

JUDGMENT OF THE GENERAL COURT (First Chamber)

6 July 2012 (\*)

(Community trade mark – Invalidity proceedings – Community word mark ROYAL SHAKESPEARE – Earlier Community word mark RSC-ROYAL SHAKESPEARE COMPANY – Relative grounds for invalidity – Mark with a reputation – Article 53(1)(a) and Article 8(5) of Regulation (EC) No 207/2009 – Likelihood of association – Unfair advantage taken of the distinctive character or the repute of the earlier trade mark)

In Case T-60/10,

**Jackson International Trading Co. Kurt D. Brühl GmbH & Co. KG**, established in Graz (Austria), represented by H.-G. Zeiner and S. Di Natale, lawyers,

applicant,

v

**Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)**, represented by D. Botis, acting as Agent,

defendant,

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

**The Royal Shakespeare Company**, established in Warwickshire (United Kingdom), represented by C. Barnett, Solicitor, and S. Malynicz, Barrister,

ACTION brought against the decision of the First Board of Appeal of OHIM of 19 November 2009 (Case R 317/2009-1), concerning invalidity proceedings between The Royal Shakespeare Company and Jackson International Trading Co. Kurt D. Brühl GmbH & Co. KG,

THE GENERAL COURT (First Chamber),

composed of J. Azizi (Rapporteur), President, S. Frimodt Nielsen and A. Popescu, Judges,

Registrar: S. Spyropoulos, Administrator,

having regard to the application lodged at the Registry of the General Court on 10 February 2010,

having regard to the response of OHIM lodged at the Court Registry on 10 June 2010,

having regard to the response of the intervener lodged at the Court Registry on 21 May 2010,

having regard to the decision of 15 July 2010 not to authorise the filing of a reply,

having regard to the designation of another judge to complete the Chamber as one of its Members was prevented from attending,

further to the hearing on 24 April 2012,

gives the following

## **Judgment**

### **Background to the dispute**

1 On 1 August 2000, the applicant, Jackson International Trading Co. Kurt D. Brühl GmbH & Co. KG, filed an application for registration of a Community trade mark at the Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM), 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 Community trade mark (OJ 2009 L 78, p. 1)).

2 The mark in respect of which registration was sought is the word sign ROYAL SHAKESPEARE.

3 The goods and services in respect of which registration was sought are in Classes 32, 33 and 42 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, for each of those classes, to the following description:

- Class 32: ‘Beers; mineral and aerated waters and other non-alcoholic drinks; fruit drinks and fruit juices; syrups and other preparations for making beverages’;
- Class 33: ‘Alcoholic beverages (except beers), but in so far as whisky and whisky based liqueurs are concerned only Scotch Whisky and Scotch Whisky based liqueurs produced in Scotland’;
- Class 42: ‘Providing of food and drink, restaurants, bars, pubs, hotels; temporary accommodation’.

4 The Community trade mark applied for was registered on 24 October 2003.

5 On 17 October 2006, the intervener, The Royal Shakespeare Company, filed an application for a declaration of invalidity of the registered Community trade mark pursuant to Article 51(1)(a) of Regulation No 40/94 (now Article 52(1)(a) of Regulation No 207/2009), on the ground that the contested trade mark had been registered in breach of Article 7(1)(g) and (h) of that regulation (now Article 7(1)(g) and (h) of Regulation No 207/2009), and pursuant to Article 52(1)(a) in conjunction with Article 8(5) thereof (now Article 53(1)(a) in conjunction with Article 8(5) of Regulation No 207/2009), on the ground that the use without due cause of the contested trade mark would take unfair advantage of, or be detrimental to, the distinctive character or the repute of its earlier trade marks, which were well-known in the United Kingdom, and pursuant to Article 52(1)(c) in conjunction with Article 8(h) of Regulation No 40/94 (now Article 53(1)(c) in conjunction with Article 8(4) of Regulation No 207/2009), on the ground that British national law would allow it to prohibit the use of the contested trade mark under the law of passing off, in particular on the basis

of its non-registered trade mark ROYAL SHAKESPEARE COMPANY used in the course of trade in the United Kingdom.

6 The earlier trade marks relied on in support of the application for a declaration of invalidity are as follows:

- the Community word mark RSC-ROYAL SHAKESPEARE COMPANY, applied for on 17 August 1998 and registered on 1 December 1999 under No 908 822, covering, inter alia, services in Class 41 and corresponding to the following description: ‘Organising and promoting of cultural events; education and training services all relating to theatre; theatre productions; film shows; slide shows; television services; organisation of exhibitions for cultural purposes’;
- the British figurative mark as reproduced below, applied for on 8 February 1996 and registered on 26 September 1997 under No 2 055 924, covering, inter alia, services in Class 41 and corresponding to the following description: ‘Organising and promoting of cultural events; education and training services all relating to theatre; theatre productions; film shows; slide shows; television services; organisation of exhibitions for cultural purposes’:



- the non-registered word mark ROYAL SHAKESPEARE COMPANY, used in the course of trade in the United Kingdom in connection with the following goods and services: ‘Organising and promoting of cultural events; education and training services all relating to theatre; theatre productions; film shows; slide shows; television services; organisation of exhibitions for cultural purposes; food; alcoholic drinks; non-alcoholic drinks and beers; confectionery; preserves; pickles; providing of food and drink; restaurant services; bar services; café services; costume hire; articles of clothing; umbrellas; watches; jewellery of precious metals and jewellery not of precious metals; bags; stationery; printed matter, posters; books; toys and playthings; videos, CDs and DVDs relating to theatre and literature; household items, in particular cushions, cushion covers, mugs, coasters and drink mats, tea towels’, the impact of which is not merely local, conferring on its proprietor the right to prohibit the use of the contested Community trade mark under the law of passing off, pursuant to Article 8(4) of Regulation No 40/94.

7 On 13 February 2009, the Cancellation Division rejected the application for a declaration of invalidity.

8 On 17 March 2009, the intervener filed a notice of appeal at OHIM against the Cancellation Division’s decision, pursuant to Articles 57 to 62 of Regulation No 40/94 (now Articles 58 to 64 of Regulation No 207/2009).

9 By decision of 19 November 2009 (‘the contested decision’), the First Board of Appeal of OHIM annulled the Cancellation Division’s decision and declared the contested Community trade mark invalid. In particular, the Board stated that the earlier Community trade mark RSC-ROYAL SHAKESPEARE COMPANY (‘the earlier trade mark’) had an ‘exceptional’ reputation in the

United Kingdom, which constitutes a crucial part of the European Union in the mind of the public at large, both in the field of theatrical activities and the related field of ‘educational services’, ‘organising and promoting of cultural events’ and ‘education and training services all relating to theatre’ (paragraphs 27 and 29 to 32 of the contested decision). A reputation for ‘theatre productions’ has also been recognised by the United Kingdom Patent Office in its opposition decision No 47 239 (paragraph 28 of the contested decision). The signs at issue are visually, phonetically and conceptually highly similar (paragraphs 33 to 36 of the contested decision). It follows that there is a likelihood of association between those signs (paragraph 36 of the contested decision). The relevant public, amongst whom the earlier Community trade mark has acquired a reputation, is the public at large (paragraph 37 of the contested decision). Concerning the ‘[d]egree of proximity of the goods or services concerned’, it is ‘possible’ that the relevant public could make a connection between the goods and services covered by the contested trade mark (paragraph 38 of the contested decision). The use without due cause of the contested trade mark would take unfair advantage of the distinctive character or the repute of the earlier Community trade mark, within the meaning of Article 8(5) of Regulation No 207/2009. Due to the high degree of similarity between the signs at issue and to the fact that no other undertakings use the expression ‘royal shakespeare’, there is a strong likelihood of unfair advantage being taken of the repute of the intervener and its marks, despite the differences between the goods and services involved (paragraph 39 of the contested decision). The Board of Appeal declared the contested trade mark invalid and did not find it necessary to consider the other grounds (paragraph 42 of the contested decision).

### **Forms of order sought**

10 The applicant claims that the Court should:

- annul the contested decision;
- order OHIM and the intervener to pay the costs.

11 OHIM contends that the Court should:

- dismiss the action for annulment in its entirety;
- order the applicant to pay the costs.

12 The intervener claims that the Court should:

- dismiss the action;
- order the applicant to pay the costs;
- in the alternative, if the action is deemed well founded, remit the case back to the Board of Appeal for a decision on the substance of the opposition based on its other grounds, including those referred to in Article 8(5) of Regulation No 207/2009.

### **Law**

#### *Preliminary observations*

13 First of all, it should be noted that the application for a declaration of invalidity was based on a number of earlier rights, those being, first, the Community word mark RSC-ROYAL

SHAKESPEARE COMPANY, second, the British figurative mark RSC-ROYAL SHAKESPEARE COMPANY and, third, the non-registered British word mark ROYAL SHAKESPEARE COMPANY. Given that, in the contested decision, the Board of Appeal relied on the earlier Community trade mark ('the earlier trade mark'), the Court will carry out its assessment of the legality of the contested decision on the basis of that trade mark.

#### *Summary of the arguments of the parties*

14 In support of its application, the applicant invokes infringement of Article 8(5) of Regulation No 207/2009.

15 In essence, the applicant disputes the finding that the contested trade mark would take unfair advantage of, or be detrimental to, the distinctive character or repute of the earlier trade mark. First, the earlier trade mark has a reputation only for 'theatre productions', and not for other goods and services, and its public is not the public at large. Second, the compared signs, when assessed globally, are not sufficiently similar to create any potential likelihood of association of those signs and the undertakings which own them. Third, there is no 'reasonable circumstance or evidence' which could show or suggest that the use of the contested trade mark may take an unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark.

16 OHIM and the intervener contend that this plea by the applicant should be rejected.

#### *Findings of the Court*

##### Preliminary remarks

17 It should be borne in mind that, under Article 53(1)(a) of Regulation No 207/2009 in conjunction with Article 8(5) of that regulation, a Community trade mark is to be declared invalid on application to OHIM where there is an earlier trade mark as referred to in Article 8(2) of that regulation, if the Community trade mark and the earlier trade mark are identical or similar and if the Community trade mark is registered for goods or services which are not similar to those for which the earlier trade mark is registered, where, in the case of an earlier Community trade mark, it has a reputation in the European Union and, in the case of an earlier national trade mark, it has a reputation in the Member State concerned, and where the use without due cause of the later trade mark would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark.

18 Therefore, in order for an earlier trade mark to be afforded the broader protection of Article 8(5) of Regulation No 207/2009, a number of conditions must be met. First, the earlier mark which is claimed to have a reputation must be registered. Second, that mark and the mark in respect of which registration is sought must be identical or similar. Third, the earlier trade mark must have a reputation in the European Union, in the case of an earlier Community trade mark, or in the Member State concerned, in the case of an earlier national trade mark. Fourth, the use without due cause of the mark applied for must lead to the risk that unfair advantage might be taken of the distinctive character or the repute of the earlier trade mark or that it might be detrimental to the distinctive character or the repute of the earlier trade mark. As those conditions are cumulative, failure to satisfy one of them will be sufficient to render that provision inapplicable (Case T-67/04 *Spa Monopole v OHIM – Spa-Finders Travel Arrangements (SPA-FINDERS)* [2005] ECR II-1825, paragraph 30; Case T-215/03 *SIGLA v OHIM – Elleni Holding (VIPS)* [2007] ECR II-711, paragraphs 34 and 35; and judgment of 30 January 2008 in Case T-128/06 *Japan Tobacco v OHIM – Torrefacção Camelo (CAMELO)*, not published in the ECR, paragraph 45).

19 It should be borne in mind that the types of injury referred to in Article 8(5) of Regulation No 207/2009, where they occur, are the consequence of a certain degree of similarity between the earlier and later marks, by virtue of which the relevant section of the public makes a connection between those two marks, that is to say, establishes a link between them even though it does not confuse them (judgment of 12 March 2009 in Case C-320/07 P *Antartica v OHIM*, not published in the ECR, paragraph 43; order of 30 April 2009 in Case C-136/08 P *Japan Tobacco v OHIM*, not published in the ECR, paragraph 25; see also, by analogy, Case C-252/07 *Intel Corporation* [2008] ECR I-8823, paragraph 30 and the case-law cited there).

20 The existence of such a link in the mind of the public constitutes a condition which is necessary but not, of itself, sufficient to establish the existence of one of the types of injury against which Article 8(5) of Regulation No 207/2009 ensures protection for the benefit of trade marks with a reputation, and must be assessed globally, taking into account all factors relevant to the circumstances of the case (see, by analogy, Case C-487/07 *L'Oréal and Others* [2009] ECR I-5185, paragraph 37, and *Intel Corporation*, paragraph 19 above, paragraph 32).

21 The relevant factors in the global assessment intended to establish the existence of that link between the marks at issue include: the degree of similarity between the marks at issue; the nature of the goods or services covered by the marks at issue, including the degree of closeness or dissimilarity between those goods or services, and the relevant section of the public; the strength of the earlier mark's reputation; the degree of the earlier mark's distinctive character, whether inherent or acquired through use; and the existence of a likelihood of confusion (see, by analogy, *Intel Corporation*, paragraph 19 above, paragraph 42).

22 In the present case, the legality of the contested decision should be assessed in the light of those principles. Thus, the comparison of the signs at issue and the likelihood of association should be dealt with first, then the reputation of the earlier trade mark and the alleged unfair advantage taken of that trade mark's reputation, and finally the lack of due cause.

#### Comparison of the signs at issue and the likelihood of association

23 In the contested decision, the Board of Appeal agreed with the finding in the Cancellation Division's decision that the signs at issue were visually, phonetically and conceptually highly similar, since the contested trade mark reproduces the first two words of the earlier trade mark, with no additional elements (paragraph 33 of the contested decision). Visually and phonetically, according to the Board, the group of letters 'rsc' will be perceived as the abbreviation of the words 'royal shakespeare company' and the earlier trade mark will be pronounced as 'royal shakespeare company' (paragraph 34 of the contested decision). Conceptually, the signs at issue make reference to royal patronage and the name of the playwright William Shakespeare (paragraph 35 of the contested decision). Although the word 'royal' is common, the word combination 'royal shakespeare' is unique. The word 'company' at the end of the earlier trade mark, which describes an association carrying on some commercial or industrial undertaking, cannot be considered as an element that distinguishes the signs at issue (paragraph 36 of the contested decision).

24 The applicant disputes the contested decision as regards the similarity of the signs and the likelihood of association. According to the applicant, the signs are sufficiently different to preclude the likelihood of association by the consumer within the meaning of Article 8(5) of Regulation No 207/2009. Visually, the signs at issue differ as to the number of words they contain and their 'length and structure', and the word 'rsc' is the dominant element of the earlier trade mark. That also applies phonetically. Conceptually, the applicant claims that the group of letters 'rsc' in the earlier

signs will not be understood as the abbreviation of the words ‘royal shakespeare company’. The word ‘royal’, like the word ‘shakespeare’, is laudatory and not distinctive.

25 The Court points out that the infringements referred to in Article 8(5) of Regulation No 207/2009, where they occur, are the consequence of a certain degree of similarity between the signs, on the basis of which the relevant section of the public makes a connection between those signs, such as to establish a link between them even though it does not confuse them. The existence of such a link, just like a likelihood of confusion referred to in Article 8(1)(b) of Regulation No 207/2009, must be appreciated globally, taking into account all factors relevant to the circumstances of the case. However, the protection conferred by Article 8(5) of Regulation No 207/2009 is not conditional on a finding of a degree of similarity between the mark with a reputation and the mark applied for such that there exists a likelihood of confusion between them on the part of the relevant section of the public. It is sufficient for the degree of similarity between the mark with a reputation and the mark applied for to have the effect that the relevant section of the public establishes a link between them (see, by analogy, Case C-408/01 *Adidas-Salomon and Adidas Benelux* [2003] ECR I-12537, paragraphs 29, 30 and 31 and the case-law cited there).

26 As regards the degree of similarity between the marks at issue, the more similar they are, the more likely it is that the later mark will bring the earlier mark with a reputation to the mind of the relevant public (see, by analogy, *Intel Corporation*, paragraph 19 above, paragraph 44).

27 Moreover, the stronger the distinctive character of the earlier mark, the more likely it is that, confronted with a later identical or similar mark, the relevant public will associate it with that earlier mark. Accordingly, for the purposes of assessing whether there is a link between the marks at issue, the degree of the earlier mark’s distinctive character must be taken into consideration. In that regard, the ability of a trade mark to identify the goods or services for which it is registered and used as coming from the proprietor of that mark and, therefore, its distinctive character are all the stronger if that mark is unique (see, by analogy, *Intel Corporation*, paragraph 19 above, paragraphs 54 to 56). However, it is not necessary for the earlier mark to be unique. A trade mark with a reputation necessarily has distinctive character, at the very least acquired through use. Therefore, even if an earlier mark with a reputation is not unique, the use of a later identical or similar mark may be such as to weaken the distinctive character of that earlier mark. However, the more ‘unique’ the earlier mark appears, the greater the likelihood that the use of a later identical or similar mark will be detrimental to its distinctive character (see, by analogy, *Intel Corporation*, paragraph 19 above, paragraphs 72 to 74).

28 In the present case, the earlier mark with a reputation is made up of the words ‘royal shakespeare company’ and the contested trade mark of the words ‘royal shakespeare’. There is a partial identity between the signs at issue as they share the expression ‘royal shakespeare’, the contested trade mark being made up of those two words, which are contained in the earlier trade mark. The signs at issue share that expression as a common element. That common element, ‘royal shakespeare’, is the most distinctive part of the earlier trade mark. The group of letters ‘rsc’ is understood as a simple abbreviation of the words ‘royal shakespeare company’, and the word ‘company’ as a simple reference to the fact that a company is involved. Neither the combination of the three letters ‘rsc’ nor the word ‘company’ has a strong distinctive character. The word ‘royal’ is an adjective, which may refer to something ‘royal’, or even a laudatory adjective, which refers, as in the present case, to royal patronage. The surname of the famous English poet, playwright and writer William Shakespeare is well known and, as such, in and of itself, is not highly distinctive for theatre productions. Although the words ‘royal’ and ‘shakespeare’ are not highly distinctive when considered in isolation, their combination creates a distinctive sign. The central and most distinctive

element of the earlier trade mark is thus the expression ‘royal shakespeare’, which is reproduced verbatim by the contested trade mark, with no additions or differentiation.

29 As the contested trade mark is exclusively made up of the central and distinctive element of the earlier trade mark, namely the expression ‘royal shakespeare’, the signs at issue are visually, phonetically and conceptually similar. Therefore, the average consumer will establish a link between those signs.

30 It follows that the Board of Appeal was right to find that the signs at issue were similar and to conclude that there was a likelihood of association.

#### Reputation of the earlier trade mark

– Relevant public for the reputation of the earlier trade mark

31 In the contested decision, the Board of Appeal found that the public amongst which the earlier trade mark has a reputation for theatre productions and for the ‘organising and promoting of cultural events’ and ‘education and training services all relating to theatre’ was the public at large (paragraphs 30 to 32 of the contested decision).

32 The applicant contests the definition of the relevant public for the reputation of the earlier trade mark as adopted by the Board of Appeal in the contested decision. That public is not the public at large, but only a limited number of British consumers, namely those ‘theatre goers’ who have an average interest in culture and theatre and a higher level of education and who are able to ‘access’ productions. In that context, the applicant asserts that ‘the vast majority of people will never see a theatre from the inside’, and that ‘luxury ... services’ are concerned taking into account the prices of tickets – between GBP 5 and GBP 42 – which ‘cannot be everyday products’.

33 In that regard, the Court notes that the public amongst which the earlier trade mark must have acquired a reputation is that concerned by that trade mark, that is to say, depending on the product or service marketed, either the public at large or a more specialised public, for example traders in a specific sector (see, by analogy, Case C-375/97 *General Motors* [1999] ECR I-5421, paragraph 24).

34 The present case concerns above all the reputation of the earlier trade mark for theatre productions, which are, contrary to what the applicant claims, services aimed at the public at large, and not merely at a limited number of consumers or an elite. In this day and age, going to the theatre is an activity which is in principle open to the masses. Access to theatres is available to all and, in theory, thanks to affordable prices, to the average consumer. The price of a ticket to see one of the intervener’s theatre productions is not necessarily any higher than that of a ticket for the cinema, a concert, a sporting event or any other performance or cultural or sporting leisure activity. The applicant itself has confirmed this by pointing out the low ticket prices for plays presented by the intervener. Accordingly, those activities are within the reach of the average consumer and hence the public at large. Moreover, the reputation of a mark depends not only on those persons who buy and use the goods or request the services in respect of which the mark in question is protected and used, but also on the knowledge the public at large and potential customers have of that mark, even if they have not attended or do not attend one of the productions of the intervener in the present case, but simply know of the earlier trade mark. It should be noted that the reputation of a mark may go beyond the relevant public as regards the goods or services for which that mark was registered (see, by analogy, *Intel Corporation*, paragraph 19 above, paragraph 51). Thus, even if the earlier trade mark had been registered for goods and services aimed at a limited public, which is not true in



the present case, it would be known to a wider public, namely the public at large, precisely by reason of its reputation.

35 In the present case, the intervener has submitted, as evidence of its reputation for theatre productions, a number of documents to which it also makes reference in the proceedings before this Court. Those documents relating to its reputation may also be considered as evidence which supports and reinforces the fact that the relevant public for the intervener's theatre productions is the public at large. Thus, it is clear in particular from the press cuttings that the intervener's activities were advertised, presented and commented on in numerous newspapers addressed to the public at large and not merely to a specialised public. It is also clear from the evidence submitted by the intervener that the intervener had made tours of different regions throughout the United Kingdom and had performed before a wide public in the United Kingdom. An activity on a large scale, and hence a service provided to the public at large, is reflected both in the high turnover and the high box office sales made. Furthermore, it is clear from the documents submitted by the intervener that the intervener has received substantial annual sponsorship income from undertakings in diverse sectors which also reach the public at large, such as banks, undertakings in the alcoholic drinks sector, and car manufacturers. Accordingly, contrary to the applicant's submissions, the relevant public for assessing the reputation of theatre productions is not confined to a limited and exclusive circle, but is made up of the public at large.

36 For the sake of completeness, the Court also draws attention to the fact that, as was discussed with the parties during the hearing, it is common ground that, as is the case for a number of theatre productions in general, the intervener's theatre productions are also broadcast via television and radio. The Court notes that those media also address the public at large.

37 It follows that the Board of Appeal was right to find in the contested decision that the reputation of the earlier Community trade mark extends to the public at large.

– Scope of the reputation

38 In the contested decision, the Board of Appeal classified, on the basis of the evidence submitted, the reputation of the intervener's earlier trade mark RSC-ROYAL SHAKESPEARE COMPANY as 'exceptional' (paragraphs 27 to 29 of the contested decision). That reputation existed among the public at large and not merely among the 'theatre going public' (paragraph 30 of the contested decision). In that regard, the Board of Appeal refers to numerous pieces of evidence. Inter alia, the Board of Appeal refers to a survey from which it is clear that the intervener is 'associated with quality and artistic excellence', has a 'longstanding reputation for excellence', and is 'recognised for its contribution to English heritage' (paragraph 29 of the contested decision). Moreover, the Board of Appeal indicated, in the contested decision, that the earlier trade mark has an exceptional reputation not only in theatrical activities, but also in 'the related field of educational services' (paragraph 31 of the contested decision). The Board of Appeal concluded that the earlier trade mark had an exceptional reputation in the United Kingdom amongst the public at large, not only for theatre productions, but also for the 'organising and promoting of cultural events' and 'education and training services all relating to theatre' (paragraph 32 of the contested decision).

39 The applicant does not dispute the reputation of the earlier trade mark for 'theatre productions', although it does dispute its reputation with regard to other services, in particular the organising and promoting of cultural events as well as education and training services all relating to theatre. The applicant also concedes that the reputation in the United Kingdom applies for the European Union, since the United Kingdom is a substantial part of the territory of the European Union.

40 Concerning the reputation of the intervener's earlier trade marks, the applicant invokes the opposition proceedings before the UK Patent Office between the applicant and the intervener, in which the UK Patent Office dismissed the intervener's opposition to the applicant's registration application, and claims that OHIM should have taken the findings of the UK Patent Office into account.

41 It must be stated that the Board of Appeal referred to the decision of the UK Patent Office in paragraph 28 of the contested decision simply to indicate that the reputation of the earlier trade mark for theatre productions had been acknowledged by the applicant during those proceedings.

42 In that regard, the Court points out that, as is recognised in case-law, the Community trade mark regime is an autonomous system with its own set of objectives and rules peculiar to it; it applies independently of any national system (Case T-32/00 *Messe München v OHIM (electronica)* [2000] ECR II-3829, paragraph 47 ; Case T-346/04 *Sadas v OHIM – LTJ Diffusion (ARTHUR ET FELICIE)* [2005] ECR II-4891, paragraph 70; and Case T-150/04 *Mülhens v OHIM – Minoronzoni (TOSCA BLU)* [2007] ECR II-2353, paragraph 40). Accordingly, the registrability of a sign as a Community trade mark is to be assessed on the basis of the relevant Community legislation alone (*ARTHUR ET FELICIE*, cited above, paragraph 70). Registrations already made in the Member States are only one factor which may be taken into consideration, without being given decisive weight, in the registration of a Community trade mark (Case T-122/99 *Procter & Gamble v OHIM (Soap shape)* [2000] ECR II-265, paragraph 61, and Case T-337/99 *Henkel v OHIM (Round red and white tablet)* [2001] ECR II-2597, paragraph 58). Accordingly, the Board of Appeal was in no way obliged to follow the decision of the UK Patent Office.

43 Next, the Court states that the applicant acknowledges the reputation of the intervener's earlier trade mark for 'theatre productions'. In its application, the applicant expressly indicated that it 'does not dispute that the [intervener's] earlier mark ... would enjoy reputation in relation to "theatre productions" amongst this relevant public in the territory of the United Kingdom'.

44 The Court holds, moreover, that the Board of Appeal was right to find that the reputation of the earlier trade mark in the United Kingdom is sufficient to establish a reputation at European Union level, since the United Kingdom constitutes a substantial part of the European Union, as conceded by the applicant. It has been acknowledged in case-law that a Community trade mark which has a reputation in the European Union must be known by a significant part of the public concerned by the products or services covered by that trade mark, in a substantial part of the territory of the European Union, and that the territory of a Member State may be considered to constitute a substantial part of the territory of the European Union (see, by analogy, Case C-301/07 *PAGO International* [2009] ECR I-9429, paragraphs 30 and 32).

45 It follows that, in the present case, the Board of Appeal's conclusion in the contested decision regarding the 'exceptional' reputation of the earlier Community trade mark for 'theatre productions' is not disputed by the applicant. Since, moreover, nothing in the case-file casts doubt on that assessment, it must be upheld.

46 Moreover, the reputation of the earlier Community trade mark for theatre productions, which is acknowledged and not disputed by the applicant, is sufficient for applying Article 8(5) of Regulation No 207/2009 in the present case. There is therefore no need to rule on the reputation of the earlier Community trade mark for the other services in Class 41, such as the 'organising and promoting of cultural events' and 'education and training services all relating to theatre', which is disputed by the applicant.

Unfair advantage taken of, or detriment caused to, the distinctive character or the repute of the earlier trade mark

– General

47 In order to benefit from the protection introduced by Article 8(5) of Regulation No 207/2009, the proprietor of the earlier mark must adduce proof that the use of the later mark ‘would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark’ (see, by analogy, *Intel Corporation*, paragraph 19 above, paragraph 37). Just one of those three types of injury suffices for Article 8(5) of Regulation No 207/2009 to apply (see, by analogy, *L’Oréal and Others*, paragraph 20 above, paragraphs 38 and 42). Therefore, that final condition for applying Article 8(5) of Regulation No 207/2009 covers three separate and alternative types of risk, namely that the use without due cause of the mark applied for will take unfair advantage of the distinctive character or the repute of the earlier mark, or that it will be detrimental to the distinctive character of the earlier mark, or that it will be detrimental to the repute of the earlier mark.

48 The unfair advantage taken of the distinctive character or the repute of the earlier trade mark consists in the fact that the image of the mark with a reputation or the characteristics which it projects will be transferred to the goods covered by the mark applied for, with the result that the marketing of those goods can be made easier by that association with the earlier mark with a reputation.

49 It should, however, be emphasised that in none of those cases is it necessary that there be a likelihood of confusion between the marks at issue; it is only necessary that the relevant public is able to establish a link between them, without having necessarily to confuse them (see *VIPS*, paragraph 18 above, paragraphs 36 to 42 and the case-law cited there).

– Relevant public

50 The existence of an unfair advantage taken of the distinctive character or the repute of the earlier mark, in so far as what is prohibited is the drawing of benefit from that mark by the proprietor of the later mark, must be assessed by reference to average consumers of the goods or services for which the later mark is registered, who are reasonably well informed and reasonably observant and circumspect (see, by analogy, *Intel Corporation*, paragraph 19 above, paragraphs 35 and 36; judgment of 12 March 2009 in Case C-320/07 P *Antartica v OHIM*, not published in the ECR, paragraphs 46 to 48; and Case T-59/08 *Nute Partecipazioni and La Perla v OHIM – Worldgem Brands (NIMEI LA PERLA MODERN CLASSIC)* [2010] ECR I-0000, paragraph 35). In the present case, the average consumer is the public at large, this being the relevant public for the goods and services covered by the contested trade mark.

– Unfair advantage taken

51 In the contested decision, the Board of Appeal concluded that there was a likelihood of association between the signs at issue due to the reputation of the earlier mark and the similarities between those signs (paragraph 36 of the contested decision). As regards the proximity of the goods and services concerned, it is possible that the relevant public for the goods and services covered by the contested trade mark, that is, the public at large, would make a link between the goods and services covered by the contested trade mark and the services covered by the earlier trade mark. The public understands and expects that bar and catering activities will be available either side of and in the interval of a theatre performance (paragraph 38 of the contested decision). The use without due cause of the contested trade mark would take unfair advantage of the distinctive character or the

repute of the earlier trade mark. Due to the high degree of similarity between the signs at issue and the fact that no other undertakings use the expression 'royal shakespeare', there is a strong likelihood that an unfair advantage would be taken of the repute of the intervener and its marks, despite the differences between the goods and services (paragraph 39 of the contested decision).

52 The applicant disputes that there exists any indication that, through the use of the contested trade mark for the goods and services covered, it could obtain any kind of unfair advantage from the reputation of the intervener's earlier trade marks. The reputation of those earlier trade marks for theatre productions cannot be transferred to the contested trade mark which covers goods and services in Classes 32, 33 and 42 of the Nice Agreement. The goods and services covered by the contested trade mark are for 'mass consumption' and its public is the public at large. In that regard, the applicant claims that the average consumer 'of food and beverages' will know 'William Shakespeare', but will not have heard of the 'Royal Shakespeare Company'. According to the applicant, the Board of Appeal wrongly assessed the circumstances of the case at hand and there is nothing to demonstrate any intention or possibility on the part of the applicant of taking unfair advantage of the reputation of the intervener's earlier signs. In addition, the earlier trade marks have a weak distinctive character. Moreover, there is no risk that the contested trade mark will cause any detriment to the distinctive character of the earlier trade marks. That alleged detriment cannot be established. The applicant also disputes the detriment allegedly caused to the repute of the earlier trade mark due to the 'distance' and the differences between the goods and services of the signs at issue, which do not allow the consumer to establish a link between those signs.

53 The Court points out that the proprietor of the earlier mark is not required to demonstrate actual and present harm to his mark for the purposes of Article 8(5) of Regulation No 207/2009, but he must adduce prima facie evidence of a future risk, which is not hypothetical, of unfair advantage or of detriment. Such a conclusion may be established, in particular, on the basis of logical deductions made from an analysis of the probabilities and by taking account of the normal practice in the relevant commercial sector as well as all the other circumstances of the case (Joined Cases T-345/08 and T-357/08 *Rubinstein v OHIM – Allergan (BOTOLIST)* [2010] ECR I-0000, paragraph 82). When it is foreseeable that such injury will ensue from the use which the proprietor of the later mark may be led to make of its mark, the proprietor of the earlier mark cannot be required to wait for it actually to occur in order to be able to prohibit that use. The proprietor of the earlier mark must, however, prove that there is a serious risk that such an injury will occur in the future (see, by analogy, *Intel Corporation*, paragraph 19 above, paragraph 38).

54 In order to determine whether the use of the contested sign takes unfair advantage of the distinctive character or the repute of the earlier trade mark, it is necessary to undertake a global assessment, taking into account all factors relevant to the circumstances of the case, which include the strength of the mark's reputation and the degree of distinctive character of the mark, the degree of similarity between the marks at issue and the nature and degree of proximity of the goods or services concerned. As regards the strength of the reputation and the degree of distinctive character of the mark, the Court of Justice has already held that, the stronger that mark's distinctive character and reputation are, the easier it will be to accept that detriment has been caused to it. It is also clear from the case-law that, the more immediately and strongly the mark is brought to mind by the sign, the greater the likelihood that the current or future use of the sign is taking, or will take, unfair advantage of the distinctive character or the repute of the mark (see, to that effect, by analogy, *L'Oréal and Others*, paragraph 20 above, paragraph 44, and *Intel Corporation*, paragraph 19 above, paragraphs 67 to 69).

55 It has also been recognised in case-law that, where a third party attempts, through the use of a sign similar to a mark with a reputation, to ride on the coat-tails of that mark in order to benefit

from its power of attraction, its reputation and its prestige, and to exploit, without paying any financial compensation and without being required to make efforts of his own in that regard, the marketing effort expended by the proprietor of that earlier mark in order to create and maintain the image of that mark, the advantage resulting from such use must be considered to be an advantage that has been unfairly taken of the distinctive character or the repute of that mark (see, by analogy, *L'Oréal and Others*, paragraph 20 above, paragraph 49).

56 Thus, Article 8(5) of Regulation No 207/2009, corresponding to Article 5(2) of 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), must be interpreted as meaning that the taking of unfair advantage of the distinctive character or the repute of a mark, within the meaning of that provision, does not require that there be a likelihood of confusion or a likelihood of detriment to the distinctive character or the repute or, more generally, to the proprietor of that trade mark. The advantage arising from the use by a third party of a sign similar to a mark with a reputation is an advantage taken unfairly by that third party of the distinctive character or the repute of the mark where that party seeks by that use to ride on the coat-tails of the mark with a reputation in order to benefit from the power of attraction, the reputation and the prestige of that mark and to exploit, without paying any financial compensation, the marketing effort expended by the proprietor of the mark in order to create and maintain the mark's image (see, by analogy, *L'Oréal and Others*, paragraph 20 above, paragraph 50).

57 In the present case, it should be borne in mind that the 'exceptional' reputation of the intervener's earlier trade mark has been correctly established by the Board of Appeal (see paragraph 45 above). This reinforces the distinctive character of the earlier trade mark, which should be considered to be strong.

58 Concerning the public, it should be noted that the relevant public for the contested trade mark is the same as the relevant public for the earlier trade mark, namely the public at large. The consumer targeted by the applicant's goods and services, those being beverages and the provision of food and drink and temporary accommodation, is the public at large. In the same way, as has been established in the part of this judgment dealing with the reputation of the earlier trade mark, that trade mark also addresses the public at large through the theatre productions for which it is famous.

59 With regard to the goods and services in the present case, those of the applicant do not appear to be directly and immediately linked to the intervener's theatre productions. However, despite the differences in the nature of those goods and services, there is, none the less, a certain proximity and link between them. In that regard, it has already been acknowledged in case-law that there is a certain similarity between entertainment services and beer due to their complementarity (see judgment of 4 November 2008 in Case T-161/07 *Group Lottuss v OHIM – Ugly (COYOTE UGLY)*, not published in the ECR, paragraphs 31 to 37). It is common practice, in theatres, for bar and catering services to be offered either side of and in the interval of a performance.

60 Moreover, irrespective of the above, in view of the established reputation of the earlier trade mark, the relevant public, namely the public at large in the United Kingdom, would be able to make a link with the intervener when seeing a beer with the contested trade mark in a supermarket or in a bar.

61 In the present case, the applicant would benefit from the power of attraction, the reputation and the prestige of the earlier trade mark for its own goods, such as beer and other beverages, and for its services. In the beverages market, those goods would attract the consumer's attention thanks to the association with the intervener and its earlier trade mark, which would give the applicant a

commercial advantage over its competitors' goods. That economic advantage would consist of exploiting the effort expended by the intervener in order to establish the reputation and the image of its earlier trade mark, without paying any compensation in exchange. That equates to an unfair advantage taken by the applicant of the repute of the earlier trade mark within the meaning of Article 8(5) of Regulation No 207/2009.

62 It follows from the considerations listed above that there is a likelihood of association between the signs at issue by reason of the earlier trade mark's reputation.

63 It must therefore be concluded that the Board of Appeal was right to consider that there is a strong likelihood that the use of the contested trade mark would take unfair advantage of the earlier trade mark's reputation.

64 It still remains to be established whether there is due cause for the use of the contested trade mark in the present case.

#### Lack of due cause

65 In the contested decision, the Board of Appeal held that the applicant had not demonstrated that use of the contested trade mark would be with due cause (paragraph 41 of the contested decision).

66 Concerning the due cause, the applicant claims that the reasoning of the contested decision consists of one sentence stating that the applicant did not demonstrate that the use of the contested trade mark would have been with due cause. The applicant also claims to have demonstrated how and for which product the contested trade mark has been used in the past.

67 The Court notes that, when the proprietor of the earlier mark has shown that there is either actual and present injury to its mark or, failing that, a serious risk that such injury will occur in the future, it is for the proprietor of the later mark to establish that there is due cause for the use of that mark (see, by analogy, *Intel Corporation*, paragraph 19 above, paragraph 39).

68 In the present case, the applicant has not put forward any due cause before the Board of Appeal of OHIM, even though it was for the applicant to establish that there was one. Before this Court, the applicant claims merely to have 'demonstrated how and for which product the contested trade mark has been used in the past' but, even assuming that that aspect is relevant, provides no additional indication or explanation. In order to establish due cause, it is not use of the contested trade mark that is required, but a reason justifying the use of that trade mark.

69 Accordingly, the Board of Appeal was right to hold that the applicant had not established due cause for the use of the contested trade mark.

70 It follows from the foregoing that it should be held that the Board of Appeal was right to conclude in the contested decision that the contested trade mark should be declared invalid on the basis of Article 53(1)(a) of Regulation No 207/2009, by reference to Article 8(5) of that regulation.

71 Since the plea alleging infringement of Article 8(5) of Regulation No 207/2009 is unfounded, the form of order sought by the applicant, requesting annulment of the contested decision, must be rejected.

#### Costs

72 Under Article 87(2) 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. Since the applicant has been unsuccessful, it must be ordered to pay the costs, in accordance with the form of order sought by OHIM and the intervener.

On those grounds,

THE GENERAL COURT (First Chamber)

hereby:

1. **Dismisses the action;**
2. **Orders Jackson International Trading Co. Kurt D. Brühl GmbH & Co. KG to pay the costs.**

Azizi

Frimodt Nielsen

Popescu

Delivered in open court in Luxembourg on 6 July 2012.

[Signatures]

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