

## JUDGMENT OF THE GENERAL COURT (Second Chamber)

20 January 2021 (\*)

(EU trade mark – Opposition proceedings – Application for EU figurative mark BLEND 42 VODKA – Earlier EU word mark and international figurative mark 42 BELOW – Relative ground for refusal – Likelihood of confusion – Relevant public – Similarity of the goods and services – Similarity of the signs – Global assessment of the likelihood of confusion – Article 8(1)(b) of Regulation (EC) No 207/2009 (now Article 8(1)(b) of Regulation (EU) 2017/1001))

In Case T-830/19,

**Palírna U Zeleného stromu a.s.**, established in Ústí nad Labem (Czech Republic), represented by T. Chleboun, lawyer,

applicant,

v

**European Union Intellectual Property Office (EUIPO)**, represented by J. Ivanauskas and V. Ruzek, acting as Agents,

defendant,

the other party to the proceedings before the Board of Appeal of EUIPO being

**Bacardi & Co. Ltd**, established in Meyrin (Switzerland), represented by A. Parassina, lawyer,

ACTION brought against the decision of the Second Board of Appeal of EUIPO of 5 September 2019 (Case R 2532/2018-2), relating to opposition proceedings between Bacardi & Co. and Palírna U Zeleného stromu,

THE GENERAL COURT (Second Chamber),

composed of V. Tomljenović, President, F. Schalin and I. Nõmm (Rapporteur), Judges,

Registrar: E. Coulon,

having regard to the application lodged at the Court Registry on 4 December 2019,

having regard to the response lodged at the Court Registry on 12 May 2020,

having regard to the decision of 2 April 2020 joining Cases T-829/19 to T-831/19 for the purposes of the written part and any oral part of the procedure,

having regard to the fact that no request for a hearing was submitted by the parties within three weeks after service of notification of the close of the written part of the procedure, and having decided to rule on the action without an oral part of the procedure, pursuant to Article 106(3) of the Rules of Procedure of the General Court,

gives the following

### Judgment

## Background to the dispute

- 1 On 6 June 2014, the predecessor of the applicant, Palírna U Zeléného stromu a.s., filed an application for registration of an EU trade mark with the European Union Intellectual Property Office (EUIPO) pursuant to Council Regulation (EC) No 207/2009 of 26 February 2009 on the European Union trade mark (OJ 2009 L 78, p. 1), as amended (replaced by Regulation (EU) 2017/1001 of the European Parliament and of the Council of 14 June 2017 on the European Union trade mark (OJ 2017 L 154, p. 1)).
- 2 Registration as a mark was sought for the following figurative sign, claiming the colours light blue and dark blue:



- 3 The goods and services in respect of which registration was sought are in Classes 33 and 35 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 33: ‘Alcoholic beverages (except beers); vodka’;
  - Class 35: ‘Advertising; business management; business administration; office functions; mediation in the sale and purchase of goods in the field of alcoholic beverages’.
- 4 The EU trade mark application was published in *Community Trade Marks Bulletin* No 2014/128 of 14 July 2014.
- 5 On 10 October 2014, the other party to the proceedings before EUIPO, Bacardi & Co. Ltd, filed a notice of opposition under Article 41 of Regulation No 207/2009 (now Article 46 of Regulation 2017/1001) to the registration of the mark applied for in respect of the goods referred to in paragraph 3 above.
- 6 The opposition was based, in particular, on the following earlier rights:
  - the EU word mark 42 BELOW, the application for which was filed on 9 December 2010 and which was registered on 13 May 2011 under number 9 583 766 for goods in Class 33 corresponding to the following description: ‘Alcoholic beverages (except beers), including vodka, vodka-based and vodka-flavoured beverages’;
  - the international registration designating Germany, Austria, Benelux, Cyprus, Spain, France, Greece, Ireland, Italy, Poland, the Czech Republic, the United Kingdom and Sweden, filed on 11 March 2009 under number 999 938 for, inter alia, ‘advertising, business, electronic commerce, direct marketing, sales promotions, trade fairs and exhibitions in relation to alcoholic

beverages/distilled spirits; sales and promotional incentive schemes; loyalty programs; incentive marketing services and award programs; compilation of retail and consumer information into computer databases; management and operation of customer loyalty programs that identify and reward customers' in Class 35, of the figurative mark represented below:



- 7 The grounds relied on in support of the opposition were, in particular, those set out in Article 8(1)(b) of Regulation No 207/2009 (now Article 8(1)(b) of Regulation 2017/1001) and Article 8(5) of Regulation No 207/2009 (now Article 8(5) of Regulation 2017/1001).
- 8 On 30 October 2018, the Opposition Division upheld the opposition. It considered that there was a likelihood of confusion, within the meaning of Article 8(1)(b) of Regulation No 207/2009, with the earlier EU trade mark regarding the goods in Class 33 covered by the mark applied for and with the earlier international mark regarding the services in Class 35 covered by the mark applied for.
- 9 On 20 December 2018, the applicant filed a notice of appeal with EUIPO, pursuant to Articles 66 to 71 of Regulation 2017/1001, against the decision of the Opposition Division.
- 10 By decision of 5 September 2019 ('the contested decision'), the Second Board of Appeal of EUIPO dismissed the appeal.
- 11 In the first place, the Board of Appeal considered that both the earlier EU trade mark and the earlier international mark had been registered for less than five years at the date on which the EU trade mark application was published. It concluded from this that the Opposition Division had been right to refuse to grant the request for proof of genuine use of those rights, lodged by the applicant pursuant to Article 42(2) and (3) of Regulation No 207/2009 (now Article 47(2) and (3) of Regulation 2017/1001).
- 12 In the second place, regarding the determination of the relevant public, the Board of Appeal considered that the goods in Class 33 were targeted mainly at the general public, which had a normal level of attention when purchasing them, and the services in Class 35 were targeted mainly at a professional public, which had a higher level of attention when using those services.
- 13 In the third place, regarding the determination of the relevant territory, the Board of Appeal confined its assessment to the United Kingdom alone.
- 14 In the fourth place, regarding the comparison of the goods and services in question, the Board of Appeal considered that the goods in Class 33 in question were identical. Regarding the services in Class 35 covered by the mark applied for, the Board of Appeal considered that:
- the 'advertising' services were identical to the same services covered by the earlier international mark;
  - the 'office functions' services were identical to the 'compilation of retail and consumer information into computer databases' covered by the earlier international mark;
  - there was an average degree of similarity between the 'business administration' services and the 'compilation of retail and consumer information into computer databases' covered by the earlier international mark;
  - there was an average degree of similarity between the 'mediation in the sale and purchase of goods in the field of alcoholic beverages' and the 'trade fairs and exhibitions in relation to alcoholic beverages/distilled spirits' covered by the earlier international mark;
  - there was, at the very least, a low degree of similarity between the 'business management' services and the 'advertising, business, electronic commerce, direct marketing, sales promotions' covered by the earlier international mark.

- 15 In the fifth place, regarding the assessment of the distinctive and dominant elements of the earlier international mark and of the mark applied for, the Board of Appeal considered, first, that the number '42' constituted their dominant visual element and, second, that their word elements were more distinctive than their figurative elements, which played only a secondary role in their overall impression. The Board of Appeal considered that the same was true of the colour used in the mark applied for. The Board of Appeal added that, although the number '42' was likely to have only a weak distinctive character for part of the relevant public with regard to the goods in Class 33, it was distinctive with regard to the services in Class 35. It also considered that the word 'below' was distinctive with regard to the goods in question whereas the words 'blend' and 'vodka' had a weak distinctive character in that regard.
- 16 In the sixth place, the Board of Appeal considered, in essence, that the elements '42' and 'below' played, overall, an equivalent role in the overall impression of the earlier EU trade mark.
- 17 In the seventh place, the Board of Appeal considered that the signs at issue were visually similar to an average degree and phonetically and conceptually similar to at least a low degree.
- 18 In the eighth place, the Board of Appeal considered that the earlier EU trade mark was highly distinctive with regard to some of the goods in Class 33 and, at the very least, had an average degree of inherent distinctiveness. The earlier international mark, for its part, had an average degree of inherent distinctiveness.
- 19 In the ninth place, the Board of Appeal considered that there was a likelihood of confusion between the marks at issue on account of the identity or similarity of the goods in question and the overall visual, phonetic and conceptual similarity of the signs. It referred, inter alia, to the dominant character of the element '42' in the marks at issue and to the significance of phonetic similarity where marks used for the marketing of goods in Class 33 were at issue.
- 20 In the tenth place, the Board of Appeal considered that the evidence adduced did not show that the marks at issue coexisted peacefully in the territory of the United Kingdom.

### **Forms of order sought**

21 The applicant claims that the Court should:

- annul the contested decision;
- order EUIPO to pay the costs.

22 EUIPO contends that the Court should:

- dismiss the action;
- order the applicant to pay the costs.

### **Law**

- 23 Given the date on which the application for registration at issue was filed, namely 6 June 2014, which is decisive for the purpose of identifying the applicable substantive law, the facts of the case are governed by the substantive provisions of Regulation No 207/2009 (see, to that effect, judgments of 8 May 2014, *Bimbo v OHIM*, C-591/12 P, EU:C:2014:305, paragraph 12, and of 18 June 2020, *Primart v EUIPO*, C-702/18 P, EU:C:2020:489, paragraph 2 and the case-law cited).
- 24 Consequently, in the present case, as regards the substantive rules, the references made by the Board of Appeal in the contested decision and by the applicant in the arguments put forward to Article 8(1)(b) of Regulation 2017/1001 must be understood as referring to Article 8(1)(b) of Regulation No 207/2009, the content of which is identical.

- 25 In support of its action, the applicant puts forward a single plea in law, alleging infringement of Article 8(1)(b) of Regulation No 207/2009.
- 26 The applicant criticises the Board of Appeal's assessment of the similarity of the signs. The applicant submits, in essence, that the Board of Appeal attached too much importance to the element '42', common to the marks at issue, and not enough to the elements differentiating those marks. The applicant also disputes the Board of Appeal's assessment of the distinctive character of the earlier marks and claims that the mark applied for has a reputation per se.
- 27 EUIPO disputes the applicant's arguments.
- 28 Article 8(1)(b) of Regulation No 207/2009 provides that, upon opposition by the proprietor of an earlier trade mark, the trade mark applied for must not be registered if because of its identity with, or similarity to, the earlier trade mark and the identity or similarity of the goods or services covered by the trade marks there exists a likelihood of confusion on the part of the public in the territory in which the earlier trade mark is protected. The likelihood of confusion includes the likelihood of association with the earlier trade mark.
- 29 According to settled case-law, the risk that the public may believe that the goods or services in question come from the same undertaking or from economically linked undertakings constitutes a likelihood of confusion. According to the same case-law, the likelihood of confusion must be assessed globally, according to the relevant public's perception of the signs and goods or services in question and taking into account all factors relevant to the circumstances of the case, in particular the interdependence between the similarity of the signs and that of the goods or services covered (see judgment of 9 July 2003, *Laboratorios RTB v OHIM – Giorgio Beverly Hills (GIORGIO BEVERLY HILLS)*, T-162/01, EU:T:2003:199, paragraphs 30 to 33 and the case-law cited).
- 30 Where the protection of the earlier trade mark extends to the entirety of the European Union, it is necessary to take into account the perception of the marks at issue by the consumer of the goods in question in that territory. However, it must be borne in mind that, for an EU trade mark to be refused registration, it is sufficient that a relative ground for refusal for the purposes of Article 8(1)(b) of Regulation No 207/2009 exists in part of the European Union (see, to that effect, judgment of 14 December 2006, *Mast-Jägermeister v OHIM – Licorera Zacapaneca (VENADO with frame and others)*, T-81/03, T-82/03 and T-103/03, EU:T:2006:397, paragraph 76 and the case-law cited).
- 31 It is in the light of those considerations that it must be assessed whether the Board of Appeal was right to conclude that the registration of the mark applied for could give rise to a likelihood of confusion with the earlier international mark and the earlier EU trade mark.
- 32 In that regard, in so far as the Board of Appeal relied on two different earlier rights in order to refuse registration of the mark applied for, the Court will examine the single plea in law, first, in so far as that plea disputes the existence of a likelihood of confusion with the earlier international mark regarding the services in Class 35 and, second, in so far as that plea disputes the existence of a likelihood of confusion with the earlier EU trade mark regarding the goods in Class 33.

***The single plea in law in so far as it disputes the existence of a likelihood of confusion with the earlier international mark regarding the services in Class 35***

*The relevant public*

- 33 According to the case-law, in the global assessment of the likelihood of confusion, account should be taken of the average consumer of the category of goods concerned, who is reasonably well informed and reasonably observant and circumspect. It should also be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods or services in question (see judgment of 13 February 2007, *Mundipharma v OHIM – Altana Pharma (RESPICUR)*, T-256/04, EU:T:2007:46, paragraph 42 and the case-law cited).

- 34 In paragraphs 32 and 33 of the contested decision, the Board of Appeal considered that the relevant public, as regards the services in Class 35, consisted of the professional public, which displayed a higher level of attention than the general public. It also considered that it was necessary to take into account the perception of the relevant public in the United Kingdom.
- 35 Such an assessment, which, moreover, is not disputed by the applicant, must be endorsed. Indeed, it is consistent with the Court's assessment regarding the relevant public for services in Class 35 (see, to that effect, judgment of 19 May 2015, *Granette & Starorežná Distilleries v OHIM – Bacardi (42 VODKA JEMNÁ VODKA VYRÁBĚNÁ JEDINEČNOU TECHNOLOGIÍ 42%vol.)*, T-607/13, not published, EU:T:2015:292, paragraph 33 and the case-law cited). Furthermore, the Board of Appeal was entitled to rely on the perception of the relevant public in the United Kingdom, since that state, which was then a Member State of the European Union, was designated by the earlier international mark.

*The comparison of the services in question*

- 36 According to settled case-law, in assessing the similarity of the goods or services at issue, all the relevant factors relating to those goods or services should be taken into account. Those factors include, in particular, their nature, their intended purpose, their method of use and whether they are in competition with each other or are complementary. Other factors may also be taken into account, such as the distribution channels of the goods concerned (see judgment of 11 July 2007, *El Corte Inglés v OHIM – Bolaños Sabri (PiraÑAM diseño original Juan Bolaños)*, T-443/05, EU:T:2007:219, paragraph 37 and the case-law cited).
- 37 In the present case, the Board of Appeal considered, in paragraphs 40 to 55 of the contested decision, regarding the services in question, all of which were in Class 35, first, that the 'advertising' and 'office functions' services covered by the mark applied for were identical to some of the services covered by the earlier international mark, second, that there was an average degree of similarity between the 'business administration' services and 'mediation in the sale and purchase of goods in the field of alcoholic beverages' covered by the mark applied for and some of the services covered by the earlier international mark and, third, that there was, at the very least, a low degree of similarity between the 'business management' services covered by the mark applied for and some of the services covered by the earlier international mark.
- 38 That finding that the goods and services in question are identical or similar, which, moreover, is not disputed by the applicant, must be upheld.
- 39 However, regarding the 'business management' services, it should be noted that the reasoning set out in paragraphs 51 to 54 of the contested decision should have led the Board of Appeal to find that there was an average degree of similarity between those services and, in particular, the advertising services covered by the earlier international mark. Since the Board of Appeal correctly highlighted the existence, first, of a certain competitive relationship between those services – in that they are directed at the same target public, have the same purpose of improving their business and may be offered by the same service providers – and, second, of complementarity between them, in view of the close link between them, the degree of similarity between those services cannot be classified as 'low', as seems to be envisaged by the Board of Appeal.

*The comparison of the signs at issue*

- 40 According to the case-law, two marks are similar when, from the point of view of the relevant public, they are at least partially identical as regards one or more relevant aspects (judgment of 23 October 2002, *Matratzen Concord v OHIM – Hukla Germany (MATRATZEN)*, T-6/01, EU:T:2002:261, paragraph 30). The global assessment of the likelihood of confusion must, so far as concerns the visual, phonetic or conceptual similarity of the signs at issue, be based on the overall impression given by the signs, bearing in mind, in particular, their distinctive and dominant elements. The perception of the marks by the average consumer of the goods or services in question plays a decisive role in the global assessment of that likelihood of confusion. In this regard, the average consumer normally perceives a

mark as a whole and does not engage in an analysis of its various details (see judgment of 12 June 2007, *OHIM v Shaker*, C-334/05 P, EU:C:2007:333, paragraph 35 and the case-law cited).

41 The mark applied for is a figurative mark. Its central element, which occupies most of the mark, consists of a sequence – from left to right and from top to bottom – of the numerals ‘4’ and ‘2’ reproduced in standard grey printed characters and partly overlapping each other. The upper and lower parts of the mark applied for consist, respectively, of the words ‘blend’ and ‘vodka’ written in printed capital letters in bold. The words ‘blend’ and ‘vodka’ are depicted in dark blue and the numerals ‘4’ and ‘2’ are depicted partly in light blue and partly in dark blue.

42 The earlier international mark is also a figurative mark. It consists of a combination of the element ‘42’ and the word element ‘below’, written horizontally in a figurative element made up of a black circle with a thick outline. The number ‘42’, reproduced in standard black printed characters, appears in the middle of that circle and appears to be underlined by a straight black line. The numeral ‘4’ is positioned, from a typographical point of view, lower than the numeral ‘2’, the upper part of which appears to be longer by comparison with that of the numeral ‘4’. The size of the element ‘42’ is greater than that of the word ‘below’, which is written in ordinary capital letters under the numeral ‘2’.

– *The distinctive and dominant elements*

43 For the purpose of assessing the distinctive character of an element making up a mark, an assessment must be made of the greater or lesser capacity of that element to identify the goods or services for which the mark was registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings. In making that assessment, account should be taken, in particular, of the inherent characteristics of the element in question in the light of whether it is at all descriptive of the goods or services for which the mark has been registered (judgments of 13 June 2006, *Inex v OHIM – Wiseman (Representation of a cowhide)*, T-153/03, EU:T:2006:157, paragraph 35, and of 13 December 2007, *Cabrera Sánchez v OHIM – Industrias Cárnicas Valle (el charcutero artesano)*, T-242/06, not published, EU:T:2007:391, paragraph 51).

44 Furthermore, although it is settled case-law that, as a general rule, the relevant public will not consider a descriptive element forming part of a complex mark as the distinctive and dominant element of the overall impression conveyed by that mark, the weak distinctive character of an element of such a mark does not necessarily imply that that element cannot constitute a dominant element since, because, in particular, of its position in the sign or its size, it may make an impression on consumers and be remembered by them (see judgment of 13 June 2006, *Representation of a cowhide*, T-153/03, EU:T:2006:157, paragraph 32 and the case-law cited).

45 Assessment of the similarity between two marks means more than taking just one component of a composite trade mark and comparing it with another mark. On the contrary, the comparison must be made by examining each of the marks at issue as a whole, which does not mean that the overall impression conveyed to the relevant public by a composite trade mark may not, in certain circumstances, be dominated by one or more of its components (see judgment of 12 June 2007, *OHIM v Shaker*, C-334/05 P, EU:C:2007:333, paragraph 41 and the case-law cited). It is only if all the other elements making up the mark are negligible that the assessment of the similarity of the signs at issue can be carried out solely on the basis of the dominant element. That could be the case, in particular, where that element is capable on its own of dominating the image of that mark which members of the relevant public retain, with the result that all the other elements are negligible in the overall impression created by that mark (judgment of 20 September 2007, *Nestlé v OHIM*, C-193/06 P, not published, EU:C:2007:539, paragraph 43).

46 In the contested decision, the Board of Appeal considered, first, that the number ‘42’ was the dominant visual element of the marks at issue and, second, that their word elements were more distinctive than their figurative elements and the colour used, which played only a secondary role in their overall impression. The Board of Appeal also considered, in essence, that the number ‘42’ and the words ‘below’ and ‘blend’ were distinctive with regard to the services in Class 35. It considered that

the word ‘vodka’, which appeared in the mark applied for, would be perceived as alluding to the fact that the services were linked to a specific product and that, accordingly, that word had a weak distinctive character with regard to those services.

47 In the application, the applicant bases its criticism of the Board of Appeal’s assessment of the distinctive elements of the marks at issue on the allegedly descriptive character of some of the elements of the marks at issue with regard to the goods in Class 33, with the result that the answer to the question whether the Board of Appeal’s assessments relating to the distinctive and dominant elements of those marks with regard to the services in Class 35 are also at issue is not clear from that application.

48 In any event, the Board of Appeal’s examination of the distinctive and dominant elements of the marks at issue with regard to the services in Class 35 is not vitiated by any error of assessment.

49 The Board of Appeal was right to consider, in paragraph 66 of the contested decision, that the number ‘42’ dominated the overall impression of the marks at issue, in that, first, it was significantly larger than all the other word elements that appeared in those marks and, second, it occupied a prominent position in the centre of those marks.

50 In addition, the Board of Appeal was entitled to consider, in paragraphs 72 to 79 of the contested decision, that the number ‘42’ and the words ‘blend’ and ‘below’ had an average distinctive character with regard to the services in Class 35 and that the word ‘vodka’ had a weak distinctive character, in so far as it could be perceived as an allusion to the fact that the services in question related to that type of goods.

– *The visual, phonetic and conceptual comparison*

51 In the contested decision, the Board of Appeal considered, on the basis of the overall impression created by the signs at issue, that there was an average degree of visual similarity between the signs at issue on account of the presence in both signs of the number ‘42’. For the same reason, it considered that there was at least a low degree of phonetic and conceptual similarity.

52 The applicant disputes that assessment by referring to the different graphical presentation of the signs at issue and to the differences between their word elements.

53 EUIPO disputes the applicant’s arguments.

54 In the first place, as regards the visual comparison of the signs, the fact that the overall impression of the signs at issue is dominated by the number ‘42’, even if it is in a slightly different form, is a particularly important factor of similarity. In so far as the signs differ as to their other elements, the Board of Appeal was right to consider that there was an average degree of visual similarity in that regard.

55 In the second place, and for similar reasons, there is an average degree of phonetic similarity between the signs at issue. The dominant character of the number ‘42’ in the signs at issue may lead the consumer to favour it in order to refer to them. Furthermore, it should be noted that that number, when pronounced, contains a greater number of syllables than the other word elements of the signs at issue, namely ‘vodka’, ‘below’ and ‘blend’ (see, to that effect, judgment of 19 May 2015, *42 VODKA JEMNÁ VODKA VYRÁBĚNÁ JEDINEČNOU TECHNOLOGIÍ 42%vol.*, T-607/13, not published, EU:T:2015:292, paragraph 88).

56 In the third place, regarding the conceptual comparison of the signs, it should be noted that the mark applied for has a clear conceptual meaning, in that it will be understood by the relevant public as a reference to a variety of ‘vodka’, namely a strong colourless alcoholic beverage, specifically produced from grains or potatoes, which has a high alcohol content, whereas the earlier international mark has no obvious conceptual meaning. The signs at issue, however, have in common the reference to the number ‘42’, which results in them having an average degree of conceptual similarity.

*The likelihood of confusion*



- 57 The global assessment of the likelihood of confusion implies some interdependence between the factors taken into account, and in particular between the similarity of the trade marks and that of the goods or services covered. Accordingly, a low degree of similarity between those goods or services may be offset by a high degree of similarity between the marks, and vice versa (judgments of 29 September 1998, Canon, C-39/97, EU:C:1998:442, paragraph 17, and of 14 December 2006, VENADO with frame and others, T-81/03, T-82/03 and T-103/03, EU:T:2006:397, paragraph 74).
- 58 The distinctive character of the earlier trade mark is also one of the relevant factors which may be taken into account in the global assessment of the likelihood of confusion (see judgment of 13 December 2007, Xentral v OHIM – Pages jaunes (PAGESJAUNES.COM), T-134/06, EU:T:2007:387, paragraph 70 and the case-law cited).
- 59 In addition, it is necessary to take into account the impact of the level of attention of the relevant public. It follows from the case-law that, although the relevant public only rarely has the chance to make a direct comparison between the different marks and must rely on ‘an imperfect recollection of them’, a high level of attention on the part of the relevant public may lead to the conclusion that it will not confuse the marks at issue despite the lack of direct comparison between the different marks (see, to that effect, judgment of 22 March 2011, Ford Motor v OHIM – Alkar Automotive (CA), T-486/07, not published, EU:T:2011:104, paragraph 95).
- 60 However, the high level of attention on the part of the relevant public does not mean that it may automatically be concluded that there is no likelihood of confusion, since all the other factors must be taken into account (see judgment of 28 April 2016, Zehnder Group International v EUIPO – Stiebel Eltron (comfotherm), T-267/14, not published, EU:T:2016:252, paragraph 72 and the case-law cited; see also, to that effect, judgment of 13 July 2017, Migros-Genossenschafts-Bund v EUIPO – Luigi Lavazza (CRÉMESPRESSO), T-189/16, not published, EU:T:2017:488, paragraph 87).
- 61 In the contested decision, the Board of Appeal considered, in particular, that the earlier international mark had an average degree of inherent distinctiveness. Relying on the identity or similarity of the services in question and the overall similarity of the signs, it concluded that there was a likelihood of confusion between the marks at issue.
- 62 The applicant submits that the Board of Appeal erred in concluding that there was a likelihood of confusion in view of the low degree of similarity between the signs at issue, the weak distinctive character of the earlier mark and the use of the mark applied for in Czech territory for almost 15 years. It submits that it has due cause to use the mark applied for and also emphasises the reputation of that mark and the fact that use of the earlier international mark has not been shown.
- 63 It should be noted that the use of the word ‘below’ and the number ‘42’ with regard to the services in Class 35 is not such as to weaken the distinctive character of the earlier international mark. The earlier international mark, therefore, has an average degree of inherent distinctiveness.
- 64 Accordingly, in so far as the earlier international mark has an average degree of inherent distinctiveness with regard to the services in Class 35, the services in question are identical or similar and the signs at issue are also similar, it must be concluded that there is a likelihood of confusion between the marks at issue, at least for the relevant public in the United Kingdom, notwithstanding the high level of attention of that public.
- 65 In accordance with the case-law cited in paragraph 30 above, for an EU trade mark to be refused registration, it is sufficient that a relative ground for refusal for the purposes of Article 8(1)(b) of Regulation No 207/2009 exists in part of the European Union. The Board of Appeal was therefore fully entitled to consider that the conditions for the application of that provision were satisfied.
- 66 That conclusion is not invalidated by the applicant’s line of argument based on the alleged reputation of the mark applied for. According to settled case-law, only the reputation of the earlier mark, and not that of the mark applied for, is to be taken into account in assessing whether there is a likelihood of

confusion (see, to that effect, judgment of 3 September 2009, *Aceites del Sur-Coosur v Koipe*, C-498/07 P, EU:C:2009:503, paragraph 84 and the case-law cited). That case-law is consistent with the objective of Article 8(1)(b) of Regulation No 207/2009, which is to provide adequate protection to holders of earlier rights against subsequent applications for identical or similar EU trade marks (judgment of 29 January 2019, *The GB Foods v EUIPO – Yatecomeré (YATEKOMO)*, T-336/17, not published, EU:T:2019:36, paragraph 49).

67 Furthermore, in so far as, by that line of argument, the applicant claims that there is peaceful coexistence between the earlier international mark and a sign identical to the mark applied for, that line of argument cannot succeed either.

68 It is true that, as one of the relevant factors referred to in paragraph 29 above, the coexistence of two marks on a market might be taken into account since it is accepted in the case-law that, together with other elements, it may contribute to diminishing the likelihood of confusion between those marks on the part of the relevant public (judgment of 3 September 2009, *Aceites del Sur-Coosur v Koipe*, C-498/07 P, EU:C:2009:503, paragraph 82; see also, to that effect and by analogy, judgment of 22 September 2011, *Budějovický Budvar*, C-482/09, EU:C:2011:605, paragraphs 75 to 82).

69 However, it must be pointed out that the applicant refers to peaceful coexistence of the marks at issue in the Czech Republic. Therefore, in so far as the Board of Appeal based its refusal to register the mark applied for on the existence of a likelihood of confusion in the United Kingdom, any peaceful coexistence outside that territory is irrelevant.

70 The applicant's argument that it has due cause to use the mark applied for is also irrelevant. The condition requiring proof of the existence of a risk that the use without due cause of the mark applied for would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier mark concerns the relative ground for refusal set out in Article 8(5) of Regulation No 207/2009 and not the relative ground for refusal on which the Board of Appeal relied in order to refuse to register the mark applied for, derived from Article 8(1)(b) of that regulation.

71 Lastly, the applicant's argument that use of the earlier international mark has not been demonstrated must be set aside. For the reasons set out in paragraphs 16 to 21 of the contested decision, which, moreover, are not disputed by the applicant, the other party to the proceedings before the Board of Appeal was not required to show genuine use of its mark.

72 In the light of the foregoing, the single plea in law must be rejected in so far as it disputes the existence of a likelihood of confusion with the earlier international mark regarding the services in Class 35.

***The single plea in law in so far as it disputes the existence of a likelihood of confusion with the earlier EU trade mark regarding the goods in Class 33***

*The relevant public*

73 In paragraphs 27 to 35 of the contested decision, the Board of Appeal considered that the relevant public for the goods in Class 33 in question consisted of the general public with an average level of attention. It also took into account the perception of the relevant public in the United Kingdom.

74 Such an assessment, which, moreover, is not disputed by the applicant, must be endorsed.

75 First, the Court has already had occasion to point out, in essence, that the goods in Class 33 in question were everyday consumer items, for which the relevant public consisted of the general public, with an average level of attention (see, to that effect, judgment of 19 May 2015, *42 VODKA JEMNÁ VODKA VYRÁBĚNÁ JEDINEČNOU TECHNOLOGIÍ 42%vol.*, T-607/13, not published, EU:T:2015:292, paragraph 32).

76 Second, in so far as the earlier mark is an EU trade mark, the Board of Appeal, in accordance with the case-law cited in paragraph 30 above, was entitled to rely on the existence of a likelihood of confusion in the United Kingdom in order to refuse to register the mark applied for.

*The comparison of the goods in question*

77 The Board of Appeal considered, in paragraph 38 of the contested decision, that the goods in Class 33 covered by the mark applied for were identical to the goods in the same class covered by the earlier EU trade mark. That assessment, which, moreover, is not disputed by the applicant, must be endorsed.

*The comparison of the signs at issue*

78 At this stage, it is necessary to compare the mark applied for, which has been described in paragraph 41 above, with the earlier EU word mark 42 BELOW.

– *The distinctive and dominant elements*

79 In the contested decision, the Board of Appeal considered that the number ‘42’ constituted the dominant visual element of the mark applied for, including where the goods in Class 33 were at issue, while acknowledging, in essence, that that number had a low degree of inherent distinctiveness with regard to those goods, since it could be perceived by a part of the relevant public as indicating the percentage of alcohol contained in an alcoholic beverage. In that regard, it considered that the words ‘vodka’ and ‘blend’ also had a weak distinctive character with regard to those goods.

80 So far as the earlier EU trade mark is concerned, the Board of Appeal considered, in essence, that the elements ‘42’ and ‘below’ played, overall, an equivalent role in the comparison of the signs at issue, while noting that the element ‘42’ would be the first element which would attract the public’s attention.

81 The applicant disputes the Board of Appeal’s assessment of the distinctive and dominant elements of the marks at issue. It bases its line of argument on the fact that the number ‘42’, common to the marks at issue, is descriptive with regard to beverages and is very frequently used for the marketing of alcoholic beverages.

82 EUIPO disputes the applicant’s arguments.

83 As regards, in the first place, the mark applied for, and for the reasons set out in paragraph 49 above, it must be held that the element ‘42’ dominates its overall impression, as the Board of Appeal rightly emphasised in paragraph 66 of the contested decision.

84 The applicant disputes that assessment, submitting, first, that many registered trade marks contain the number ‘42’, which would result in that number being deprived of distinctive character. It should be noted, however, that the applicant merely puts forward a list of trade marks containing the element ‘42’ which are registered for alcohol, without providing information that would make it possible to gauge how well they are known by the reference public. In the absence of such information, the applicant cannot be regarded as having demonstrated the existence of an association on the part of the relevant public between the number ‘42’ and those goods (see, to that effect, judgment of 13 April 2011, *Sociedad Agrícola Requiringua v OHIM – Consejo Regulador de la Denominación de Origen Toro (TORO DE PIEDRA)*, T-358/09, not published, EU:T:2011:174, paragraph 35).

85 Second, the applicant submits that the number ‘42’ may be descriptive of a characteristic of the goods in question, namely their alcohol content, and that, consequently, it cannot be regarded as distinctive; nor can it be regarded as constituting the dominant element of the mark applied for.

86 In that regard, it should be borne in mind that the presence of a number in a mark is not, in principle, likely to be perceived immediately by the relevant public as descriptive of a particular characteristic of the goods concerned, namely alcohol content, where it is not associated with any of the units commonly used to measure that content (see, to that effect, judgment of 3 September 2010, *Companhia*

*Muller de Bebidas v OHIM – Missiato Industria e Comercio (61 A NOSSA ALEGRIA)*, T-472/08, EU:T:2010:347, paragraph 60).

87 Nevertheless, it cannot be entirely ruled out that part of the public will perceive the number ‘42’, when purchasing some of the goods in question, as a reference to the alcohol content of ‘vodka’, even in the absence of any reference to any unit of measurement (see, to that effect, judgment of 19 May 2015, *42 VODKA JEMNÁ VODKA VYRÁBĚNÁ JEDINEČNOU TECHNOLOGIÍ 42%vol.*, T-607/13, not published, EU:T:2015:292, paragraphs 68 and 69).

88 However, even with regard to that part of the relevant public, the number ‘42’ constitutes the dominant element of the mark applied for, in accordance with the case-law cited in paragraph 44 above, since, on account of its size and position, it makes an impression on the consumer. In that regard, it should be noted that the other elements of the mark applied for will play a weaker role in its overall impression. The words ‘vodka’ and ‘blend’ not only occupy a less prominent position in the mark applied for, but also constitute a much more explicit indication of the goods which may be marketed under that mark.

89 As regards, in the second place, the earlier EU trade mark, although, for the reasons set out in paragraph 87 above, it might be considered that the number ‘42’ has only a weak distinctive character with regard to some of the goods in question for part of the relevant public, it nevertheless constitutes the most distinctive element of that mark. The word ‘below’, as an adverb placed directly after the number ‘42’, can play only a secondary role in that it is intended to provide additional information in relation to that number. In those circumstances, the Board of Appeal was entitled to consider, in paragraph 81 of the contested decision, that the consumer would pay closer attention to the number ‘42’.

– *The visual, phonetic and conceptual comparison*

90 For reasons similar to those summarised in paragraph 51 above, the Board of Appeal considered that there was an average degree of visual similarity between the signs at issue and that there was at least a low degree of phonetic and conceptual similarity.

91 The applicant disputes that assessment in the light, in particular, of the differences between the word elements of the signs at issue.

92 For reasons similar to those set out in paragraphs 54 to 56 above, it must be concluded that there is an average degree of visual, phonetic and conceptual similarity between the signs at issue. The presence in both marks of the number ‘42’, which dominates the overall impression of the mark applied for and constitutes the most distinctive element of the earlier EU trade mark, is a particularly important factor of similarity which cannot be entirely offset by the other elements which differentiate those signs.

93 Furthermore, regarding, more specifically, the conceptual comparison of the signs at issue, it must be stated that that similarity will be greater for the part of the relevant public which, when purchasing some of the goods at issue, will perceive the number ‘42’ as a reference to their alcohol content.

*The likelihood of confusion*

94 In the contested decision, the Board of Appeal considered that the earlier EU trade mark had acquired a highly distinctive character through use and that, in any event, it had an average degree of inherent distinctiveness. Relying on the identical nature of the goods in question and the overall similarity of the signs, it concluded that there was a likelihood of confusion between the marks at issue.

95 The applicant disputes that assessment on the basis of arguments similar to those reproduced in paragraph 62 above. It adds that the Board of Appeal erred in considering that the earlier EU trade mark was highly distinctive due to its use.

96 In paragraph 122 of the contested decision, the Board of Appeal correctly considered that, regarding the goods in Class 33, particular importance had to be attached to the phonetic similarity between the marks at issue. In that regard, it observed that, if the goods concerned were also consumed after being

ordered orally in bars, restaurants or discotheques, the phonetic similarity of the marks at issue alone was sufficient to create a likelihood of confusion (see, to that effect, judgment of 19 May 2015, 42 VODKA JEMNÁ VODKA VYRÁBĚNÁ JEDINEČNOU TECHNOLOGIÍ 42%vol., T-607/13, not published, EU:T:2015:292, paragraph 110 and the case-law cited).

- 97 In addition, without it being necessary to ascertain whether the evidence put forward by the other party to the proceedings before the Board of Appeal is capable of demonstrating that the earlier EU trade mark had acquired enhanced distinctiveness through use, it is sufficient to note that the Board of Appeal was right to attribute to that mark, at the very least, an average degree of inherent distinctiveness.
- 98 It is true that, for the reasons set out in paragraph 87 above, it cannot be ruled out that the number ‘42’ will be perceived by part of the relevant public as a reference to the alcohol content of some of the goods marketed, which could result in the earlier EU trade mark having only a low degree of inherent distinctiveness.
- 99 However, for the remainder of the relevant public which, for the reasons set out in paragraph 86 above, will not perceive the number ‘42’ as an indication of alcohol content, the earlier EU trade mark has an average degree of inherent distinctiveness.
- 100 For that part of the relevant public, since the earlier mark has an average degree of inherent distinctiveness, the goods at issue are identical and the signs at issue are similar, in particular phonetically, it must be concluded that there is a likelihood of confusion between the marks at issue, at least in the territory of the United Kingdom.
- 101 For a reason similar to that set out in paragraph 65 above, it must be concluded that the Board of Appeal was fully entitled to consider that the conditions for the application of Article 8(1)(b) of Regulation No 207/2009 were satisfied.
- 102 That conclusion is not invalidated by the arguments put forward by the applicant, which are identical to those which have already been answered in paragraphs 66 to 71 above.
- 103 The single plea in law must therefore be rejected in so far as it disputes the existence of a likelihood of confusion with the earlier EU trade mark regarding the goods in Class 33 and, consequently, the action must be dismissed in its entirety.

### **Costs**

- 104 Under Article 134(1) of the Rules of Procedure of the General Court, the unsuccessful party is to be ordered to pay the costs if they have been applied for in the successful party’s pleadings. Since the applicant has been unsuccessful, it must be ordered to pay the costs, in accordance with the form of order sought by EUIPO.

On those grounds,

THE GENERAL COURT (Second Chamber)

hereby:

- 1. Dismisses the action;**
- 2. Orders Palírna U Zeleného stromu a.s. to pay the costs.**

Tomljenović

Schalin

Nõmm

Delivered in open court in Luxembourg on 20 January 2021.

E. Coulon

S. Papasavvas

Registrar

President

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\* Language of the case: English.