

NEWSSTAND

The ECJ finds that wine and glasses are not similar

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The European Court of Justice (the ECJ) has dismissed an appeal filed by Waterford Wedgwood plc of the decision by the Court of First Instance (the CFI), which rejected Waterford Wedgwood's opposition to the Community Trade Mark (CTM) registration by Assembled Investment (Proprietary) Ltd. (the Applicant) of the figurative mark "WATERFORD Stellenbosch." According to the ECJ, the CFI's assessment that wine and articles of glassware are not similar within the terms of Article 8(1)(b) CTMR was based on sufficient argument.

Article 8(1)(b) of the CTM Regulation provides that, "upon opposition by the proprietor of an earlier trade mark, the trade mark applied for shall 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 by the trade marks, there exists a likelihood of confusion (including a likelihood of association) on the part of the public in the territory in which the earlier trade mark is protected."

The Applicant filed an application for registration in Class 33 of the "WATERFORD Stellenbosch" figurative mark (represented above) for "*alcoholic beverages, namely wines in the Stellenbosch district, South Africa.*"

Waterford Wedgwood plc (the Opponent) opposed the CTM application on the basis of its earlier WATERFORD mark registered for, amongst other things, "*articles of glassware, earthenware, chinaware and porcelain*" in Class 21. The Opposition Division of the Office for Harmonisation in the Internal Market (OHIM) rejected the opposition, but the Opponent successfully appealed that decision. The OHIM First Board of Appeal concluded that wine and articles of glassware were similar on the basis that wine and wine glasses complement each other. As such, in view of the high similarity between the marks, there was a likelihood of confusion within the terms of Article 8(1)(b). The Applicant then lodged an appeal before the CFI, which reversed the OHIM First Board of Appeal's decision. The CFI concluded that the degree of complementarity between wine and articles of glassware was not sufficient for the purpose of Article 8(1)(b). The Opponent asked the ECJ to have the CFI's decision set aside, claiming that the CFI had (i) applied erroneous legal criteria in the assessment of similarity of goods, and (ii) distorted the facts.

The ECJ dismissed the Opponent's appeal on the grounds that the CFI's assessment of the similarity of the goods at issue was sufficiently detailed and based on the factors previously set out in *Canon/Metro-Goldwin-Mayer, C-39/97*. Such factors include the nature of the goods, their intended purpose, their method of use and whether they are in competition with each other or are complementary.

The ECJ referred to the established case law (*Canon; Sabel AG/Puma AG*, C-251/95; *Lloyd Schuhfabrik Meyer & Co./Kijesen Handel*, C-342/97) in which the ECJ held that the likelihood of confusion on the part of the public must be assessed globally, taking into account all the relevant factors of the case. Accordingly, a low degree of similarity between the goods or services covered may be offset by a high degree of similarity between the marks, and vice versa. The ECJ noted, however, that the interdependence of those different factors does not mean that a complete lack of similarity can be fully offset by the strong distinctive character of an earlier trade mark for the purposes of Article 8(1)(b). Since the CFI, after carrying out a detailed assessment, found that the goods were not similar, one of the conditions required by Article 8(1)(b) was lacking, and therefore there was no likelihood of confusion.

The ECJ noted that an appeal to the ECJ can lie solely on a particular point of law and, thus, the CFI has exclusive jurisdiction to assess facts and evidence, save where the facts or evidence are distorted. The ECJ ruled that the CFI's conclusion that wine and articles of glassware were not similar within the meaning of Article 8(1)(b) was based on a detailed comparative assessment of the goods in question, which also took into account the evidence submitted by the Opponent. On that basis, the ECJ rejected the Opponent's second ground of appeal that the CFI had distorted the facts. As the CFI did not distort the facts or evidence, the ECJ had no jurisdiction to conduct a new assessment of the facts and evidence of the case.