



Reports of Cases

JUDGMENT OF THE COURT (Third Chamber)

25 July 2018*

(Appeal — EU trade mark — Three-dimensional mark representing the shape of a four-fingered chocolate bar — Appeal directed against the grounds — Inadmissibility — Regulation (EC) No 207/2009 — Article 7(3) — Evidence of distinctive character acquired through use)

In Joined Cases C-84/17 P, C-85/17 P and C-95/17 P,

THREE APPEALS under Article 56 of the Statute of the Court of Justice of the European Union, brought on 15 February 2017 for the first and second appeals and on 22 February 2017 for the third appeal,

Société des produits Nestlé SA, established in Vevey (Switzerland), represented by G.S.P. Vos, advocaat, and S. Malynicz QC,

appellant,

supported by:

European Association of Trade Mark Owners (MARQUES), established in Leicester (United Kingdom), represented by M. Viefhues, Rechtsanwalt,

intervener in the appeal,

the other parties to the proceedings being:

Mondelez UK Holdings & Services Ltd, formerly Cadbury Holdings Ltd, established in Uxbridge (United Kingdom), represented by T. Mitcheson QC and J. Lane Heald, Barrister, instructed by P. Walsh and J. Blum, Solicitors,

applicant at first instance,

European Union Intellectual Property Office (EUIPO), represented by A. Folliard-Monguiral, acting as Agent,

defendant at first instance (C-84/17 P),

Mondelez UK Holdings & Services Ltd, formerly Cadbury Holdings Ltd, established in Uxbridge, represented by T. Mitcheson QC and J. Lane Heald, Barrister, instructed by P. Walsh, J. Blum and C. MacLeod, Solicitors,

appellant,

* Language of the case: English.

the other parties to the proceedings being:

European Union Intellectual Property Office (EUIPO), represented by A. Folliard-Monguiral, acting as Agent,

defendant at first instance,

Société des produits Nestlé SA, established in Vevey, represented by G.S.P. Vos, advocaat, and S. Malynicz QC,

intervener at first instance (C-85/17 P),

and

European Union Intellectual Property Office (EUIPO), represented by A. Folliard-Monguiral, acting as Agent,

appellant,

the other parties to the proceedings being:

Mondelez UK Holdings & Services Ltd, formerly Cadbury Holdings Ltd, established in Uxbridge, represented by T. Mitcheson QC and J. Lane Heald, Barrister, instructed by P. Walsh and J. Blum, Solicitors,

applicant at first instance,

Société des produits Nestlé SA, established in Vevey, represented by G.S.P. Vos, advocaat, and S. Malynicz QC,

intervener at first instance (C-95/17 P),

THE COURT (Third Chamber),

composed of L. Bay Larsen, President of the Chamber, J. Malenovský, M. Safjan, D. Šváby and M. Vilaras (Rapporteur), Judges,

Advocate General: M. Wathelet,

Registrar: C. Strömholm, Administrator,

having regard to the written procedure and further to the hearing on 22 February 2018,

after hearing the Opinion of the Advocate General at the sitting on 19 April 2018,

gives the following

Judgment

- 1 By their respective appeals, Société des produits Nestlé SA ('Nestlé'), Mondelez UK Holdings & Services Ltd, formerly Cadbury Holdings Ltd ('Mondelez') and the European Union Intellectual Property Office (EUIPO) ask the Court to set aside the judgment of the General Court of the European Union of 15 December 2016, *Mondelez UK Holdings & Services v EUIPO — Société des*

produits Nestlé (Shape of a chocolate bar) (T-112/13, not published, EU:T:2016:735; ‘the judgment under appeal’) by which the General Court annulled the decision of the Second Board of Appeal of EUIPO of 11 December 2012 (Case R 513/2011-2) relating to invalidity proceedings between Cadbury Holdings and Nestlé (‘the decision at issue’).

Legal context

- 2 Under Article 1(2) of Council Regulation (EC) No 207/2009 of 26 February 2009 on the [EU] trade mark (OJ 2009 L 78, p. 1):

‘[An EU] trade mark shall have a unitary character. It shall have equal effect throughout the [European Union]: it shall not be registered, transferred or surrendered or be the subject of a decision revoking the rights of the proprietor or declaring it invalid, nor shall its use be prohibited, save in respect of the whole [European Union]. This principle shall apply unless otherwise provided in this Regulation.’

- 3 Article 7 of that regulation provided as follows:

‘1. The following shall not be registered:

...

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

...

2. Paragraph 1 shall apply notwithstanding that the grounds of non-registrability obtain in only part of the [European Union].

3. Paragraph 1(b)(c) and (d) shall not apply if the trade mark has become distinctive in relation to the goods and services for which registration is requested in consequence of the use which has been made of it.’

- 4 Article 52 of the Regulation is worded as follows:

‘1. [An EU] trade mark shall be declared invalid on application to [EUIPO] or on the basis of a counterclaim in infringement proceedings:

(a) where the [EU] trade mark has been registered contrary to the provisions of Article 7;

...

2. Where the [EU] trade mark has been registered in breach of the provisions of Article 7(1)(b), (c) or (d), it may nevertheless not be declared invalid if, in consequence of the use which has been made of it, it has after registration acquired a distinctive character in relation to the goods or services for which it is registered.

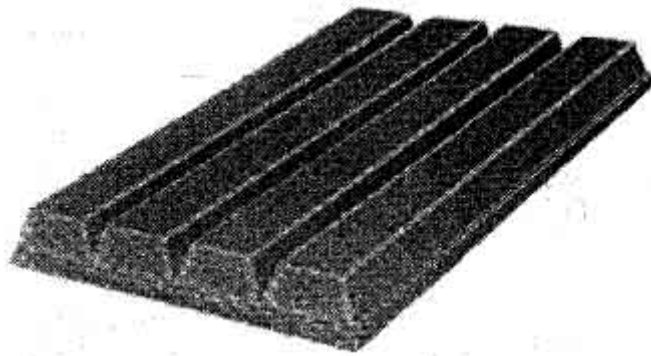
3. Where the ground for invalidity exists in respect of only some of the goods or services for which the [EU] trade mark is registered, the trade mark shall be declared invalid as regards those goods or services only.’

5 Article 65 of that regulation provides as follows:

- ‘1. Actions may be brought before the Court of Justice against decisions of the Boards of Appeal on appeals.
2. The action may be brought on grounds of lack of competence, infringement of an essential procedural requirement, infringement of the Treaty, of this Regulation or of any rule of law relating to their application or misuse of power.
3. The Court of Justice has jurisdiction to annul or to alter the contested decision.
4. The action shall be open to any party to proceedings before the Board of Appeal adversely affected by its decision.
5. The action shall be brought before the Court of Justice within two months of the date of notification of the decision of the Board of Appeal.
6. [EUIPO] shall be required to take the necessary measures to comply with the judgment of the Court of Justice.’

Background to the disputes

- 6 The background to the disputes is given in paragraphs 1 to 11 of the judgment under appeal and, for the purposes of these proceedings, it can be summarised as follows.
- 7 On 21 March 2002, Nestlé filed an application for registration of the following three-dimensional sign with EUIPO:



- 8 Registration was sought in respect of goods in Class 30 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. On 28 July 2006, the sign referred to above was registered as an EU trade mark for goods falling within Class 30 and corresponding to the following description: ‘Sweets; bakery products, pastries, biscuits; cakes, waffles’ (‘the mark at issue’).
- 9 On 23 March 2007, Cadbury Schweppes plc (subsequently Cadbury Holdings, now Mondelez) filed an application with EUIPO for a declaration of invalidity in respect of the registration on the basis, inter alia, of Article 7(1)(b) of Regulation No 207/2009. On 11 January 2011, the Cancellation Division of EUIPO upheld that application and declared the mark at issue invalid. On appeal by Nestlé, the Second Board of Appeal of EUIPO, by the decision at issue, annulled the decision of the Cancellation Division. The Second Board of Appeal considered, inter alia, that although the mark at issue was, indeed, devoid of any inherent distinctive character in relation to the goods for which it had been

registered, Nestlé had shown, in accordance with Article 7(3) of Regulation No 207/2009, that that trade mark had acquired such a character in relation to those goods through the use which had been made of it.

The procedure before the General Court and the judgment under appeal

- 10 By application lodged at the General Court Registry on 19 February 2013, Mondelez brought an action seeking the annulment of the decision at issue. In support of its action, it raised three pleas in law. The General Court examined only the first plea in law, alleging infringement of Article 52(2) of Regulation No 207/2009, read in conjunction with Article 7(3) thereof, and divided into four parts.
- 11 In paragraphs 21 to 44 of the judgment under appeal, the General Court analysed and upheld the second part of Mondelez's first plea in law. As can be seen from paragraphs 41 to 44 of the judgment under appeal, the General Court took the view that the Board of Appeal was wrong to conclude that Nestlé had established use of the mark at issue in respect of bakery products, pastries, cakes and waffles. Consequently, the General Court analysed the other parts of Mondelez's first plea in law only with regard to sweets and biscuits. Paragraphs 21 to 44 of the judgment under appeal are not the subject of any of the appeals.
- 12 In paragraphs 45 to 64 of the judgment under appeal, the General Court analysed and rejected the first part of Mondelez's first plea in law, concerning the lack of use of the mark at issue in the form in which it had been registered.
- 13 In paragraphs 65 to 111 of the judgment under appeal, the General Court examined and rejected the third part of Mondelez's first plea in law, concerning the lack of use of the mark at issue as an indicator of origin and the insufficient evidence provided in that respect. In support of that decision, on the one hand, in paragraph 94 of the judgment under appeal, the General Court noted that the evidence of genuine use of the mark at issue, submitted by Nestlé before EUIPO, constituted relevant evidence which, when assessed globally, was capable of establishing that, in the eyes of the relevant public, that trade mark was perceived as an indication of the commercial origin of the goods in question. On the other hand, in paragraph 107 of that judgment, the General Court noted that the Board of Appeal had carried out an examination of whether the mark at issue had acquired distinctive character by virtue of that indication and specifically substantiated its conclusions regarding such acquisition in Denmark, Germany, Spain, France, Italy, the Netherlands, Austria, Finland, Sweden and the United Kingdom.
- 14 Finally, in paragraphs 112 to 178 of the judgment under appeal, the General Court analysed the fourth part of Mondelez's first plea in law. In paragraph 143 of that judgment, it stated that the Board of Appeal had erred in concluding, in essence, that, for the purposes of proving distinctive character acquired through use throughout the European Union, it was sufficient to show that a substantial proportion of the relevant public in the European Union, merging all the Member States and regions, perceived a mark as an indication of the commercial origin of the goods designated by that mark and that it was not necessary to prove the distinctive character acquired through its use in each of the Member States concerned.
- 15 Nevertheless, as can be seen from paragraphs 144 and 145 of that judgment, the General Court took the view that it was possible that, despite having erred in law as to the assessment criterion for the purposes of proving the distinctive character of a mark acquired through its use throughout the European Union, the Board of Appeal had applied that criterion correctly when examining the evidence submitted by Nestlé. It therefore decided that it was necessary to examine the assessment of that evidence by the Board of Appeal.

- 16 Following an examination of the evidence relating to France, Italy, Spain, the United Kingdom, Germany, the Netherlands, Denmark and Sweden, Finland, and Austria, the General Court concluded, in paragraphs 146, 148, 151, 153, 155, 158, 159, 164 and 167 respectively of the judgment under appeal, that the Board of Appeal was right to find that it had been established that the mark at issue had acquired distinctive character through use in all of those Member States.
- 17 However, in paragraph 173 of the judgment under appeal, the General Court noted that the Board of Appeal had not explicitly answered the question of whether it had been established that the mark at issue had acquired distinctive character in Belgium, Ireland, Greece and Portugal, nor had it included those Member States among those in which it had considered that such acquisition had been proven.
- 18 In paragraphs 177 to 179 of that judgment the General Court therefore upheld the fourth part of Mondelez's first plea in law and annulled the decision at issue in its entirety, as the Board of Appeal's assessment of the mark at issue's distinctive character acquired through use had not been carried out properly, since that body had not adjudicated on the perception of that mark by the relevant public in, inter alia, Belgium, Ireland, Greece and Portugal and had failed to analyse the evidence put forward by Nestlé with regard to those Member States.

Forms of order sought and procedure before the Court of Justice

- 19 By its appeal in Case C-84/17 P, Nestlé claims that the Court should:
- set aside the judgment under appeal on the ground that the General Court infringed Articles 7(3) and 52(2) of Regulation No 207/2009; and
 - order Mondelez to bear the costs.
- 20 By its appeal in Case C-85/17 P, Mondelez claims that the Court should set aside paragraphs 37 to 44, 58 to 64, 78 to 111 and 144 to 169 of the judgment under appeal, as well as the part of paragraph 177 thereof that reads 'Although it had been established that the [mark at issue] had acquired distinctive character through use in Denmark, Germany, Spain, France, Italy, the Netherlands, Austria, Finland, Sweden and the United Kingdom'.
- 21 By its appeal in Case C-95/17 P, EUIPO claims that the Court should:
- set aside the judgment under appeal; and
 - order Mondelez to bear the costs.
- 22 By decision of the President of the Court of 10 May 2017, Cases C-84/17 P, C-85/17 P and C-95/17 P were joined for the purposes of the written and oral procedure and of the judgment.
- 23 In its response Nestlé asks the Court to:
- dismiss the appeal in Case C-85/17 P as manifestly inadmissible or manifestly unfounded by order or, alternatively, by judgment; and
 - order Mondelez to bear the costs.
- 24 In its response Mondelez asks the Court to:
- dismiss the appeals in Cases C-84/17 P and C-95/17 P; and

– order Nestlé and EUIPO, respectively, to bear the costs in those two cases.

25 In its response, EUIPO contends that the Court should:

- uphold the appeal in Case C-84/17 P;
- dismiss the appeal in Case C-85/17 P; and
- order Mondelez to bear the costs incurred by EUIPO.

26 By document lodged at the Court Registry on 13 November 2017, the European Association of Trade Mark Owners ('MARQUES') applied, on the basis of the second paragraph of Article 40 of the Statute of the Court of Justice of the European Union, for leave to intervene in Case C-84/17 P in support of the form of order sought by Nestlé, appellant in that case. By order of 12 January 2018, the Court granted that application.

The application for the oral part of the procedure to be reopened

27 By letter lodged at the Court Registry on 17 May 2018, Nestlé requested the Court to order the reopening of the oral part of the procedure, pursuant to Article 83 of the Rules of Procedure of the Court of Justice.

28 In support of its request, first, it relies on what it alleges to be a new fact, which came to light after delivery of the Advocate General's Opinion. In that respect, it claims that it had included in the file submitted to EUIPO documents intended to prove that, with regard to the product covered by the mark at issue, the evidence provided for the Danish, German, Spanish, French, Italian, Dutch, Austrian, Finnish, Swedish and United Kingdom markets applied equally to the Belgian, Irish, Greek, Luxembourg and Portuguese markets. The assertion to the contrary in point 87 of the Advocate General's Opinion results from an incorrect answer provided by Nestlé's lawyer, who had failed to understand the sense of the question put to him by the Advocate General during the hearing.

29 Second, Nestlé submits that the existence of an error in the English translation of the judgment of 24 May 2012, *Chocoladefabriken Lindt & Sprüngli v OHIM* (C-98/11 P, EU:C:2012:307), referred to by the Advocate General in point 70 of his Opinion, must be debated by the parties.

30 It must be borne in mind that the Statute of the Court of Justice of the European Union and the Rules of Procedure make no provision for parties to submit observations in response to the Advocate General's Opinion (judgment of 21 December 2016, *Commission v Aer Lingus and Ryanair Designated Activity*, C-164/15 P and C-165/15 P, EU:C:2016:990, paragraph 31 and the case-law cited).

31 Pursuant to the second paragraph of Article 252 TFEU, it is the duty of the Advocate General, acting with complete impartiality and independence, to make, in open court, reasoned submissions on cases which, in accordance with the Statute of the Court of Justice of the European Union, require the Advocate General's involvement. The Court is not bound either by the Advocate General's Opinion or by the reasoning on which it is based.

32 Consequently, a party's disagreement with the Opinion of the Advocate General, irrespective of the questions that he examines in his Opinion, cannot in itself constitute grounds justifying the reopening of the oral part of the procedure (judgment of 28 February 2018, *mobile.de v EUIPO*, C-418/16 P, EU:C:2018:128, paragraph 30).

- 33 However, the Court may, under Article 83 of its Rules of Procedure, at any time, after hearing the Advocate General, order the opening or reopening of the oral part of the procedure, in particular if it considers that it lacks sufficient information or where, after the close of that part of the procedure, a party has submitted a new fact which is of such a nature as to be a decisive factor for the decision of the Court.
- 34 That is not the position in the present case. The Court, after hearing the Advocate General, considers that it has all the information necessary to enable it to give a ruling and the case does not have to be examined in the light of any new fact which is of such a nature as to be a decisive factor for its decision or in the light of any argument which has not been debated before it.
- 35 Nestlé's claims, which are summarised in paragraph 28 above, do not reveal any new facts, as those claims refer to documents that were already included in the file prior to the hearing. In fact, those claims are an attempt on the part of Nestlé to revisit the statements made during the hearing by its lawyer. As to the differences between the various language versions of the judgment of 24 May 2012, *Chocoladefabriken Lindt & Sprüngli v OHIM* (C-98/11 P, EU:C:2012:307), it must be noted that, on the day of the hearing, that judgment was available in all official languages and the parties were therefore able to submit their observations on any translation errors if they considered that those errors were particularly relevant for the present cases.
- 36 In the light of the foregoing, the Court finds that there is no need to reopen the oral part of the procedure.

Appeals

Admissibility of the appeal in Case C-85/17 P

Arguments of the parties

- 37 Nestlé submits that Mondelez's appeal is inadmissible as Mondelez claims that the Court should set aside only certain parts of the reasoning of the judgment under appeal and not the operative part of that judgment.
- 38 Mondelez maintains that its appeal is admissible, despite the fact that the General Court annulled the decision at issue in its entirety. The rejection by the General Court of certain of its arguments will have an effect on the assessment that the Board of Appeal is required to carry out following the annulment of the decision at issue. As the Board of Appeal will be bound by the rejection of those arguments, Mondelez considers that it should be able to contest the judgment under appeal. In support of its arguments, it points to paragraphs 19 to 26 of the judgment of 20 September 2001, *Procter & Gamble v OHIM* (C-383/99 P, EU:C:2001:461).

Findings of the Court

- 39 Pursuant to the first and second paragraphs of Article 56 of the Statute of the Court of Justice of the European Union, an appeal may be brought before the Court against final decisions of the General Court by 'any party which has been unsuccessful, in whole or in part, in its submissions'.
- 40 The submissions of the parties to the proceedings are, in principle, upheld or rejected in the operative part of a judgment. Thus, Article 169(1) of the Rules of Procedure requires that an appeal seek to have set aside, in whole or in part, the decision of the General Court as set out in the operative part of that decision.

- 41 As noted by the Advocate General in point 43 of his Opinion, that provision encapsulates the basic principle applying to appeals, namely that an appeal must be directed against the operative part of the General Court's decision and may not merely seek the amendment of some of the grounds of that decision (judgment of 14 November 2017, *British Airways v Commission*, C-122/16 P, EU:C:2017:861, paragraph 51).
- 42 An appeal that does not seek to have the judgment under appeal, that is to say the operative part thereof, set aside, even in part, but merely to amend some of the grounds of that judgment, is inadmissible (judgment of 15 November 2012, *Al-Aqsa v Council* and *Netherlands v Al-Aqsa*, C-539/10 P and C-550/10 P, EU:C:2012:711, paragraphs 44 and 50).
- 43 In the present case, it must be noted that the form of order that Mondelez seeks in its appeal does not request that the operative part of the judgment under appeal be set aside, but only certain grounds of that judgment.
- 44 It is true that, in the judgment of 20 September 2001, *Procter & Gamble v OHIM* (C-383/99 P, EU:C:2001:461, paragraphs 19 to 26), the Court held admissible an appeal that did not seek to set aside a specific paragraph in the operative part of a General Court judgment, because it was apparent from the grounds of that judgment that the General Court had taken a decision that was not expressly set out in the operative part.
- 45 However, by contrast to the circumstances in the case giving rise to that judgment, it is not apparent from the grounds of the judgment under appeal referred to in Mondelez's appeal that they contain a decision of the General Court rejecting one of Mondelez's heads of claim.
- 46 In the decision at issue, the Board of Appeal held that the mark at issue did not inherently have distinctive character, but had acquired it through use, and that, for that reason, Mondelez's request for a declaration of invalidity in respect of that mark had to be rejected.
- 47 The first part of the decision at issue, which, moreover, was in Mondelez's favour, did not form the subject of the dispute before the General Court, because, as is apparent from paragraph 16 of the judgment under appeal, Nestlé had withdrawn its head of claim seeking the annulment of that first part during the hearing.
- 48 Therefore, only the second part of the decision at issue was in question before the General Court. In that regard, it is apparent from paragraphs 12 and 15 of the judgment under appeal that the form of order in Mondelez's action sought only the annulment of the decision at issue, in addition to an order that the other parties bear the costs.
- 49 Although, in the paragraphs of the judgment under appeal referred to in Mondelez's appeal, the General Court dismissed certain arguments relied on by Mondelez in support of its application for annulment of the decision at issue, it accepted others and ultimately upheld Mondelez's form of order seeking annulment, given that it annulled the decision at issue in its entirety.
- 50 It follows that Mondelez's appeal seeks to amend only certain grounds of the judgment under appeal, and such an appeal must be held to be inadmissible in accordance with the case-law referred to in paragraph 42 above.
- 51 In light of the unequivocal requirement laid down in Article 169(1) of the Rules of Procedure, that conclusion cannot be affected by Mondelez's argument that the Board of Appeal will be bound by the grounds of the judgment under appeal that are contested in its appeal.

- 52 In any event, the force of *res judicata* extends only to the grounds of a judgment which constitute the necessary support of its operative part and are, therefore, inseparable from it (judgment of 15 November 2012, *Al-Aqsa v Council* and *Netherlands v Al-Aqsa*, C-539/10 P and C-550/10 P, EU:C:2012:711, paragraph 49 and the case-law cited).
- 53 Consequently, when a decision of EUIPO is annulled by the General Court, the grounds on the basis of which that court dismissed certain arguments relied upon by the parties cannot be considered to have gained the force of *res judicata*.
- 54 Therefore, in the present case, contrary to Mondelez's submissions, the Board of Appeal is not bound by the fact that the General Court dismissed certain arguments, and Mondelez will be able to submit, where appropriate, the same arguments in the context of any action against the decision that may be adopted following the General Court's annulment of the decision at issue.
- 55 It follows from all of the above considerations that the appeal in Case C-85/17 P must be rejected as inadmissible.

Appeals in Cases C-84/17 P and C-95/17 P

- 56 In support of its appeal in Case C-84/17 P, Nestlé relies on a single ground of appeal, alleging infringement of Article 52(2) of Regulation No 207/2009, read in conjunction with Article 7(3) of that regulation.
- 57 For its part, EUIPO relies on two grounds of appeal in support of its appeal in Case C-95/17 P, alleging infringement, firstly, of the obligation to state reasons and, secondly, of Article 52(2) of Regulation No 207/2009, read in conjunction with Article 7(3) of that regulation.
- 58 However, it must be pointed out, as the Advocate General observed in point 49 of his Opinion, that the first ground in the latter appeal, despite formally alleging infringement of the obligation to state reasons, is in fact tantamount to complaining that the General Court erred in law in the same way as is referred to in the second ground in that appeal. By its first plea, EUIPO maintains that the General Court's interpretation of Article 7(3) of Regulation No 207/2009 in paragraph 139 of the judgment under appeal is contradictory. If that is the case, it will have to be concluded that the General Court erred in law in its interpretation of that provision.
- 59 Consequently, the single ground of appeal in Case C-84/17 P and the two grounds of appeal in Case C-95/17 P must be examined together.

Arguments of the parties

- 60 Nestlé, supported by MARQUES, and EUIPO maintain that when the General Court held in paragraph 139 of the judgment under appeal that acquisition by a mark of distinctive character through use must be proved throughout the territory of the European Union, and not only in a substantial part or the majority of it, and that, consequently, it cannot be concluded that distinctive character has been acquired when such evidence of use fails to cover a part of the European Union, be it insubstantial or even just a single Member State, it infringed Article 7(3) of Regulation No 207/2009, as interpreted by the Court in its judgment of 24 May 2012, *Chocoladefabriken Lindt & Sprüngli v OHIM* (C-98/11 P, EU:C:2012:307).
- 61 According to Nestlé, MARQUES and EUIPO, the General Court was wrong to hold that the Board of Appeal had erred in law in finding that it was sufficient to show that a significant proportion of the relevant public throughout the European Union, merging all the Member States and regions,

perceived a mark as an indication of the commercial origin of the goods covered by the mark at issue and that it was not necessary to prove distinctive character acquired through use in all the Member States concerned.

- 62 Consequently, they argue that the General Court was wrong to hold that the Board of Appeal had erred in law in deciding that the mark at issue had acquired distinctive character through use without coming to a conclusion regarding the perception of that mark by the relevant public in Belgium, Ireland, Greece and Portugal and without analysing the evidence adduced in respect of those Member States.
- 63 Nestlé, MARQUES and EUIPO argue that by focusing on individual national markets, the General Court's decision is incompatible with the unitary character of the EU trade mark and the very existence of a single market. The unitary character of the EU trade mark implies that territorial borders within the European Union are to be disregarded for the purposes of assessing the acquisition of distinctive character through use, as is confirmed by paragraph 44 of the judgment of 19 December 2012, *Leno Marken* (C-149/11, EU:C:2012:816).
- 64 Conversely, Mondelez takes the view that the General Court correctly interpreted and applied Article 7(3) of Regulation No 207/2009, as well as the judgment of 24 May 2012, *Chocoladefabriken Lindt & Sprüngli v OHIM* (C-98/11 P, EU:C:2012:307). According to Mondelez, it is not sufficient for an EU trade mark to be distinctive in a substantial part of the European Union if it is not distinctive in another part of the European Union, even if that part consists of only one Member State.
- 65 Mondelez takes the view that a different decision would lead to the paradox whereby a trade mark which must be refused registration for lack of distinctive character in one Member State, could nevertheless be registered as an EU trade mark, with the result that it could be relied upon before the courts of that Member State.

Findings of the Court

- 66 It should be recalled that, according to Article 1(2) of Regulation No 207/2009, an EU trade mark is to have a unitary character and is to have equal effect throughout the European Union.
- 67 As the General Court rightly held in paragraphs 119 and 120 of the judgment under appeal, it follows from the unitary character of the EU trade mark that, in order to be accepted for registration, a sign must have distinctive character throughout the European Union. Therefore, under Article 7(1)(b) of that regulation, read in conjunction with Article 7(2) thereof, a mark must not be registered if it is devoid of distinctive character in part of the European Union.
- 68 Article 7(3) of Regulation No 207/2009, which permits registration of signs which have acquired distinctive character through use, must be read in the light of that requirement. Thus, it follows from the unitary character of the EU trade mark that, in order to be accepted for registration, a sign must have distinctive character, inherent or acquired through use, throughout the European Union.
- 69 In that regard, at the outset, it is necessary to point out that the judgment of 19 December 2012, *Leno Marken* (C-149/11, EU:C:2012:816), invoked by Nestlé and EUIPO, is not relevant, as it relates to the interpretation of Article 15(1) of that regulation, which concerns the genuine use of EU trade marks that have already been registered.
- 70 It is true that the Court held that the requirements that apply to verification of the genuine use of a mark, within the meaning of Article 15(1) of Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark (OJ 1994 L 11, p. 1) — a provision that was reproduced without amendment in the first paragraph of Article 15(1) of Regulation No 207/2009 — are analogous to

those concerning the acquisition by a sign of distinctive character through use for the purpose of its registration, within the meaning of Article 7(3) of that regulation (judgment of 18 April 2013, *Colloseum Holding*, C-12/12, EU:C:2013:253, paragraph 34).

- 71 However, it must be pointed out that, unlike the case that gave rise to the judgment of 19 December 2012, *Leno Merken* (C-149/11, EU:C:2012:816), in which the Court noted that, in order to assess the existence of ‘genuine use in the Community’ within the meaning of Article 15(1) of Regulation No 207/2009, it is necessary to disregard the territorial borders of the Member States, the judgment of 18 April 2013, *Colloseum Holding* (C-12/12, EU:C:2013:253) does not relate to the geographic scope that is relevant for the purposes of assessing the existence of genuine use within the meaning of that provision, but to the possibility of concluding that the requirement for genuine use of a trade mark within the meaning of that provision is satisfied when a registered mark that has acquired its distinctive character as a result of the use of another composite mark, of which it is one of the elements, is used only as part of that composite mark, or when it is used only in combination with another mark, the combination of the two marks being, in addition, itself registered as a mark.
- 72 Therefore, paragraph 34 of the judgment of 18 April 2013, *Colloseum Holding* (C-12/12, EU:C:2013:253) cannot be read as meaning that the requirements for assessing the territorial scope that permits the registration of a mark in consequence of its use are analogous to the requirements permitting the preservation of the rights of the proprietor of a registered mark.
- 73 In addition, it must be noted that, with regard to the genuine use of an EU mark that is already registered, there is no analogous provision to that in Article 7(2) of Regulation No 207/2009, with the result that it cannot automatically be assumed that there is no such use simply because that the mark concerned has not been used in part of the European Union.
- 74 Thus, the Court found that whilst it was justified to expect that an EU trade mark should be used in a larger area than the territory of a single Member State in order for the use to be regarded as ‘genuine use’, it cannot be ruled out that, in certain circumstances, the market for the goods or services for which an EU trade mark has been registered is in fact restricted to the territory of a single Member State, with the result that use of that trade mark on that territory might satisfy the condition for genuine use of an EU trade mark (judgment of 19 December 2012, *Leno Merken*, C-149/11, EU:C:2012:816, paragraph 50).
- 75 However, with regard to the acquisition by a mark of distinctive character in consequence of the use which has been made of it, it must be recalled that the Court has held previously that a sign can be registered as an EU trade mark under Article 7(3) of Regulation No 207/2009 only if evidence is provided that it has acquired, in consequence of the use which has been made of it, distinctive character in the part of the European Union in which it did not, *ab initio*, have such character for the purposes of Article 7(1)(b) (judgment of 22 June 2006, *Storck v OHIM*, C-25/05 P, EU:C:2006:422, paragraph 83). The Court also stated that the part of the European Union referred to in Article 7(2) may be comprised, where necessary, of a single Member State.
- 76 It follows that, with regard to a mark that is, *ab initio*, devoid of distinctive character across all Member States, such a mark can be registered pursuant to that provision only if it is proved that it has acquired distinctive character through use throughout the territory of the European Union (see, to that effect, judgment of 24 May 2012, *Chocoladefabriken Lindt & Sprüngli v OHIM*, C-98/11 P, EU:C:2012:307, paragraphs 61 and 63).
- 77 Admittedly, in paragraph 62 of the judgment of 24 May 2012, *Chocoladefabriken Lindt & Sprüngli v OHIM* (C-98/11 P, EU:C:2012:307), invoked by Nestlé and EUIPO, the Court did find that even if it is true that the acquisition by a mark of distinctive character through use must be proved for the part of the European Union in which that mark did not, *ab initio*, have such character, it would be unreasonable to require proof of such acquisition for each individual Member State.

- 78 However, contrary to what is argued by Nestlé and EUIPO, it does not follow from that finding that, where a mark is devoid of inherent distinctive character throughout the European Union, it is sufficient, in order for it to be registered as an EU trade mark pursuant to Article 7(3) of Regulation No 207/2009, to prove that it has acquired distinctive character through use in a significant part of the European Union, even though such evidence has not been provided in respect of every Member State.
- 79 In that regard, it must be pointed out that there is a distinction between, first, the facts to be proved, namely the acquisition of distinctive character through use by a sign that is devoid of inherent distinctive character, and, second, the means of proving such facts.
- 80 No provision of Regulation No 207/2009 requires that the acquisition of distinctive character through use be established by separate evidence in each individual Member State. Therefore, it is not inconceivable that the evidence provided to establish that a particular sign has acquired distinctive character through use is relevant with regard to several Member States, or even to the whole of the European Union.
- 81 In particular, as the Advocate General stated, in essence, in point 78 of his Opinion, it is possible that, for certain goods or services, the economic operators have grouped several Member States together in the same distribution network and have treated those Member States, especially for marketing strategy purposes, as if they were one and the same national market. In such circumstances, the evidence for the use of a sign within such a cross-border market is likely to be relevant for all Member States concerned.
- 82 The same is true when, due to a geographic, cultural or linguistic proximity between two Member States, the relevant public of the first has a sufficient knowledge of the products and services that are present on the national market of the second.
- 83 It follows from those findings that, although it is not necessary, for the purposes of registering, on the basis of Article 7(3) of Regulation No 207/2009, a mark that is, *ab initio*, devoid of distinctive character throughout all the Member States of the European Union, that evidence be submitted, in respect of each individual Member State, of the acquisition by that mark of distinctive character through use, the evidence submitted must be capable of establishing such acquisition throughout the Member States of the European Union.
- 84 That said, the question of whether the evidence submitted is sufficient to prove a particular sign's acquisition through use of distinctive character in the part of the territory of the European Union in which that sign did not, *ab initio*, have distinctive character is a matter of the assessment of evidence, for which the bodies of EUIPO are primarily responsible.
- 85 Such an assessment is subject to the scrutiny of the General Court, which, where an action is brought before it against a decision of a Board of Appeal, has exclusive jurisdiction to find the facts and, therefore, to appraise them. However, that assessment of the facts does not, save where the evidence has been distorted by the General Court, constitute a point of law which is subject, as such, to review by the Court of Justice in an appeal (judgment of 19 September 2002, *DKV v OHIM*, C-104/00 P, EU:C:2002:506, paragraph 22 and case-law cited).
- 86 Nevertheless, if the bodies of EUIPO or the General Court, after having assessed all of the evidence that has been submitted to them, find that some of that evidence is sufficient to prove the acquisition by a particular sign of distinctive character through use in the part of the European Union in which it is, *ab initio*, devoid of distinctive character and therefore to justify its registration as an EU trade mark, they must clearly state that that is the case in their respective decisions.

- 87 In the present case, first, it follows from the findings above that the General Court did not err in law when it found, in paragraph 139 of the judgment under appeal, that, for the purposes of applying Article 7(3) of Regulation No 207/2009, in the case of a mark that does not have inherent distinctive character throughout the European Union, the distinctive character acquired through use of that mark must be shown throughout that territory, and not only in a substantial part or the majority of the territory of the European Union, and consequently, although such proof may be produced globally for all the Member States concerned or separately for different Member States or groups of Member States, it is not, however, sufficient that the party with the burden of providing such evidence merely produces evidence of such acquisition that does not cover part of the European Union, even a part consisting of only one Member State.
- 88 Second, in light of those same findings, the General Court was right to hold, in paragraphs 170 to 178 of the judgment under appeal, that the decision at issue was vitiated by an error in law, in so far as the Board of Appeal found that the mark at issue had acquired distinctive character through use, thereby justifying the application to that mark of Article 7(3) of Regulation No 207/2009, without adjudicating on whether that mark had acquired such distinctive character in Belgium, Ireland, Greece and Portugal.
- 89 It follows that the single ground of appeal in Case C-84/17 P and the two grounds of appeal in Case C-95/17 P are unfounded and must be rejected and that those appeals must be dismissed in their entirety.

Costs

- 90 Under Article 184(2) of the Rules of Procedure of the Court, where the appeal is unfounded, the Court is to make a decision as to the costs. Article 138(1) and (2) of those rules, applicable to the procedure on appeal by virtue of Article 184(1) thereof, provides, first, that the unsuccessful party is to be ordered to pay the costs if they have been applied for in the successful party's pleadings and, second, that, where there is more than one unsuccessful party, the Court is to decide how the costs are to be shared.
- 91 As all the appeals have been rejected, each of the parties shall bear its own costs, including MARQUES in its capacity as intervener in the appeal, in accordance with Article 140(3) of the Rules of Procedure.

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

- 1. Dismisses the appeals;**
- 2. Orders Société des produits Nestlé SA, European Association of Trade Mark Owners (MARQUES), Mondelez UK Holdings & Services Ltd and the European Union Intellectual Property Office (EUIPO) to bear their own costs.**

Bay Larsen

Malenovský

Safjan

Šváby

Vilaras

Delivered in open court in Luxembourg on 25 July 2018.

A. Calot Escobar
Registrar

L. Bay Larsen
President of the Third Chamber