the relevant public is not necessarily the same for each of the categories of marks and that, accordingly, it could prove more difficult to establish the distinctive character, including distinctiveness acquired through use, of trade marks in certain categories than that of those in other categories (Case C-218/01 *Henkel* EU:C:2004:88, paragraph 52 and the case-law cited, and *Nichols* EU:C:2004:538, paragraph 28).
- 46 However, Article 2 and Article 3(1)(b) and (3) of Directive 2008/95 make no distinction between different categories of trade marks. The criteria for assessing the distinctive character of contourless colour marks, such as the mark at issue in the main proceedings, including whether that mark has acquired a distinctive character following the use which has been made of it, are thus no different from those to be applied to other categories of trade mark (see, by analogy, *Philips* EU:C:2002:377, paragraph 48, and *Nichols* EU:C:2004:538, paragraphs 24 and 25).
- 47 The difficulties in establishing distinctive character which may be associated with certain categories of marks because of their nature — difficulties which it is legitimate to take into account — do not therefore justify laying down stricter criteria supplementing or derogating from application of the



criterion of distinctiveness as interpreted in the case-law on other categories of marks (see, to that effect, *Nichols* EU:C:2004:538, paragraph 26, and, by analogy, *OHIM v BORCO-Marken-Import Matthiesen* EU:C:2010:508, paragraph 34).

- 48 It follows from the foregoing that it is not possible to state in general terms, for example by referring to predetermined percentages relating to the degree of recognition attained by the mark within the relevant section of the public, when a mark has acquired a distinctive character through use and that, even with regard to contourless colour marks, such as the mark at issue in the main proceedings, and even if a consumer survey may be one of the factors to be taken into account when assessing whether such a mark has acquired a distinctive character through use, the results of a consumer survey cannot be the only decisive criterion to support the conclusion that a distinctive character has been acquired through use.
- 49 In the light of those considerations, the answer to the first question is that Article 3(1) and (3) of Directive 2008/95 must be interpreted as precluding an interpretation of national law according to which, in the context of proceedings raising the question whether a contourless colour mark has acquired a distinctive character through use, it is necessary in every case that a consumer survey indicate a degree of recognition of at least 70%.

#### *The second question*

- 50 By its second question, the referring court asks, in essence, whether the first sentence of Article 3(3) of Directive 2008/95 must be interpreted as meaning that, in the context of invalidity proceedings in respect of a mark which is intrinsically devoid of distinctive character, in order to assess whether that mark has acquired a distinctive character through use, it is necessary to examine whether such character was acquired before the date of filing of the application for registration of that mark, where the proprietor of the mark at issue maintains that the mark has, in any event, acquired a distinctive character through use after the date of filing of the application for registration, but before the date of registration. The referring court points out in that regard that German law must be interpreted to the effect that the Federal Republic of Germany has not exercised the power laid down in the second sentence of Article 3(3) of that directive.
- 51 In view of the last mentioned observation, DSGV and the Commission submit that that question is inadmissible. They consider, in essence, that the presentation of the national legal framework, as made by the referring court, is incorrect. The Federal Republic of Germany has exercised the power laid down in the second sentence of Article 3(3) of Directive 2008/95, which renders the second question hypothetical.
- 52 In that regard, it should be borne in mind that it is not for the Court, in the context of the judicial cooperation established by Article 267 TFEU, to give a ruling on the interpretation of provisions of national law, or to decide whether the interpretation given by the national court of those provisions is correct. The Court must take account, under the division of jurisdiction between it and the national courts, of the factual and legislative context, as described in the order for reference, in which the questions put to it are set (Case C-518/08 *Fundación Gala-Salvador Dalí and VEGAP* EU:C:2010:191, paragraph 21 and the case-law cited, and Case C-212/10 *Logstor ROR Polska* EU:C:2011:404, paragraph 30).
- 53 In those circumstances, the Court should answer the second question put to it on the basis of the finding made by the referring court that German law must, in the present case, be interpreted to the effect that the Federal Republic of Germany has not transposed into national law the power laid down in the second sentence of Article 3(3) of Directive 2008/95 and, consequently, the Court finds that that question is admissible.

- 54 As to the substance, Oberbank submits that the first sentence of Article 3(3) of Directive 2008/95 must be interpreted to the effect that the two dates given by the referring court are relevant and that proof of distinctive character acquired through use must be adduced for those two dates.
- 55 Banco Santander and Santander Consumer Bank and the Spanish and Polish Governments consider that, since the Member State in question has not exercised the power laid down in the second sentence of Article 3(3) of Directive 2008/95, proof as regards distinctive character acquired through use must relate to the date of filing of the application for registration. The Commission puts forward, in the alternative, the same interpretation. As for DSGV, it maintains that, in any event, the date of registration is relevant in the context of invalidity proceedings, such as those at issue in the main proceedings.
- 56 Under the first sentence of Article 3(3) of Directive 2008/95, a trade mark is not to be refused registration or be declared invalid in accordance with Article 3(1)(b), (c) or (d) if, before the date of application for registration and following the use which has been made of it, it has acquired a distinctive character.
- 57 It is thus clear from the unequivocal terms of the first sentence of Article 3(3) of Directive 2008/95 that, contrary to what DSGV maintains, in the context of invalidity proceedings relating to a mark in respect of which one or more of the grounds for invalidity set out in Article 3(1)(b), (c) or (d) of that directive have been invoked, and where the applicability of at least one of those grounds has been established, it is only if the mark at issue has acquired a distinctive character following the use which has been made of it before the date of filing of the application for registration of that mark that it may escape the application of one or more of the grounds of invalidity invoked.
- 58 That literal interpretation is confirmed by the purpose of the provision of which that first sentence forms part. The second sentence of Article 3(3) of Directive 2008/95 expressly provides for Member States to extend the possibility set out in the first sentence thereof, in a situation where the mark has acquired a distinctive character following the use which has been made of it after the date of filing of the application for registration or, even, after the date of registration of that mark.
- 59 If the first sentence of Article 3(3) of Directive 2008/95 were to be interpreted as also concerning distinctive character acquired following use which has been made of the mark at issue after the filing of the application for registration, as stated by Oberbank and DSGV, the power offered to Member States by the second sentence of that article would be illusory and that provision would be rendered ineffective.
- 60 It should nevertheless be borne in mind that the interpretation set out in paragraph 57 above does not exclude the possibility that account may be taken, by the competent authority, of evidence which, although subsequent to the date of filing the application for registration, enables the drawing of conclusions on the situation as it was on that date (see, to that effect, Case C-488/06 P *L & D v OHIM* EU:C:2008:420, paragraph 71 and the case-law cited).
- 61 It follows from those considerations that the answer to the second question is that, where a Member State has not exercised the power laid down in the second sentence of Article 3(3) of Directive 2008/95, the first sentence of Article 3(3) of that directive must be interpreted as meaning that, in the context of invalidity proceedings in respect of a mark which is intrinsically devoid of distinctive character, in order to assess whether that mark has acquired a distinctive character through use, it is necessary to examine whether such character was acquired before the date of filing of the application for registration of that mark. It is irrelevant in that regard that the proprietor of the mark at issue maintains that the mark has, in any event, acquired a distinctive character through use after the date of filing of the application for registration, but before the date of registration of that mark.

*The third question*

- 62 By its third question, the referring court asks, in essence, whether the first sentence of Article 3(3) of Directive 2008/95 must be interpreted as precluding, in the context of invalidity proceedings, the mark at issue from being declared invalid where it is intrinsically devoid of distinctive character and the proprietor of that mark has failed to show that it has acquired a distinctive character by the use which has been made of it before the date of filing of the application for registration.
- 63 Oberbank, Banco Santander and Santander Consumer Bank and the Spanish Government consider that, in the context of invalidity proceedings, the burden of proof concerning the distinctive character acquired following the use which has been made of the mark at issue must be borne by the proprietor of that mark. The Polish Government maintains, on the other hand, that the answer to the third question concerns the exclusive competence of the Member States, in accordance with recital 6 in the preamble to Directive 2008/95.
- 64 DSGVO and the Commission have doubts as to the admissibility of that question. In the alternative, DSGVO submits that, in the context of invalidity proceedings, the burden of proof must be borne by the applicant. The Commission considers, in essence, that there is nothing to prevent the burden of proof from resting with the proprietor of the mark in question.
- 65 As a preliminary point, it is necessary, for the reasons set out in paragraph 52 above, to dismiss the objections put forward by DSGVO and the Commission concerning the admissibility of the third question and to reply to that question on the basis of the finding made by the referring court that German law must, in the present case, be interpreted to the effect that the Federal Republic of Germany has not transposed into national law the power laid down in the second sentence of Article 3(3) of Directive 2008/95.
- 66 As to the substance, it is true that recital 6 in the preamble to Directive 2008/95 states, inter alia, that Member States should remain free to fix the procedural provisions concerning the invalidity of trade marks acquired by registration and determine, for example, the form of invalidity procedures. However, it cannot be inferred that the question of the burden of proof concerning distinctive character acquired through use in the context of invalidity proceedings pursuant to Article 3(1)(b), (c) or (d) of Directive 2008/95 constitutes such a procedural provision falling within the competence of Member States.
- 67 If the question of the burden of proof concerning distinctive character acquired by use which has been made of a mark in the context of invalidity proceedings were a matter for the national law of the Member States, the consequence for proprietors of trade marks could be that protection would vary according to the legal system concerned, with the result that the objective of ‘the same protection under the legal systems of all the Member States’ set out in recital 10 in the preamble to Directive 2008/95, where it is described as ‘fundamental’, would not be attained (see, by analogy, Case C-405/03 *Class International* EU:C:2005:616, paragraph 73 and the case-law cited, and Case C-479/12 *H. Gautzsch Großhandel* EU:C:2014:75, paragraph 40).
- 68 In view of that objective and the structure and purpose of Article 3(3) of Directive 2008/95, the Court finds that, in the context of invalidity proceedings, the burden of proof concerning distinctive character acquired following the use which has been made of the mark at issue must be borne by the proprietor of that mark which invokes that distinctive character.
- 69 First, in the same way that distinctive character acquired following the use which is made of a mark is, in proceedings for registration, an exception to the grounds for refusal listed in Article 3(1)(b), (c) or (d) of Directive 2008/95 (see, to that effect, Case C-108/05 *Bovemij Verzekeringen* EU:C:2006:530, paragraph 21), distinctive character acquired following the use which is made of a mark is, in the

context of invalidity proceedings, an exception to the grounds for invalidity listed in Article 3(1)(b), (c) or (d). Since it is an exception, the onus is on the party seeking to rely on it to justify its application.

- 70 Second, the Court finds that it is the proprietor of the mark at issue which is best placed to adduce evidence in support of the assertion that its mark has acquired a distinctive character following the use which has been made of it. The same applies, in particular, to evidence capable of establishing such use, in respect of which the case-law cited in paragraphs 40 and 41 above contains a list of examples, such as evidence relating to how intensive, widespread and long-standing use of the mark has been and the amount invested in promoting it.
- 71 Consequently, where the proprietor of the mark at issue is requested by the competent authority to adduce proof of distinctive character acquired following the use which has been made of a mark which is intrinsically devoid of distinctive character but fails to do so, that mark must be declared invalid.
- 72 The reasons why the proprietor of the mark fails to adduce that evidence are irrelevant in that regard. Otherwise, it would be possible for a mark to continue to be protected under Directive 2008/95 even though, since it falls within the scope of one of the grounds for invalidity set out in Article 3(1)(b), (c) or (d) of that directive, it is incapable of fulfilling the essential function of the mark and ought not, consequently, to be protected under that directive. For that very reason, contrary to what DSGV maintains, imposing the burden of proof in that way does not breach the principle of the protection of the legitimate expectations of the proprietor of the mark.
- 73 Moreover, as is apparent from paragraph 61 above, under the first sentence of Article 3(3) of Directive 2008/95, in order to assess whether a mark has acquired a distinctive character through use, it is necessary to examine whether such character was acquired before the date of filing of the application for registration of that mark.
- 74 In the light of the foregoing, the answer to the third question is that where a Member State does not exercise the power laid down in the second sentence of Article 3(3) of Directive 2008/95, the first sentence of Article 3(3) of that directive must be interpreted to the effect that it does not preclude, in the context of invalidity proceedings, the mark at issue from being declared invalid where it is intrinsically devoid of distinctive character and the proprietor of that mark has failed to show that it has acquired a distinctive character following the use which has been made of it before the date of filing of the application for registration.

## Costs

- 75 Since these proceedings are, for the parties to the main proceedings, a step in the action pending before the national court, the decision on costs is a matter for that court. Costs incurred in submitting observations to the Court, other than the costs of those parties, are not recoverable.

On those grounds, the Court (Third Chamber) hereby rules:

- 1. Article 3(1) and (3) of Directive 2008/95/EC of the European Parliament and of the Council of 22 October 2008 to approximate the laws of the Member States relating to trade marks must be interpreted as precluding an interpretation of national law according to which, in the context of proceedings raising the question whether a contourless colour mark has acquired a distinctive character through use, it is necessary in every case that a consumer survey indicate a degree of recognition of at least 70%.**

2. **Where a Member State has not exercised the power laid down in the second sentence of Article 3(3) of Directive 2008/95, the first sentence of Article 3(3) of that directive must be interpreted as meaning that, in the context of invalidity proceedings in respect of a mark which is intrinsically devoid of distinctive character, in order to assess whether that mark has acquired a distinctive character through use, it is necessary to examine whether such character was acquired before the date of filing of the application for registration of that mark. It is irrelevant in that regard that the proprietor of the mark at issue maintains that the mark has, in any event, acquired a distinctive character through use after the date of filing of the application for registration, but before the date of registration of that mark.**
3. **Where a Member State does not exercise the power laid down in the second sentence of Article 3(3) of Directive 2008/95, the first sentence of Article 3(3) of that directive must be interpreted to the effect that it does not preclude, in the context of invalidity proceedings, the mark at issue from being declared invalid where it is intrinsically devoid of distinctive character and the proprietor of that mark has failed to show that it has acquired a distinctive character following the use which has been made of it before the date of filing of the application for registration.**

[Signatures]