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CJEU criticises General Court for using "less attractive" as measure of damage to marks with a reputation

European Union - [NJORD](#)

- The CJEU has set aside the decisions of the General Court in opposition proceedings involving earlier marks with a reputation
- The General Court erred in law in not assessing the evidence provided by the opponent in support of its claim of infringement of Article 8(5)
- The court merely focused on whether the marks applied for made the opponent's mark "less attractive", which was ambiguous and insufficient

In [Tulliallan Burlington Ltdv European Union Intellectual Property Office](#) (EUIPO) (Joined Cases C-155/18 P to C-158/18 P, 4 March 2020), the Court of Justice of the European Union (CJEU) has set aside the decisions of the General Court and annulled the decisions of the Board of Appeal of the EUIPO in opposition proceedings involving earlier word and figurative marks with a reputation.

Background

The dispute started in 2008 when the intervener before the General Court, Burlington Fashion, applied for protection in the European Union of the word mark BURLINGTON and the following figurative marks:



Protection was sought for goods and services in Classes 3, 14, 18 and 25.

The applicant before the General Court, Tulliallan Burlington ('Tulliallan'), opposed the registration of these marks in Classes 3, 14 and 18 based on its earlier trademark registrations, common law rights and reputation. The registered rights comprised the following figurative mark registered in the United Kingdom in Classes 35, 36 and 41 (on the left) and the following EU figurative mark in Classes 35, 36 and 41 (on the right):



Tulliallan also relied on the following word marks registered in the United Kingdom:

- BURLINGTON (Classes 35 and 36); and
- BURLINGTON ARCADE (Classes 35, 36 and 41).

In support of its opposition and appeals before the General Court and the CJEU, Tulliallan relied on three grounds - namely, infringement of Article 8(5), 8(4) and 8(1)(b) of Regulation 207/2009.

The Opposition Division of the EUIPO examined the oppositions based only on the earlier EU figurative mark and upheld the oppositions in respect of Classes 3, 14 and 18. However, the Board of Appeal disagreed and annulled these decisions. Tulliallan then appealed the decisions, which had an identical reasoning, before the General Court, which rejected the pleas in their entirety.

General Court decision

The General Court found, among other things, that although the reputation of the earlier marks was not disputed, Tulliallan had not provided specific evidence capable of substantiating that the use of the marks applied for would make its earlier marks "less attractive". As regards Article 8(1)(b), the General Court construed "retail sales services" strictly and found no similarity with Tulliallan's goods in Classes 3, 14 and 18.

In support of its appeal before the Court of Justice, Tulliallan alleged an infringement of Article 8(5) based on detriment to the earlier mark's reputation. Tulliallan claimed that the General Court ought to have found that the relevant public would make a link between the earlier trademarks and the marks applied for, which the General Court had failed to examine altogether. A further claim was that the General Court had erred in law in finding that Tulliallan had failed to submit consistent evidence from which it could be concluded that the use of the applied-for marks would take unfair advantage of the distinctive character or the repute of the earlier trademarks. In the appellant's view, the error in law also included the statement by the General Court that it had failed to produce evidence capable of substantiating the fact that the use of the mark applied for would make its earlier marks "less attractive".

CJEU decision

The CJEU agreed with Tulliallan and upheld the plea regarding infringement of Article 8(5) and 8(1)(b) of the regulation.

In respect of the alleged infringement of Article 8(5), the CJEU noted that three cumulative conditions must be satisfied:

- there must be a link between the earlier trademarks and the marks applied for;
- the earlier trademark must have a reputation; and
- there must be a risk that the use applied trademark would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trademark.

In this regard, the CJEU held that that the General Court had erred in law in not assessing the evidence provided by Tulliallan in support of its claim of infringement of Article 8(5) but, rather, had focused on whether the applied-for marks made Tulliallan's mark "less attractive", which was ambiguous and insufficient.

Similarly, the plea regarding infringement of Article 8(1)(b) was upheld as the CJEU found that the General Court had erred in law by stating that the absence of any precise statement of the goods which may be sold in the various shops comprising a shopping arcade, such as the shopping arcade referred to by the earlier trademarks, precluded any association between the goods of the mark applied for.

Comment

This case is interesting in that it shows, first, that cases can flip-flop up the three-tiered appellate ladder of the EUTM system. Second, it shows that the General Court must be vigilant to use the correct phrasing in relation to the three requirements for marks with a reputation pursuant to Article 8(5).

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