

Provisional text

OPINION OF ADVOCATE GENERAL
BOBEK
delivered on 2 July 2019⁽¹⁾

Case C-240/18 P

Constantin Film Produktion GmbH
v
European Union Intellectual Property Office (EUIPO)

(Appeal — EU trade mark — Refusal to register the word sign ‘Fack Ju Göhte’ — Absolute ground for refusal — Accepted principles of morality)

I. Introduction

1. It can hardly be suggested that the works of Johann Wolfgang von Goethe met, at the time of their publication, with universal acclaim. They certainly found instant ardent admirers. But they also encountered strong criticism and rejection. In particular, *Die Leiden des jungen Werthers* (*The Sorrows of Young Werther*) was banned in a number of German territories and elsewhere. As it was put, for example, in the letter of the Danish Chancery to the Danish King requesting that the book be banned in Denmark, the book was deemed a work that ‘ridicules religion, embellishes vices, and can corrupt public morality’. ⁽²⁾

2. It is not without a dose of historical irony that more than two hundred years later, there is still a threat to public morality associated with (a version of the family name) Goethe. However, the scene, the context and the roles have changed considerably.

3. Constantin Film Produktion GmbH (‘the Appellant’) wished to register the word sign ‘Fack Ju Göhte’, which is the name of a successful German comedy produced by the Appellant, as an EU trade mark with the European Union Intellectual Property Office (EUIPO). The application was rejected. The refusal was based on Article 7(1)(f) of Council Regulation (EC) No 207/2009 of 26 February 2009 on the European Union trade mark (‘Regulation No 207/2009’). ⁽³⁾ The word sign applied for was considered by EUIPO as contrary to ‘accepted principles of morality’.

4. The present appeal invites the Court to clarify, to my knowledge for the first time, what legal test is to be applied when considering whether to reject an application for a trade mark on the basis of Article 7(1)(f) of Regulation No 207/2009: when can a trade mark application be considered to be ‘contrary to public policy or to accepted principles of morality’? Furthermore, the Court is also asked to specify, in the context

of the present case, the scope of the obligation on EUIPO to state reasons when it wishes to adopt a decision that could be seen as departing from its previous decisions on similar matters.

II. Legal framework

5. Article 7 of Regulation No 207/2009 reads as follows:

‘Absolute grounds for refusal

1. The following shall not be registered:

...

(f) trade marks which are contrary to public policy or to accepted principles of morality.

...

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

...’

III. Facts and proceedings

A. Background to the dispute

6. The facts, as stated in the judgment under appeal, (4) can be summarised as follows.

7. On 21 April 2015, the Appellant applied to register the word sign ‘Fack Ju Göhte’ as an EU trade mark with EUIPO. The application was made for Classes 3, 9, 14, 16, 18, 21, 25, 28, 30, 32, 33, 38 and 41 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.

8. On 25 September 2015, the Appellant’s application was rejected on the basis of Article 7(1)(f) of Regulation No 207/2009 read in conjunction with Article 7(2) of the same regulation.

9. On 1 December 2016, the Appellant’s appeal against that decision was rejected by the Fifth Board of Appeal of EUIPO (Case R 2205/2015-5, *Fack Ju Göhte*) (‘the contested decision’). The Fifth Board of Appeal considered that the relevant public is composed of German-speaking consumers in the European Union (in Germany and Austria). It also noted that the goods and services at issue were addressed to the general consumer, but that some of them targeted children and adolescents. As regards the relevant public’s perception of the sign applied for, the Board of Appeal considered that the pronunciation of the word element ‘Fack ju’ was identical to that of the English expression ‘Fuck you’ and that, consequently, its meaning was identical. The Board of Appeal further stated that, even if the relevant public did not attribute sexual connotations to the expression ‘Fuck you’, it was nonetheless an insult in bad taste, shocking and vulgar. The Board of Appeal referred in this context to several examples of its previous decisions adopted in respect of word signs containing the term ‘Fuck’ or ‘Ficken’, and to decisions adopted by the General Court as well as by German courts and by the German Patent and Trade Mark Office.

10. As for the addition of the element ‘Göhte’, in the Board of Appeal’s view, the fact that a writer as respected as Johann Wolfgang von Goethe was insulted posthumously in such a degrading and vulgar manner, and, moreover, with incorrect spelling, did nothing to temper the character of the insult. Rather, it could constitute an additional level of breach of accepted principles of morality.

11. The Board of Appeal also stated that while the title of a successful film was identical to the mark applied for, it was not possible to infer from that fact that the relevant public would not be shocked by the trade mark in question. The fact that the words ‘Fack ju’ have been used for the title of the film does not say anything about the social acceptance of the words at issue. The Board of Appeal found that, although a trade mark application has to be assessed on the basis of the perception of consumers at the time of the application, it is not possible to overcome the obstacle represented by the ground for refusal at issue with proof of a distinctive character as a consequence of use under Article 7(3) of Regulation No 207/2009. The success of a film cannot be thus relied on to allow registration of an intrinsically shocking trade mark.

B. The judgment under appeal and the proceedings before the Court

12. By application lodged at the Registry of the General Court on 3 February 2017, the Appellant brought an action seeking the annulment of the contested decision. By the judgment under appeal, the General Court dismissed that action.

13. In support of its action, the Appellant relied on two pleas in law, alleging infringement of Article 7(1)(f) of Regulation No 207/2009 and Article 7(1)(b) thereof.

14. As regards the plea related to Article 7(1)(f) of Regulation No 207/2009, the Appellant claimed that the Board of Appeal’s application of that provision was erroneous because the sign at issue was neither vulgar nor shocking nor offensive.

15. First, the General Court endorsed the Board of Appeal’s observation that the relevant public is the general consumer (in Germany or in Austria), and that the perception to be taken into account is that of the average consumer who is reasonably well informed and reasonably observant. (5)

16. Second, as regards the perception of the sign at issue, the General Court noted that the average consumer will observe the similarity between the sign at issue and the frequently used English expression ‘Fuck you’, to which the element ‘göhte’ is added, the latter resembling the name of the writer Johann Wolfgang von Goethe. The term ‘fuck’ can generally be used as a noun, adjective, adverb and interjection. Its meaning evolves over time, and depends on the context in which it is used. Its first meaning has a sexual connotation tainted with vulgarity, but it can also be used to express anger, resistance or contempt. But even so, that expression is still intrinsically vulgar, and the fact that the element ‘göhte’ is added does not mitigate that vulgarity. (6)

17. Moreover, according to the General Court, the fact that the movie ‘Fack Ju Göhte’ has been seen by millions of people does not mean that the relevant public will not be shocked by the sign at issue. (7)

18. On those grounds, the General Court agreed with the reasoning adopted by the Board of Appeal. It also rejected further arguments put forward by the Appellant.

19. First, the Appellant also argued that a separate assessment should have been made as regards public policy, on the one hand, and accepted principles of morality, on the other. According to the General Court, however, such a distinction does not flow from Article 7(1)(f) of Regulation No 207/2009 and, in any case, the Board of Appeal actually rejected the sign at issue as contrary to accepted principles of morality. (8)

20. Second, the Appellant put forward that the specific orthography of ‘fack’ and ‘ju’ constitutes a sufficient difference when compared to the expression ‘Fuck you’. In the Appellant’s view, the sign at issue ‘constitutes, in its entirety, an inherently distinctive composite word sign that is original and memorable and features a satirical, ironic and playful content easily perceptible by the relevant public’. (9) The General Court observed in this context that the relevant public will understand the sign at issue as the German phonetic retranscription of the expression ‘Fuck you’ and will be confronted with the vulgarity of that expression. The specific orthography does not confer a satirical meaning on the sign at issue. (10)

21. Third, in combination with the movie *Fack ju Göhte*, the sign stresses, according to the Appellant, ‘as a joke, the students’ occasional frustration with school and uses, for this purpose, a selection of words taken from teenage slang’. (11) The General Court observed, however, that it is the trade mark itself, namely the sign in relation to the goods or services as they appear upon registration of the trade mark, which is to be assessed in order to determine whether it is contrary to public policy or accepted principles of morality. It added that, ‘in the field of art, culture and literature, there is a permanent concern about preserving freedom of expression that does not exist in the field of trade marks’. (12) Furthermore, it had not been established that the relevant public would recognise the joke in the sign.

22. Fourth, the Appellant claimed that a sexual connotation had wrongly been attributed to the sign at issue. That argument was considered as ineffective by the General Court to the extent that the Board of Appeal had concluded that, even without that sexual connotation, the relevant public would find the sign in bad taste, shocking and vulgar. (13)

23. Fifth, as regards the Appellant’s argument that the sign is addressed to adolescents (and specifically to students) and that it is suggestive of entertainment, the General Court stated that the perception that must be examined is not the perception of the part of the relevant public that does not find anything shocking or the perception of the part of that public that is very easily offended, but that of a reasonable person with average sensitivity and tolerance thresholds. (14)

24. Sixth, the Appellant argued that in the decision in *Die Wanderhure*, (15) the Fourth Board of Appeal of EUIPO recognised that the success and reputation of a movie of the same name could exclude classification of a sign as contrary to accepted principles of morality. The General Court, however, responded that the two situations were not similar because the sign applied for in the *Die Wanderhure* case was descriptive of the content of the film bearing the same name, which is not true of the sign applied for in the present case. The General Court also added that the sign at issue in the *Die Wanderhure* case was less shocking. (16)

25. Seventh, the General Court dismissed the Appellant’s argument that there was nothing to indicate, first, that the sign could not be understood as an intrinsic indication of the origin of the goods and services at issue and, second, that it could be considered as contrary to accepted principles of morality in Member States other than Germany and Austria. (17)

26. After rejecting all of the arguments put forward by the Appellant in support of the first ground of its application, the General Court rejected the second plea alleging a breach of Article 7(1)(b) of Regulation No 207/2009 as ineffective.

27. In support of the present appeal, the Appellant relies on three grounds. By the first ground, the Appellant alleges errors in the interpretation and application of Article 7(1)(f) of Regulation No 207/2009. The second and third grounds of appeal concern breach of the principles of equal treatment, legal certainty and good administration.

28. EUIPO filed a response contesting all three grounds.

29. The Appellant and EUIPO presented oral argument at the hearing on 13 February 2019.

IV. Assessment

30. This Opinion is structured as follows. I will start with the question that is central to the first ground of appeal: what is the test to be applied in the assessment of the absolute ground for refusal under Article 7(1)(f) of Regulation No 207/2009 (A)? I shall first address the issue of fundamental rights protection, in particular freedom of expression and its role in trade mark law (A.1). I will then turn to the distinction to be made between the concepts of public policy and accepted principles of morality under

Article 7(1)(f) of Regulation No 207/2009 and, in particular, the consequences in terms of evidence and standards of reasoning of the choice to rely on one or the other in refusing to register a trade mark (A.2).

31. Applying that analytical framework to the present case, I am bound to conclude that the first ground of the appeal should be upheld and that, therefore, the judgment under appeal should be set aside (A.3). If the Court is of the same view, the case can stop there. However, for the sake of completeness, and in order to fully assist the Court, I will also address the second and third grounds of appeal, which I will examine together, since they raise in essence the same issue: the scope of the obligation to state reasons incumbent upon EUIPO in cases in which it applies the same law to factually similar circumstances, while apparently departing from the approach adopted by it previously in similar cases (B).

A. *First ground of appeal: errors in the interpretation and application of Article 7(1)(f) of Regulation No 207/2009*

32. The first ground of appeal is subdivided into four pleas. While their presentation is not an exemplar of clarity, they can be understood as follows.

33. First, according to the Appellant, the General Court breached the principle of individual examination because it did not examine the sign applied for, ‘Fack Ju Göhte’, but a different sign, namely ‘Fuck you, Goethe’.

34. In addition, the appellant claims that even the expressions ‘Fuck’ and ‘Fuck you’ have lost their vulgar meaning due to the evolution of language in society. There is no general refusal to register statements based on those terms, as evidenced by the registration of trade marks such as ‘Fucking Hell’ and ‘MACAFUCKER’. (18)

35. Second, the Appellant alleges that the General Court applied the absolute ground for refusal in Article 7(1)(f) of Regulation No 207/2009 too broadly when it considered that the word sign ‘Fack Ju Göhte’ is intrinsically vulgar and that the element ‘göhte’ cannot temper that vulgarity. The application of that ground for refusal, relating to accepted principles of morality, should be strict. That ground refers to subjective values that have to be applied as objectively as possible. While the General Court identified this issue, it did not take it into account with a sufficient degree of sensitivity. The sign applied for should have been considered in its entirety, with the visual impact that the German phonetic transcription of the expression ‘Fuck you’ produces. The resulting sign is harmless, joyful and childish. In combination with the element ‘göhte’, the sign simply refers to unpopular high school classes.

36. Third, the Appellant considers that the General Court was wrong to consider that it has not been established that the German-speaking public is not shocked by the sign applied for in relation to the goods and services at issue. In this context, the Appellant alleges an incorrect application of the burden of proof by the General Court. It states, furthermore, that the perception of the sign by the public is of central importance and the assessment of that perception cannot be detached from any empirical basis. The Appellant again emphasises the significance of linguistic evolution and the success of the movie bearing the same name, as well as the fact that the Goethe-Institut uses the film for pedagogical purposes.

37. Fourth, the Appellant alleges an error of law by the General Court concerning the balancing of the Appellant’s interest in having the sign at issue registered with the interest of the public in not being confronted with upsetting, vulgar, insulting or threatening trade marks.

38. EUIPO rejects all those arguments. It considers that, first, the General Court has indeed examined the correct sign and, second, the plea relating to the incorrect meaning of the sign at issue is a matter of fact that cannot be examined in the context of an appeal. Third, the General Court correctly took into account the evolution of language. Fourth, EUIPO equally rejects the argument according to which the assessment of the perception of the sign at issue was purely subjective. The possibility that the sign at issue is not vulgar (and that it can be understood as a joke) was expressly examined.

39. Fifth, the plea that the concept of accepted principles of morality was incorrectly interpreted as going beyond manifestly obscene or seriously shocking trade marks is ineffective because it was established that the sign at issue is perceived as intrinsically vulgar and shocking and thus constitutes a ‘manifestly obscene trade mark’.

40. Sixth, the plea related to the incorrect application of the burden of proof is, according to EUIPO, unfounded. When presented with generally known facts or with an assessment pointing out the unsuitability of a sign for registration, it is up to the applicant to rebut them. In the judgment under appeal, the General Court observed the generally known fact that consumers do not perceive the title of a film and a trade mark in the same manner, given the difference in their nature and function. In this respect, the General Court observed that it had not been established that the relevant public would identify the joke allegedly contained in the sign at issue considering, moreover, that the perception to be taken into account was that of consumers that have not seen the film and are not familiar with ‘young people’s jargon’.

41. Finally, the plea as to the failure to balance interests is unfounded because that exercise had already been carried out by the legislature and translated into the text of Article 7(1)(f) of Regulation No 207/2009. Moreover, the General Court did not examine the trade mark at issue in the abstract but specifically and comprehensively, with respect to the relevant public and the goods and services applied for.

42. The arguments put forward by the Appellant vary in nature. Some of those arguments could indeed be dismissed as concerning factual issues that are, in principle, excluded from the review that the Court can carry out on appeal. That being said, it cannot be ignored that, while remaining within the factual confines of the present case, the Appellant challenges the legal test to be applied for the purposes of Article 7(1)(f) of Regulation No 207/2009. The (in)correct identification of the framework within which certain facts are to be assessed would have a direct and decisive impact on the assessment of those facts. However, the question of the legal framework in which certain facts are to be assessed is naturally not a factual one.

43. To my mind, the crucial question raised by the first ground of the present appeal is what elements are to be taken into account when considering whether a trade mark application should be refused under Article 7(1)(f) of Regulation No 207/2009. Moreover, to what extent does the social context and impact matter for such an assessment? Should the assessment rely on the ‘sign as such’ (by reference to its intrinsic qualities) or should elements of its social context and a proven reaction within the relevant public also be taken into account? An additional question raised by the first ground of appeal concerns, specifically, the role that freedom of expression plays in the field of trade marks.

44. I shall start my analysis with the last point, which is perhaps the most straightforward one (1), before turning to the distinction to be made between the concepts of public policy and accepted principles of morality under Article 7(1)(f) of Regulation No 207/2009 (2) and then applying those yardsticks to the present case (3).

1. Trade mark protection and freedom of expression

45. By the fourth plea of the first ground of appeal, the Appellant alleges that the balancing of interests carried out by the General Court was incorrect. As further specified at the hearing, that criticism is in principle directed at paragraph 29 of the judgment under appeal, in which the General Court observed that, in the field of trade marks, freedom of expression does not apply. At the hearing, the Appellant disagreed with that statement because, in its view, the guarantees attached to freedom of expression do apply in the field of trade marks.

46. In its written response, EUIPO stated that there has been no error in the assessment of the balancing of interests and that that exercise has already been reflected in Article 7(1)(f) of Regulation No 207/2009 by the legislature. However, when this was explicitly queried at the hearing, EUIPO agreed that the statement made by the General Court in paragraph 29 of the judgment under appeal is incorrect.

47. Freedom of expression does indeed play a role in trade mark law.

48. First, respect for fundamental rights constitutes a condition of the lawfulness of any EU measure. The scope of application of the Charter of Fundamental Rights of the European Union ('the Charter') and the fundamental rights guaranteed therein extends to any activity or omission of EU institutions and bodies. (19) The same must naturally hold true in the field of trade marks for activities and omissions of EU bodies, such as EUIPO.

49. Second, the commercial nature of a potential activity is no reason to limit or even exclude fundamental rights protection. (20) It might be recalled that the European Court of Human Rights ('ECtHR') has stated that freedom of expression, guaranteed in Article 10 ECHR, applies independently of the type of message, including when a commercial advertisement is concerned. (21) It has applied freedom of expression specifically to evaluating restrictions imposed by national legislation on trade marks or other forms of advertisement. (22)

50. Third, the applicability of freedom of expression in the field of trade marks was explicitly confirmed in the preamble to Regulation (EU) 2015/2424 modifying Regulation No 207/2009 and is recognised today in Regulation 2017/1001. (23)

51. Fourth, and on a rather subsidiary note, such an understanding of the law is also consistent with the previous case-law of the General Court (24) and with EUIPO's own decision-making practice. (25)

52. Thus, freedom of expression clearly applies in the field of trade mark law. That statement, however, throws up more questions than it answers. Fascinating as the issue and the discussion of it in the abstract may be, (26) the question remains as to what exactly that confirmation brings to the solution of the present case.

53. On the one hand, the proposition of EUIPO that fundamental rights and the balancing of them have already been taken into account by the legislature when drafting Article 7(1)(f) of Regulation No 207/2009 is difficult to defend. There is no indication whatsoever of how exactly such a balance ought to be achieved in individual cases. To suggest that this issue has already been adequately addressed by merely inserting the concepts of public policy and accepted principles of morality into Article 7(1)(f) is, in view of the multifaceted rights and interests at stake, simply untenable. (27)

54. On the other hand, when questioned on this point at the hearing, the Appellant also had some difficulty in explaining precisely how expressly taking on board freedom of expression should have altered the test under Article 7(1)(f). The suggestions made by the Appellant effectively boiled down to the proposition that if EUIPO and the General Court had taken its freedom of expression into account in the process of registration, they would have allowed the contested trade mark to be registered, since EUIPO was too strict and should have been more in favour of the freedom of expression contained in or realised by the trade mark in question.

55. That argument is closely linked to, or even overlaps with, the criticism that the Appellant expressed in principle as regards ascertaining the sensitivity to public morality identified by EUIPO, which seems, to the Appellant, to be disconnected from the view taken on the expression 'Fack Ju Göhte' by the relevant public and by the German authorities. Freedom of expression is therefore hardly an independent yardstick in the assessment, but should, in the view of the Appellant, have led EUIPO to a different (more liberal) vision of public morality. That in turns leads the argument to the crux of the first ground of appeal, already highlighted above: what exactly do the concepts of public policy and accepted principles of morality refer to, and how shall they be ascertained?

56. In sum, although it is not a primary goal of trade mark law, freedom of expression clearly remains present therein. Seen in this light, the statement in question of the General Court in paragraph 29 of its reasoning is perhaps intended to convey a slightly different idea: not that there is no role whatsoever for freedom of expression in trade mark law, but rather that, in contrast to the fields of arts, culture, and literature, the weight to be given to freedom of expression in the area of trade mark law may be somewhat different, perhaps slightly lighter, in the overall balancing of the rights and interests present.

57. If understood according to the first (literal) meaning, the statement in paragraph 29 of the judgment under appeal is clearly incorrect. If interpreted as amounting to the second meaning just outlined, such a statement is, in my view, defensible: although freedom of expression, as well as other fundamental rights potentially at stake, must be taken into account in the overall balancing exercise, the protection of freedom of expression is not the primary goal of trade mark protection.

2. *Public policy and/or accepted principles of morality?*

58. It was clarified in the proceedings before the General Court that the sign at issue had been examined specifically in the light of accepted principles of morality as opposed to public policy. (28) That statement was explicitly confirmed by EUIPO at the hearing.

59. At the same time, however, in the judgment under appeal, the General Court stated that the concepts of ‘public policy’ and ‘accepted principles of morality’ are different but they often overlap. (29) Thus, EUIPO is not obliged to distinguish between the two.

60. I cannot agree. It does not follow from the fact that both concepts might in some cases overlap that there is no obligation to distinguish between them. Most importantly, however, as can be vividly demonstrated by the present case, the conceptual difference between them has repercussions for *what* exactly is to be assessed and *how*, if either concept is to be invoked.

61. In order to explain that difference, I will start by making a few brief comments about the aim of trade mark protection and the role played by Article 7(1)(f) of Regulation No 207/2009 therein (a), before outlining how the difference between the two concepts already plays out in practice (b), and finally suggesting how both terms should be distinguished (c).

(a) *The aim of trade mark protection*

62. It is generally suggested that trade mark protection grants to the respective proprietor an exclusive right over a connection to be made by the relevant public between him and the related goods or services. (30) It allows traders to position their goods or services in the minds of consumers by associating quality, innovation or other features with a specific brand image. In this sense, the Court has held that the exclusive right conferred by trade mark protection aims at ensuring that the trade mark can fulfil its *essential function* of guaranteeing to consumers the origin of the goods or services, as well as *other functions*, such as those of indicating the quality of those goods and services or of communication, investment or advertising. (31)

63. The registration of a sign as a trade mark is subject to several limits. For what is relevant for the present case, the registration can be refused based on one of the so-called relative or absolute grounds, protecting respectively ‘pre-existing exclusive rights in signs such as other trade marks or trade names, ...’ and ‘various types of public interests’. (32)

64. The absolute ground for refusal concerning ‘public policy and accepted principles of morality’, at issue in the present case, is laid down in Article 7(1)(f) of Regulation No 207/2009. (33) While it acts as a limit to which signs can enjoy the specific protection conferred by a trade mark, it is important to note that its purpose is not to prevent the commercial use of refused signs altogether. Whether the use of a sign would be impermissible beyond the refusal of trade mark protection is essentially left to the national laws of the Member States. (34) Indeed, a refusal to register a sign on that ground does not necessarily prevent its commercial use. (35) The conferral of the exclusive right under trade mark protection and the possibility of marketing goods or services are distinct questions governed by separate sets of rules.

65. That being said, the submissions of the parties, both in writing and at the hearing, have revealed quite some disagreement about the extent to which EUIPO should pursue any robust visions of public policy and/or morality under Article 7(1)(f) of Regulation No 207/2009.

66. On the one hand, the Appellant essentially argued that it is not for EUIPO to assume the role of ‘good taste/bad taste police’ via an expansive interpretation of Article 7(1)(f). On the other hand, EUIPO suggested that the European legislature clearly wished it to have some role in the protection of public policy and morality, simply by virtue of introducing those concepts into Article 7(1)(f) of Regulation No 207/2009.

67. On this point, I am bound to agree with EUIPO, with one important caveat however. By virtue of Article 7(1)(f), EUIPO indeed has a role to play in the protection of public policy and morality. Furthermore, that role and its contours will be specific and independent of other regulatory regimes within which such concepts are likely to be employed, since the area of trade mark law is a separate regulatory regime.

68. However, the protection of public policy and morality is certainly not the key or predominant role of EUIPO and EU trade mark law. The absolute ground for refusal in Article 7(1)(f) effectively acts as a safety net, potentially setting limits to the realisation of other aims. (36) But it is certainly not an aim in and of itself.

(b) ‘Public policy’ and ‘accepted principles of morality’ applied in practice

69. Are the concepts of ‘public policy’ and ‘accepted principles of morality’ set out in Article 7(1)(f) of Regulation No 207/2009 the same?

70. In the judgment under appeal, the General Court stated that EUIPO is not obliged to distinguish between them. (37) That position seems to be echoed by some authors who consider both concepts to be interchangeable. (38) For some, such a distinction is not necessary from a practical perspective because their legal consequences are the same. (39)

71. The practical application shows a varied picture. Turning first to the practice of EUIPO, its examination seems to be conducted sometimes with regard to both concepts considered together, (40) sometimes focused more, or even exclusively, on the public policy limb, (41) while in other cases it conducted its analysis in the light of the accepted principles of morality. (42)

72. By way of an example, EUIPO refused registration of the sign ‘MECHANICAL APARTHEID’ for computer games, related publications and entertainment as contrary to the European Union’s public policy since it contradicted ‘the indivisible, universal values on which the Union is founded, i.e. human dignity, freedom, physical integrity, equality and solidarity, and the principles of democracy and the rule of law’. (43)

73. Accepted principles of morality seem to have formed the basis of the Board of Appeal’s assessment that led it to allow (and thus overrule the initial examiner’s refusal of) the registration of the trade mark ‘JEWISH MONKEYS’. (44) That trade mark reflected the name of a music group combining elements of Yiddish folklore with pop music. (45) Referring to its decision in the *Die Wanderhure* case, (46) the Board of Appeal noted the ‘great popular success’ of and lack of objection from the police to the group’s performances. (47) Assessing the vulgarity of the expression at issue it noted, among other things, that what was being discussed ‘are the values of European law as a legal system that protects fundamental and human rights, not a linguistic rule book for the suppression of undesired vocabulary’. (48)

74. There are also cases in which both ‘public policy’ and ‘accepted principles of morality’ were considered together. With regard to the trade mark ‘BIN LADIN’, the Board of Appeal considered it ‘abundantly clear that [that trade mark was] contrary to *public policy and the accepted principles of morality*, since terrorist crimes are absolutely contrary to the ethical and moral principles recognised not only in all European Union Member States but in all civilised nations’. (49)

(c) ‘Public policy’ and ‘accepted principles of morality’: the conceptual difference

75. The examples quoted above demonstrate that despite the overlap between both categories (which is a logical consequence of the overlap between the legal and moral norms to which they refer), there is also a degree of differentiation between the two. I would suggest that there is indeed a conceptual difference in terms of how, by whom and with regard to what the content of each of those categories is defined.

76. *Public policy* is a normative vision of values and goals, defined by the relevant public authority, to be pursued now and in the future, that is, prospectively. Public policy thus expresses the public regulator's wishes as to the norms to be respected in society. Its content should be ascertainable from official sources of law and/or policy documents. However it is expressed, much like charting a course, public policy must first be set out by a public authority, and only then can it be pursued. (50)

77. *Accepted principles of morality* refer, in my understanding, to values and convictions currently adhered to by a given society, set and enforced by the prevailing social consensus within that society at a given time. In contrast to the top-down nature of public policy, they grow from the bottom up. They also evolve over time: but when ascertaining them, the focus is primarily fixed on the past and present. Naturally, in terms of what it wishes to achieve, morality is also normative and prospective, in the sense that that set of rules also has the ambition of inducing and maintaining certain behaviour. (51)

78. The key difference between the two concepts is how they are established and thus ascertained. The EFTA Court alluded to a similar differentiation in the context of Directive 2008/95/EC, (52) when it stated that 'refusal based on grounds of "public policy" must be based on an assessment of objective criteria whereas an objection to a trade mark based on "accepted principles of morality" concerns an assessment of subjective values'. (53)

79. Since *public policy* is articulated from the top down, its content can be ascertained 'objectively', because that policy must have been stated somewhere. Public policy can thus be studied 'at the desk' in the offices of public authorities, by reference to laws, policies, and official statements. It may be necessary to find an exact source for a given policy proposition, so that its announcement (or rather the refusal to provide something by reference to public policy) meets the criteria of foreseeability, absence of the arbitrary, and good administration. However, once those requirements are satisfied, it is a matter of unilateral administrative will and desires.

80. By contrast, the same cannot be said about *accepted principles of morality*. Those cannot be detected outside of social norms and context. Their identification requires at least some empirical assessment of what the relevant society (the public in question) considers, at a given point in time, to be acceptable norms of conduct. In other words, to observe whether a specific sign is contrary to accepted principles of morality, it is necessary to rely on case-specific evidence to ascertain how the relevant public would presumably react to that sign being affixed to the respective goods or services.

81. I wish to underline that, as far as the actual result is concerned, in some instances, both categories will overlap. (54) A fair degree of public policy ideally should reflect and consolidate public morality. In other cases, what was initially just public policy will also gradually transform into accepted principles of morality. (55)

82. In general, I would not insist on making too much of an academic essay out of the distinction between public policy and accepted principles of morality. However, in the context of the present case, that distinction makes a difference. It is relevant specifically as regards what should have been taken into account by EUIPO and, indirectly, the General Court, when the former rejected the application of the Appellant by invoking the specific ground of accepted principles of morality, and the latter endorsed such an approach.

83. In sum, if it wishes to rely on the (absolute) ground for refusal of accepted principles of morality, EUIPO must establish, with reference to the prevailing perception among the public in question, why it believes that a given sign would offend those principles. It is certainly not suggested that EUIPO would have to conduct an in-depth empirical survey to establish the accepted principles of morality vis-à-vis a

given sign. Indeed, I readily agree with the suggestion of EUIPO expressed at the hearing that the best they can provide is an ‘informed estimation’. However, that estimation must be grounded in a specific social context, and it cannot ignore factual evidence that either confirms or possibly casts doubt on EUIPO’s own views on what does or does not conform to accepted principles of morality within a given society at a given time.

3. *The present case*

84. In my view, in the present case the EUIPO assessment, endorsed by the General Court, failed to meet those standards.

85. The list of categories of goods and services stated in the Appellant’s application is rather diverse. (56) There was, however, no discussion of whether or not the word sign could have been allowed only for some categories and not for others. I therefore see no reason to open that question on appeal.

86. What has been discussed, however, and what is crucial, is the fact that EUIPO, while also invoking Article 7(2) of Regulation No 207/2009, defined the relevant public as a *general* and *German-speaking* one. Thus, on the one hand, the relevant public has been defined to take into account not only high school fans of the film at issue, but also people who might possibly have never heard of the film and might understandably be surprised during their weekly shopping to find on the shelf a loaf of bread (Class 30) or laundry product (Class 3) bearing the label ‘Fack Ju Göhte’.

87. On the other hand, the geographical/linguistic limitation of the relevant public to the German-speaking public of the European Union is, in view of the already quoted Article 7(2), certainly possible. It has, however, rather important implications. Above all, the intrinsic vulgarity or the offensive nature of the sign must then be examined exclusively with regard to the general public of non-native English speakers. Considering the specific sign at issue, what may appear as intrinsically vulgar or offensive to a native English speaker may not appear as such to a German (non-native) one, especially when faced with an uncommon phonetic transcription of an insult originating in a foreign language.

88. Be that as it may, how is such a sign to be assessed for compliance with accepted principles of morality? Once that ground is chosen by the regulator, the key difference from the approach endorsed by the General Court is, in my view, that such an assessment cannot be carried out having regard solely and exclusively to the word sign, in isolation from the broader societal perception and context, if any evidence for such exists.

89. In this regard, extensive discussion unfolded between the parties concerning the fact that the film ‘Fack Ju Göhte’ was authorised to be screened under that title and that there apparently were no restrictions on access for young audiences. The arguments of the Appellant on this point essentially suggest that if the respective regulators in German-speaking countries of the European Union had no issues with the title of the film, EUIPO should not then raise them in the process of an eponymous trade mark registration. By contrast, EUIPO maintained that film release and screening regulation in a Member State is simply a wholly different matter from EU-wide trade mark regulation.

90. At a structural and institutional level, I agree with EUIPO: rating and regulation of films in a Member State is indeed a different regulatory regime than EU trade mark law. Therefore, what such a national film regulator decided with regard to the release and screening conditions for a film is in itself certainly not conclusive for the assessment to be made under trade mark legislation and, more specifically, under Article 7(1)(f) of Regulation No 207/2009.

91. However, in contrast to EUIPO, I do not believe that the assessment can stop there. Even if they are indeed different regulatory regimes, there is a substantive overlap between such parallel assessments: both frameworks of assessment have as their point of departure the same public and the assessment of morality and vulgarity within that same public at the same, or a very similar, point in time. At that level, as incidentally EUIPO itself recognises, (57) the moral judgment on the vulgarity of an expression matters.

92. Within that dimension, previous assessments carried out by various national bodies indeed become relevant. If they exist and are brought to the attention of EUIPO, the assessments of such national bodies, which are no doubt better placed than an EU-wide trade mark office to evaluate what is (im)moral and vulgar at a given time in a given Member State, should be duly taken into account.

93. This of course still does not prevent EUIPO from finding that the trade mark applied for is in conflict with accepted principles of morality, especially if those principles are to be ascertained on an EU-wide scale. Such findings and empirical evidence, particularly when relating to exactly the same linguistic or geographical space as that chosen by EUIPO for its own assessment, nevertheless raise the standards of the reasoning that must be provided by EUIPO if it wishes to depart from what national bodies ascertained to be the acceptable standards of morality within the same space, with regard to, apparently, the same general public, and at the same time.

94. In the present case, that standard has not been met. At the various stages of the procedures, before EUIPO as well as before the General Court, the Appellant drew attention, without those statements being contradicted, to the fact that the film was a great success in German-speaking countries, apparently without stirring much of a controversy as to its title; that the film title was duly authorised and released for screening to younger audiences; and that the positive perception of the film can also be evidenced by its incorporation into the learning programme of the Goethe-Institut.

95. Again, none of those statements are in themselves conclusive. Equally, the fate of the movie is not determinative of the registration of a trade mark. However, in the face of such strong evidence on the social perception of the morality and potential vulgarity of exactly the same title, much more convincing arguments would have to be provided by EUIPO in order for it to conclude that, in spite of the various bodies of the German-speaking public evaluating the expression as not raising eyebrows in the minds of that public, an eponymous trade mark still cannot be registered on account of it being an affront to the accepted principles of morality caused to exactly the same public.

96. Such a perception in my view also properly reflects the role played by accepted principles of morality in the context of EU trade mark law. Since devising and ascertaining accepted principles of morality (as well as public policy) is hardly the primary role of EUIPO, (58) it is difficult to conceive of EUIPO having the mandate to suddenly start coining a robust vision of accepted principles of morality, cut loose from (or, rather, much more stringent than) the one apparently prevailing in the Member State(s) in question.

97. In short, I am of the view that the General Court erred in law by incorrectly interpreting Article 7(1) (f) of Regulation No 207/2009 because it failed to take into account elements of the context relevant for the assessment as to whether the sign applied for complies with accepted principles of morality.

98. The first ground of appeal should therefore be upheld and the judgment under appeal set aside.

B. Second and third grounds of appeal

99. Should the Court arrive at the same conclusion with regard to the first ground of appeal, the examination of the second and third grounds could be seen as redundant. However, it is the role of the Advocate General to assist the Court fully in whatever paths it may choose to chart. In the context of the present case, the second and third grounds of appeal give additional bite to the first ground: assessing what is or is not compliant with accepted principles of morality will always be a judgment call. However, in particular with regard to such value judgments, it should be at least somewhat clear what criteria will be taken into account in making such a call, so that there is at least a reasonable degree of predictability as to the potential outcome. The second and third grounds of appeal nonetheless demonstrate that such clarity and predictability are somewhat lacking in the present case.

100. The second and third grounds concern the alleged breach of the principles of equal treatment (second ground) and good administration (third ground). The Appellant criticises in essence the failure on the part

of the General Court to sanction the unequal treatment of the Appellant's application having regard to a previous decision that EUIPO had taken in the *Die Wanderhure* case. (59)

101. By its second ground, the Appellant criticises the fact that the General Court confirmed the contested decision despite the similarities between the situation in the present case, on the one hand, and that in the *Die Wanderhure* case, on the other. The Appellant stresses that the reason provided by EUIPO, and approved by the General Court, to explain the different outcomes was that the sign applied for and granted in the *Die Wanderhure* case describes the content of a film. That, according to EUIPO, was not the case of the sign applied for by the Appellant. The Appellant disagrees and claims that the sign at issue also describes the content of a film to the extent that it expresses the students' frustration due to the obligation to follow unpopular high school classes. The Appellant further criticises the lack of explanation as to why the sign at issue cannot be seen as describing the content of a film. Moreover, there is no objective reason for the statement by the General Court that the sign 'Die Wanderhure' is much less shocking and vulgar than the sign applied for by the Appellant.

102. The third ground of appeal is limited to stating that the General Court also infringed the principle of sound administration by not applying to the Appellant the conclusions reached by EUIPO in the *Die Wanderhure* decision and failing to examine the factual circumstances of the present case.

103. As regards the second ground of appeal, EUIPO responds that the Appellant's plea concerning the failure to take into account a previous decision is manifestly unfounded because EUIPO explicitly analysed the previous decision at issue (*Die Wanderhure*). The Appellant's argument concerning the similarities between both situations relates to a question of fact and thus falls outside of the ambit of an appeal.

104. EUIPO further maintains that the Appellant's argument relates to the scope of the obligation to state reasons when different outcomes have been reached in two similar situations. The obligation to state reasons claimed by the Appellant would in reality lead to EUIPO being obliged to subsequently state a possible error of law committed in a previous decision (that has nevertheless become final) without the parties to the previous proceedings having an opportunity to take a position on such a statement. Such an obligation to state reasons would also appear problematic should an already registered trade mark later be declared invalid. (60) That question is nevertheless somewhat hypothetical in the present case since the General Court endorsed EUIPO's statement as to the lack of comparability between the two situations.

105. EUIPO rejects the third ground as inadmissible to the extent that it alleges a breach of the principle of legal certainty without providing any explanation. As regards the alleged breach of the principle of sound administration, EUIPO considers that that claim does not meet the requirement of Article 168(1)(d) of the Rules of Procedure of the Court of Justice according to which an appeal must state 'the pleas in law and legal arguments relied on, and a summary of those pleas in law'. According to EUIPO, that plea corresponds to the first ground of appeal and the Appellant failed to put forward arguments substantiating a breach of the principle of sound administration, beyond the alleged breach of Article 7(1)(f) of Regulation No 207/2009.

106. In my view, the arguments raised by the Appellant in the second and third grounds concern in principle the same issue: the alleged lack of consistency in the decision-making practice of EUIPO, in particular when the contested decision in the present case is contrasted with the outcome reached by EUIPO in the *Die Wanderhure* case. That claim can in fact be put both ways, either as a breach of the principle of equal treatment (second ground), or, in the case of administrative bodies, as an issue of good administration (third ground). (61) Indeed, the principle of good administration concerns the obligation to state reasons that explain EUIPO's departure from its previous practice. In this sense, that principle goes logically hand in hand with the principle of equality of treatment because the latter requires reaching similar results in similar situations and different results in different situations.

107. I shall therefore deal with both alleged grounds together.

108. The obligation to state reasons is also set out in Article 75 of Regulation No 207/2009, and in Article 94(1) of Regulation 2017/1001, with the same scope as that of the second paragraph of Article 296 TFEU. (62) The Court has also stated that ‘EUIPO is under a duty to exercise its powers in accordance with the general principles of EU law, including the principles of equal treatment and sound administration’. (63) That means, in particular, that ‘... EUIPO must take into account the decisions previously taken in respect of similar applications and consider with especial care whether it should decide in the same way or not, since the way in which those principles are applied, ... must be consistent with respect for the principle of legality ...’. (64)

109. The Court further noted that ‘the right to sound administration, in accordance with Article 41(2) of the [Charter] ... includes the obligation of the administration to give reasons for its decisions. That obligation ... has the dual purpose of enabling interested parties to know the purported justification for the measure taken so as to be able to defend their rights and of enabling the Courts of the European Union to exercise their jurisdiction to review the legality of the decision in question’. (65)

110. The recent statements by the Court just quoted already rebut a number of the arguments made by EUIPO in the present proceedings. First, coherent decision-making certainly does not mean that outcomes must be identical. Nor does it mean immutability or the inability to correct previous mistakes or to make changes in approach and interpretation. It simply means adhering as much as possible to a coherent decision-making approach, such as, in the present case, the criteria and elements to be taken into account when assessing the categories in Article 7(1)(f) of Regulation No 207/2009 and the strictness or lenience with which they are applied. I wish to clearly emphasise: coherence in the approach is something other than identity of outcome.

111. Second, the imperative of coherence in approach and in the criteria to be applied has a procedural consequence: it is, naturally, possible to depart from the previous approach to decision-making at any time, but that departure must be reasoned and coherently explained.

112. It is at this juncture that *Die Wanderhure*, as well as a number of other decisions of EUIPO quoted throughout this Opinion, sit uneasily with the decision on ‘Fack Ju Göhte’.

113. *Die Wanderhure* concerned a sign, ‘DIE WANDERHURE’, that was also the name of a German novel and its film adaptation. The examiner found that that sign was ineligible for protection based on Article 7(1)(f) because it included an expression causing offence, the word ‘Hure’ being in the German language a synonym for prostitute and colloquially used to refer to a person with many sexual partners. (66)

114. That decision was overturned by the Board of Appeal. The latter noted that the examiner had limited herself to emphasising the second word component of the sign without commenting on the first one. The Board of Appeal described the content of the novel and the film bearing the same name as the sign applied for and noted their broad popular success. The novel and the film tell a story about a young, wandering woman who provides her services in the 15th century, the relevant service users being clergymen at the Council of Constance. The Board of Appeal noted that that success proved that the public does not take offence at the content of the book or at the title. It further noted that the city of Constance did not have a problem with officially offering special walking tours ‘in the footsteps of the sign applied for’. (67)

115. The Board of Appeal noted that a trade mark is ‘immoral’ ‘if the recipient of the goods, when reading the sign applied for ... is insulted or disparaged or if individuals or groups of people are discriminated against or held up to ridicule’. (68) That was, however, not the case of the sign at issue in that case. (69) Furthermore, ‘it is also possible for a wording which is vulgar according to the dictionary to be meant in a purely humorous way, depending on the context’. The assessment to be conducted under Article 7(1)(f) of Regulation No 207/2009 protects, according to the Board of Appeal, ‘the values of European law as a legal system which protects fundamental and human rights [but is not meant to be] a linguistic rule book for the suppression of swearwords’. (70)

116. In the context of the present case, it was specifically with reference to this decision, and the reasons provided for it, that it was suggested that the overall approach adopted by EUIPO under Article 7(1)(f) of Regulation No 207/2009 was previously indeed rather liberal, and the *Die Wanderhure* case was considered as a demonstration of that approach. (71) The Appellant stresses in particular that if the term ‘Die Wanderhure’ could be considered as neither shocking nor vulgar despite referring to a woman offering sexual services for remuneration, such a conclusion must a fortiori be reached as regards the sign ‘Fack Ju Göhte’.

117. In the light of those statements, I consider that given the undeniable *prima facie* similarities between the context within which the sign at issue has been applied for on the one hand and the situation concerned in the *Die Wanderhure* case on the other, as well as the fact that the Appellant has repeatedly referred to that decision in its submissions, it appears reasonable to expect EUIPO to give (and the General Court to require) a plausible explanation as to the different outcomes in those two situations.

118. In this respect, the General Court stated in paragraph 40 of the contested judgment that the application for the sign at issue and the application made in *Die Wanderhure* cannot be considered as similar. That was, according to the General Court (referring to the assessment of the Board of Appeal), first, because the sign ‘Die Wanderhure’ described the content of the movie of the same name, whereas that was not the case of the sign at issue here. It was thus not possible, according to the General Court, to deduce from the large success of the film *Fack Ju Göhte* that the public will recognise the title immediately through the sign applied for and will not be shocked by it. Second, the sign ‘Die Wanderhure’ is, in the eyes of the relevant public, much less shocking. (72)

119. Neither of those explanations convince.

120. First, it is unclear to me how the General Court arrived at the conclusion that, in the *Die Wanderhure* case, the trade mark was descriptive of the content of the film, while ‘Fack Ju Göhte’ is not. Although that question could be seen as factual, what is fundamentally at issue here is the legal test applied by EUIPO and the General Court when assessing an application for registration of a sign that contains an arguably vulgar expression that corresponds to the title of a successful film (or novel), and when that success inspires public bodies (be it the city of Constance or the Goethe-Institut) to adopt the language used for its own public purposes (sightseeing in one case, language learning in the other).

121. As regards specifically the relevance of the ‘equivalence’ between the sign applied for and the name of a film, I fail to discern, first, why that circumstance should matter at all and, second, how that ‘equivalence’ was assessed.

122. Indeed, even if it were clarified precisely what is meant by ‘a title being descriptive of the content of a film’, it is unclear how the fact that a trade mark corresponds to the content of a movie can as such and of itself enable a given sign to escape the application of Article 7(1)(f) of Regulation No 207/2009. Moreover, the reasoning on this point simply contradicts the overall approach to assessment suggested by EUIPO with regard to ‘Fack Ju Göhte’ (whereby the sign is to be assessed as such, in isolation, as being intrinsically vulgar, irrespective of whether there was or was not an eponymous film), while in *Die Wanderhure*, exactly the opposite approach was chosen (the sign was assessed in its social context, and the success of the novel and film was used as the key argument for its non-offensive nature).

123. Thus, I note the rather clearly opposing approaches to evaluating factually similar and legally identical situations, without even entering into the (indeed factual) discussion about why a presumably native German-speaking general public, on seeing the trade mark *DIE WANDERHURE* (73) on goods or (especially) on services, (74) an expression that every German speaker will immediately understand, should as such be much less shocked than those who might start to wonder what ‘Fack Ju Göhte’ is supposed to mean, not having seen the film.

124. I understand that striving for coherence in decision-making practice is a long-term goal, as was also acknowledged by EUIPO at the hearing. Considering the multiplicity of possible factual scenarios with

which EUIPO may be faced, that task is certainly not an easy one. Those difficulties can nonetheless hardly be invoked as the reason for lowering or even waiving standards when it comes to explaining the reasons for a decision.

125. Again, it can only be repeated that such an obligation does not mean not being able to arrive at a different outcome in a specific case, if the difference between the cases is properly explained, or altogether changing the interpretative approach, if that departure is announced and explained. The analogy with judicial decision-making in this regard is rather clear, although naturally the standards of reasoning are not set as high. Courts are similarly not prevented from changing their case-law over time, (75) but are obliged to explain a potential change in a given line of case-law. (76)

126. In both cases, the common denominator is equality before the law, but also, from the point of view of the addressee of a decision, its predictability. Even the most prudent operator can hardly plan his overall commercial strategy if, in one case, certain elements are taken into account and the approach to the assessment is, on the whole, rather liberal and permissive, while in factually similar circumstances concerning the application of the same legal provisions to a different case, the same or similar elements are said to be devoid of any relevance, and the overall approach is much stricter.

127. Finally, I certainly acknowledge the specific regulatory context of trade mark law, and the fact that past registrations may be subsequently challenged, including on the basis of an incorrect application of Article 7(1)(f) of Regulation No 207/2009. (77) I still do not see, however, how that argument should favour departing from even the minimal requirement of coherence in administrative decision-making practice, which is indeed a transversal principle applicable to any area of public administration, including trade mark law.

128. In sum, I am of the view that the General Court erred in law when it did not sanction the failure, on the part of EUIPO, to appropriately explain the departure from its past decision-making practice, or to state a plausible reason why the application for the sign at issue had to be decided differently compared to the outcome reached in a similar case which was brought to the attention of EUIPO by the Appellant.

V. The form of order sought in the present case

129. By the present appeal, the Appellant asks the Court to annul the judgment under appeal and to order EUIPO to pay the costs. It does not also request the annulment of the contested decision.

130. Nonetheless, pursuant to the first paragraph of Article 61 of the Statute of the Court of Justice of the European Union, and the principle encapsulated therein of judicial economy and the efficiency of proceedings, if a judgment under appeal is set aside, the Court may give final judgment in the matter where the state of the proceedings so permits.

131. I consider that that requirement is fulfilled in the present case.

132. For the reasons set out above in Section A of this Opinion, I suggest that the first ground of appeal is well founded. The General Court erred in its interpretation of Article 7(1)(f) of Regulation No 207/2009, which then translated into a corresponding lack of (relevant) reasoning in the judgment under appeal. Irrespective of the potential conclusions of the Court on the second and third grounds of appeal, if the Court were to uphold the first ground of appeal, the contested decision of the EUIPO Board of Appeal would then also inevitably have to be set aside subsequently by the General Court for the same reasons.

133. In such circumstances, a fresh assessment of the case by the General Court would not be necessary.

VI. Costs

134. As provided for in Article 184(2) of the Rules of Procedure, where the appeal is well founded and the Court itself gives final judgment in the case, the Court is to make a decision as to the costs.

135. Under Article 138(1) of the Rules of Procedure, applicable to appeal proceedings pursuant to Article 184(1) thereof, the unsuccessful party is to be ordered to pay the costs if they have been applied for in the successful party's pleadings.

136. The Appellant has applied for costs to be awarded against EUIPO. If the Court follows my suggestion as to the outcome of the present appeal, the latter will be unsuccessful. EUIPO would therefore be ordered to pay the costs relating both to the proceedings at first instance in Case T-69/17 and to the appeal.

VII. Conclusion

137. I suggest that the Court of Justice:

- Set aside the judgment of the General Court of the European Union of 24 January 2018, *Constantin Film Produktion v EUIPO (Fack Ju Göhte)*, (T-69/17, not published, EU:T:2018:27);
- Annul the decision of the Fifth Board of Appeal of the European Union Intellectual Property Office (EUIPO) of 1 December 2016 (Case R 2205/2015-5, *Fack Ju Göhte*);
- Order the EUIPO to bear its own costs and to pay the costs incurred by Constantin Film Produktion GmbH both in the proceedings at first instance and on appeal in the present case.

[1](#) Original language: English.

[2](#) ‘Die Religion verspottet, die Laster beschönigt und gute Sitten verderben kann’, Brief der dänischen Kanzlei vom 19. September 1776 an den König von Dänemark, reproduced in Müller, P. (ed.), *Der junge Goethe im zeitgenössischen Urteil*, Akademie-Verlag GmbH, Berlin, 1969, p. 130. See also Mandelkow, K.R. (ed.), *Goethe im Urteil seiner Kritiker: Dokumente zur Wirkungsgeschichte Goethes in Deutschland. Teil I 1773–1832*, Verlag C.H. Beck, Munich, 1975, XXV-XXXII and pp. 41 to 47.

[3](#) OJ 2009 L 78, p. 1. Since 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).

[4](#) Judgment of 24 January 2018, *Constantin Film Produktion v EUIPO (Fack Ju Göhte)* *Constantin Film Produktion v EUIPO (Fack Ju Göhte)* *Constantin Film Produktion v EUIPO (Fack Ju Göhte)* (T-69/17, not published, EU:T:2018:27).

[5](#) Paragraphs 14 to 16 of the judgment under appeal.

[6](#) Paragraph 18 of the judgment under appeal.

[7](#) Paragraph 19 of the judgment under appeal.

[8](#) Paragraphs 22 to 24 of the judgment under appeal.

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- [9](#) Paragraph 25 of the judgment under appeal.
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- [10](#) Paragraph 26 of the judgment under appeal.
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- [11](#) Paragraph 27 of the judgment under appeal.
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- [12](#) Paragraphs 28 and 29 of the judgment under appeal.
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- [13](#) Paragraphs 31 to 32 of the judgment under appeal.
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- [14](#) Paragraphs 33 to 34 of the judgment under appeal.
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- [15](#) Decision of the Fourth Board of Appeal of 28 May 2015, R 2889/2014-4, DIE WANDERHURE.
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- [16](#) Paragraphs 35 to 40 of the judgment under appeal.
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- [17](#) Paragraphs 42 to 43 of the judgment under appeal.
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- [18](#) EU trade mark No 6025159 ‘Fucking Hell’, and EU trade mark No 10279644 ‘MACAFUCKER’.
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- [19](#) In contrast to being addressed to the Member States only when ‘implementing Union law’ (the *functional* definition of the scope of application), Article 51(1) of the Charter makes the provisions of the Charter applicable to the institutions and bodies of the Union in any of their activities (the *institutional* definition of the scope of application).
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- [20](#) See also, by analogy, Opinion of Advocate General Fennelly in *Germany v Parliament and Council* (C-376/98, EU:C:2000:324, points 154 and 155).
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- [21](#) ECtHR, 25 August 2015, *Dor v. Roumania* (CE:ECHR:2015:0825DEC005515312, § 43 and the case-law cited).
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- [22](#) ECtHR, 24 February 1994, *Casado Coca v. Spain* (CE:ECHR:1994:0224JUD001545089, § 35 and the case-law cited). See also ECtHR, 25 August 2015, *Dor v. Roumania* (CE:ECHR:2015:0825DEC005515312, § 43 and the case-law cited), and ECtHR, 30 January 2018, *Sekmadienis Ltd. v. Lithuania* (CE:ECHR:2018:0130JUD006931714, §§ 75 to 84).
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- [23](#) Recital 21 of Regulation 2015/2424 of the European Parliament and of the Council of 16 December 2015 amending Council Regulation No 207/2009 on the Community trade mark and Commission Regulation (EC) No 2868/95 implementing Council Regulation (EC) No 40/94 on the Community trade mark, and repealing Commission Regulation (EC) No 2869/95 on the fees payable to the Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OJ 2015 L 341, p. 21). The latter entered into force on 23 March 2016, that

is, after the application in the present case was filed by the Appellant on 21 April 2015. See also recital 21 of Regulation 2017/1001.

[24](#) For example, judgment of 20 September 2011, *Couture Tech v OHIM (Representation of the Soviet coat of arms)* (T-232/10, EU:T:2011:498, paragraphs 68 to 71).

[25](#) For example, decisions of the Boards of Appeal of 6 July 2006, R 495/2005-G, SCREW YOU, paragraph 15; of 28 May 2015, R 2889/2014-4, DIE WANDERHURE, paragraph 12; of 2 September 2015, R 519/2015-4, JEWISH MONKEYS, paragraph 16; of 14 December 2015, R 1627/2015-4, PICA, paragraph 16; and of 28 June 2017, R 2244/2016-2, BREXIT, paragraphs 26 to 34.

[26](#) On the link between intellectual property rights and human rights protection, see for instance recently, Geiger, C., and Izyumenko, E., 'Intellectual property before the European Court of Human Rights', in Geiger, C., Nard, C.A., and Seuba, X., *Intellectual Property and the Judiciary*, Edward Elgar Publishing, Cheltenham, 2018, pp. 9 to 90, especially pp. 50 to 62; Ramsey, L.P., 'A Free Speech Right to Trademark Protection?', *The Trademark Reporter*, Vol. 106, No 5, 2016, p. 797.

[27](#) In the present case, freedom of expression has been invoked by the Appellant. But naturally, freedom of expression, as well as other rights and interests that form part of the equation, is not limited to the holders (or possible holders) of the rights conferred by trade mark protection. Indeed, freedom of expression can be also invoked by those wishing to make unauthorised use of a trade mark, for reasons that they consider socially important. See, for example, Geiger, C., and Izyumenko, E. (eds.), 'Intellectual property before the European Court of Human Rights', in Geiger, C., Nard, C.A., and Seuba, X., *Intellectual Property and the Judiciary*, Edward Elgar Publishing, Cheltenham, 2018, pp. 9 to 90, especially pp. 50 to 54, and Senftleben, M., 'Free signs and free use: How to offer room for freedom of expression within the trademark system', in Geiger, C., *Research Handbook on Human Rights and Intellectual Property*, Edward Elgar Publishing, Cheltenham, 2015, pp. 354 to 376. See also Opinion of Advocate General Poirares Maduro in Joined Cases *Google France and Google* (C-236/08 to C-238/08, EU:C:2009:569, point 102).

[28](#) Paragraph 24 of the judgment under appeal.

[29](#) Paragraph 23 of the judgment under appeal.

[30](#) See, for example, Cohen Jehoram, T., Van Nispen, C., and Huydecoper, T., *European Trademark Law: Community trademark law and harmonized national trademark law*, Wolters Kluwers, Alphen aan den Rijn, 2010, p. 9 et seq. See also Commission Staff Working Paper Impact Assessment accompanying document to the Proposal for a Regulation of the European Parliament and of the Council amending Council Regulation (EC) No 207/2009 of 26 February 2009 on the Community trade mark and the Proposal for a Directive of the European Parliament and of the Council to approximate the laws of the Member States relating to trade marks (recast) of 27 March 2013 (SWD(2013) 95 final, p. 5), and Memorandum on the creation of an EEC trade mark of 6 July 1976 (SEC(76) 2462, p. 7).

[31](#) Judgments of 25 January 2007, *Adam Opel* (C-48/05, EU:C:2007:55, paragraphs 21 to 25), and of 23 March 2010, *Google France and Google*, (C-236/08 to C-238/08, EU:C:2010:159, paragraph 77 and the case-law cited). See also judgments of 18 June 2002, *Philips* (C-299/99, EU:C:2002:377, paragraph 30 and the case-law cited); of 25 March 2010, *BergSpechte* (C-278/08, EU:C:2010:163, paragraph 31); and of

22 September 2011, *Interflora and Interflora British Unit* (C-323/09, EU:C:2011:604, paragraph 38). See also Werkman, C.J., *Trademarks: Their creation, psychology and perception*, J.H. de Bussy, Amsterdam, 1974, pp. 4 to 9.

[32](#) Sakulin, W., *Trademark Protection and Freedom of Expression: An Inquiry into the Conflict Between Trademark Rights and Freedom of Expression under European Law*, Wolters Kluwer, Alphen aan den Rijn, 2011, p. 30.

[33](#) The equivalent provision is to be found at Article 4(1)(f) of Directive (EU) 2015/2436 of the European Parliament and of the Council of 16 December 2015 to approximate the laws of the Member States relating to trade marks (OJ 2015 L 336, p. 1) and Article 6*quinquies* B(iii) of the Paris Convention for the Protection of Industrial Property of 20 March 1883, as revised and amended, the latter providing that trademarks covered may be neither denied registration nor invalidated except in the following cases: ‘when they are contrary to morality or public order and, in particular, of such a nature as to deceive the public. It is understood that a mark may not be considered contrary to public order for the sole reason that it does not conform to a provision of the legislation on marks, except if such provision itself relates to public order.’

[34](#) Hasselblatt, G.N., *Community Trade Mark Regulation: A Commentary*, CH Beck-Hart-Nomos, Munich, 2015, p. 125: ‘the underlying rationale of the absolute ground for refusal in Art. 7(1)(f) is thus not to filter out signs whose commercial use must be prevented by all means. Rather, the purpose of this provision is to prevent signs which are contrary to public policy or accepted principles of morality from enjoying the privileges of trade mark registration.’

[35](#) See, for instance, judgments of 9 March 2012, *Cortés del Valle López v OHIM* (;*Que buenu ye! HIJOPUTA*) (T-417/10, not published, EU:T:2012:120, paragraphs 26 to 27), and of 14 November 2013, *Efag Trade Mark Company v OHIM (FICKEN LIQUORS)* (T-54/13, not published, EU:T:2013:593, paragraph 44).

[36](#) Above, points 62 to 64 of this Opinion.

[37](#) Paragraph 23 of the judgment under appeal.

[38](#) See, for example, Cohen Jehoram, T., Van Nispen, C., and Huydecoper, T., *European Trademark Law: Community trademark law and harmonized national trademark law*, Wolters Kluwers, Alphen aan den Rijn, 2010, p. 171.

[39](#) See Hasselblatt, G.N., *Community Trade Mark Regulation: A Commentary*, CH Beck-Hart-Nomos, Munich, 2015, p. 125. See also Opinion of Advocate General Jacobs in *Netherlands v Parliament and Council* (C-377/98, EU:C:2001:329, points 95 to 99).

[40](#) See, for example, decisions of the Boards of Appeal of 29 September 2004, R 176/2004-2, BIN LADIN, paragraphs 17 and 18, and of 28 June 2017, R 2244/2016-2 BREXIT, especially paragraph 42; decisions of the Boards of Appeal of 6 July 2006, R 495/2005-G, SCREW YOU, and of 17 September 2012, R 2613/2011-2, ATATURK.

[41](#) See decisions of the Boards of Appeal of 6 February 2015, R 2804/2014-5, MECHANICAL APARTHEID, paragraph 30, and of 22 September 2015, R 1997/2014-4, OSHO, paragraphs 34 and 36. See also judgment of 15 March 2018, *La Mafia Franchises v EUIPO – Italy (La Mafia SE SIENTA A LA MESA)* (T-1/17, EU:T:2018:146, paragraphs 42 and 48).

[42](#) See, for example, decisions of the Boards of Appeal of 1 September 2011, R 168/2011-1, fucking freezing! by TÜRPIITZ (FIGURATIVE MARK), paragraphs 25 and 29; and of 23 February 2015, R 793/2014-2, FUCK CANCER, paragraph 19. See, for an overview of the practice in respect of Article 7(1)(f) of Regulation No 207/2009, European Union Intellectual Property Office, *Guidelines for Examination of European Union Trade Marks*, Part B: Examination; Section 4: Absolute Grounds for Refusal; Chapter 7: Trade Marks Contrary to Public Order or Acceptable Principles of Morality (Article 7(1)(f) EUTMR), pp. 4 to 6.

[43](#) See decision of the Board of Appeal of 6 February 2015, R 2804/2014-5, MECHANICAL APARTHEID, paragraph 30.

[44](#) See decision of the Board of Appeal of 2 September 2015, R 519/2015-4, JEWISH MONKEYS, especially paragraphs 3, 10, 15 and 16. Interestingly, that decision focused on potential fans of the band as the relevant public rather than on those who might encounter the trade mark in their day-to-day lives.

[45](#) *Ibid.*, paragraph 11.

[46](#) Decision of the Board of Appeal of 28 May 2015, R 2889/2014-4, DIE WANDERHURE.

[47](#) Decision of the Board of Appeal of 2 September 2015, R 519/2015-4, JEWISH MONKEYS, paragraph 11.

[48](#) *Ibid.*, paragraph 16.

[49](#) Emphasis added. See decision of the Board of Appeal of 29 September 2004, R 176/2004-2, BIN LADIN, paragraph 17. In this connection, see also decision of the Board of Appeal of 6 July 2006, R 495/2005-G, SCREW YOU, paragraph 20, in which it is stated that ‘signs which severely offend the religious sensitivities of a substantial group of the population are also best kept off the register, if not for moral reasons, at least for reasons of public policy, namely the risk of causing public disorder’.

[50](#) See, for a similar approach, European Union Intellectual Property Office, *Guidelines for Examination of European Union Trade Marks*, Part B: Examination; Section 4: Absolute Grounds for Refusal; Chapter 7: Trade Marks Contrary to Public Order or Acceptable Principles of Morality (Article 7(1)(f) EUTMR), p. 4: “‘public policy’ refers to the body of Union law applicable in a certain area, as well as to the legal order and the state of law as defined by the Treaties and secondary EU legislation, which reflect a common understanding of certain basic principles and values, such as human rights.’

[51](#) See also in this regard, *ibid.*, pp. 4 to 5, stating that the concept of accepted principles of morality ‘excludes registration as European Union trade marks of blasphemous, racist, discriminatory or insulting words or phrases, but only if that meaning is clearly conveyed by the mark applied for in an unambiguous manner’.

[52](#) Directive of the European Parliament and of the Council of 22 October 2008 to approximate the laws of the Member States relating to trade marks (OJ 2008 L 299, p. 25). This directive has been repealed and replaced by Directive 2015/2436 cited above in footnote 33.

[53](#) See judgment of the EFTA Court of 6 April 2017, *Municipality of Oslo* (E-5/16, paragraph 86).

[54](#) For example, there is little doubt in my mind that trade marks connected to or invoking acts of terrorism or terrorist organisations will be contrary to both public policy (since it is certainly a matter of public policy to combat such activities and maintain peace in society) and accepted principles of morality (since it is clear that almost all of the European society will abhor any such acts).

[55](#) The introduction by the Czech legislature two decades ago of a new rule giving so-called ‘absolute priority’ to (previously rather endangered) pedestrians crossing the street over passing vehicles at the designated areas is a good example of that scenario. What was originally perceived as another public policy traffic rule has in the meantime (hopefully) mutated into a moral rule as well.

[56](#) See the list stated in point 7 of the present Opinion.

[57](#) In this sense, the Guidelines of the European Union Intellectual Property Office for Examination of European Union Trade Marks, cited above in footnote 50, p. 5, state that ‘the national legislation and practice are considered as factual evidence that enables an assessment of the perception of the relevant public within the relevant territory’.

[58](#) Above, points 65 to 68.

[59](#) Decision of the Board of Appeal of 28 May 2015, R 2889/2014-4, *DIE WANDERHURE*.

[60](#) In application of Article 52(1)(a) of Regulation No 207/2009 (absolute grounds for refusal) and Article 53(1) of the same regulation (relative grounds for refusal).

[61](#) I note that the title of the third ground of appeal refers not only to the principle of sound administration but also to the principle of legal certainty. However, the latter principle is not commented upon by the Appellant and the third ground of appeal shall be understood as referring to principle of sound administration only.

[62](#) Concerning Article 75 of Regulation No 207/2009, see judgment of 28 June 2018, *EUIPO v PumaEUIPO v PumaEUIPO v Puma* (C-564/16 P, EU:C:2018:509, paragraph 65).

[63](#) See judgment of 28 June 2018, *EUIPO v Puma* (C-564/16 P, EU:C:2018:509, paragraph 60 and the case-law cited).

[64](#) Judgment of 28 June 2018, *EUIPO v Puma* (C-564/16 P, EU:C:2018:509, paragraph 61). See also judgment of 16 January 2019, *Poland v Stock Polska and EUIPOPoland v Stock Polska and EUIPOPoland v Stock Polska and EUIPO* (C-162/17 P, not published, EU:C:2019:27, paragraph 60 and the case-law cited).

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- [65](#) Judgment of 28 June 2018, *EUIPO v Puma* (C-564/16 P, EU:C:2018:509, paragraph 64).
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- [66](#) Decision of the Board of Appeal of 28 May 2015, R 2889/2014-4, *DIE WANDERHURE*, paragraph 3.
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- [67](#) Decision of the Board of Appeal of 28 May 2015, R 2889/2014-4, *DIE WANDERHURE*, paragraphs 6 to 9.
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- [68](#) Decision of the Board of Appeal of 28 May 2015, R 2889/2014-4, *DIE WANDERHURE*, paragraph 12.
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- [69](#) Decision of the Board of Appeal of 28 May 2015, R 2889/2014-4, *DIE WANDERHURE*, paragraph 13.
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- [70](#) Decision of the Board of Appeal of 28 May 2015, R 2889/2014-4, *DIE WANDERHURE*, paragraph 12.
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- [71](#) See also decisions of the Boards of Appeal of 21 January 2010, R 385/2008-4, *Fucking Hell*; of 1 September 2011, R 168/2011-1, *FUCKING FREEZING!*; and of 2 September 2015, R 519/2015-4, *JEWISH MONKEYS*, commented on above in point 73 of the present Opinion. See also (in part) decision of the Board of Appeal of 6 July 2006, R 495/2005-G, *SCREW YOU*.
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- [72](#) Paragraph 40 of the judgment under appeal.
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- [73](#) The English title of the German book series (translated by Lee Chadeayne) reads *The Wandering Harlot*. However, if adapted into modern language, much less subtle translations could also be used.
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- [74](#) Interestingly enough, the trade mark registration appears to be valid not only for goods (Classes 9 and 16), but also for services (Classes 35, 38, and 41).
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- [75](#) See, for example, ECtHR, 14 January 2010, *Atanasovski v. the former Yugoslav Republic of Macedonia* (CE:ECHR:2010:0114JUD003681503, § 38).
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- [76](#) See, amongst others, ECtHR, 14 January 2010, *Atanasovski v. the former Yugoslav Republic of Macedonia* (CE:ECHR:2010:0114JUD003681503, § 38); ECtHR, 7 June 2007, *Salt Hiper, SA v. Spain* (CE:ECHR:2007:0607JUD002577903, § 26); and ECtHR, 30 November 2010, *S.S. BALIKLIÇEŞME Beldesi tar. kal. Kooperatifi v. Turkey* (CE:ECHR:2010:1130JUD000357305, § 28).
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- [77](#) Above, point 104 and footnote 60 of this Opinion.