

OPINION OF ADVOCATE GENERAL
WATHELET
delivered on 19 April 2018 (1)

Joined Cases C-84/17 P, C-85/17 P and C-95/17 P

Société des produits Nestlé SA
v
**Mondelez UK Holdings & Services Ltd, formerly Cadbury Holdings Ltd,
European Union Intellectual Property Office (EUIPO) (C-84/17 P)**
and
Mondelez UK Holdings & Services Ltd, formerly Cadbury Holdings Ltd
v
European Union Intellectual Property Office (EUIPO) (C-85/17 P)
and
European Union Intellectual Property Office (EUIPO)
v
Mondelez UK Holdings & Services Ltd, formerly Cadbury Holdings Ltd (C-95/17 P)

(Appeal — EU trade mark — Three-dimensional mark representing the shape of a four-finger chocolate bar — Application for a declaration of invalidity submitted by the applicant — Rejection of the application for a declaration of invalidity by the Board of Appeal)

I. Introduction

1. By their appeals, Société des produits Nestlé SA ('Nestlé'), Mondelez UK Holdings & Services Ltd ('Mondelez') and the European Union Intellectual Property Office (EUIPO) ask the Court to set aside the judgment of the General Court of the European Union of 15 December 2016, *Mondelez UK Holdings & Services v EUIPO — Société des produits Nestlé (Shape of a chocolate bar)* (T-112/13, not published, EU:T:2016:735) ('the judgment under appeal'), by which the General Court annulled the decision of the Second Board of Appeal of EUIPO of 11 December 2012 (Case R 513/2011-2), in relation to invalidity proceedings between Cadbury Holdings and Nestlé ('the decision at issue').

2. The present case affords the Court the opportunity to clarify the meaning to be given to Article 7(3) of Council Regulation (EC) No 207/2009 of 26 February 2009 on the Community trade mark, (2) as well as to paragraphs 60 to 63 of the judgment of 24 May 2012, *Chocoladefabriken Lindt & Sprüngli v OHIM* (C-98/11 P, EU:C:2012:307). More specifically, it will allow the Court to clarify the scope of the geographical extent of the evidence which must be provided to establish that a trade mark has acquired a distinctive character in consequence of the use which has been made of it.

II. Legal framework

3. Under Article 1(2) of Regulation No 207/2009:

'A [European Union] trade mark shall have a unitary character. It shall have equal effect throughout the [European Union]: it shall not be registered, transferred or surrendered or be the subject of a decision revoking the rights of the proprietor or declaring it invalid, nor shall its use be prohibited, save in respect of the whole [European Union]. This principle shall apply unless otherwise provided in this Regulation.'

4. Article 7 of Regulation No 207/2009 provides:

'1. The following shall not be registered:

...

(b) trade marks which are devoid of any distinctive character;

...

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

3. Paragraph 1(b), (c) and (d) shall not apply if the trade mark has become distinctive in relation to the goods or services for which registration is requested in consequence of the use which has been made of it.'

5. Article 52 of Regulation No 207/2009 provides:

'1. A [European Union] trade mark shall be declared invalid on application to the [EUIPO] or on the basis of a counterclaim in infringement proceedings:

(a) where the [European Union] trade mark has been registered contrary to the provisions of Article 7;

...

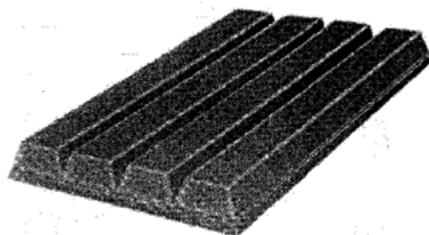
2. Where the [European Union] trade mark has been registered in breach of the provisions of Article 7(1)(b), (c) or (d), it may nevertheless not be declared invalid if, in consequence of the use which has been made of it, it has after registration acquired a distinctive character in relation to the goods or services for which it is

registered.

...'

III. Background to the dispute

6. On 21 March 2002, Nestlé applied to EUIPO for registration of a three-dimensional mark for its 'Kit Kat 4 fingers' product, which consists of four trapezoidal bars aligned on a rectangular base:



7. Registration was sought in respect of goods in Class 30 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. EUIPO raised an objection with regard to some of the goods in respect of which registration had been sought, namely: 'chocolate, chocolate products, confectionery, candy'. Following that objection, the abovementioned sign was registered as an EU trade mark on 28 July 2006 in respect of goods in Class 30 corresponding to the following description: 'Sweets; bakery products; pastries; biscuits; cakes; waffles' ('the trade mark at issue').

8. On 23 March 2007, Cadbury Schweppes plc (subsequently Cadbury Holdings Ltd, now Mondelez) filed an application with EUIPO for a declaration of invalidity in respect of the registration on the basis, in particular, of Article 7(1)(b) of Regulation No 207/2009. On 11 January 2011, the Cancellation Division of EUIPO upheld that application and declared the trade mark at issue invalid.

9. On appeal by Nestlé, the Second Board of Appeal of EUIPO, by the decision at issue, annulled the decision of the Cancellation Division. The Second Board of Appeal considered, in particular, that although the trade mark at issue was, indeed, devoid of any inherent distinctive character in relation to the goods for which it had been registered, Nestlé had shown, in accordance with Article 7(3) of Regulation No 207/2009, that that trade mark, through the use which had been made of it, had acquired such a character in relation to those goods.

IV. The action before the General Court and the judgment under appeal

10. By application lodged at the General Court Registry on 19 February 2013, Mondelez brought an action seeking the annulment of the decision at issue. In support of its action, it raised three pleas in law. The General Court examined only the first plea in law, alleging infringement of Article 52(2) of Regulation No 207/2009, read in conjunction with Article 7(3) thereof, and divided into four parts.

11. In paragraphs 21 to 44 of the judgment under appeal, the General Court analysed and upheld the second part of Mondelez's first plea in law. As can be seen from paragraphs 41 to 44 of the judgment under appeal, the General Court took the view that the Second Board of Appeal was wrong to consider that Nestlé had established use of the trade mark at issue in respect of bakery products, pastries, cakes and waffles. Consequently, the General Court analysed the other parts of Mondelez's first plea in law only with regard to sweets and biscuits.

12. In paragraphs 45 to 64 of the judgment under appeal, the General Court analysed and rejected the first part of Mondelez's first plea in law, concerning the lack of use of the trade mark at issue in the form in which it was registered.

13. In paragraphs 65 to 111 of the judgment under appeal, the General Court examined and rejected the third part of Mondelez's first plea in law, concerning the lack of use of the trade mark at issue as an indicator of origin and the insufficient evidence provided in that respect. In this regard, on the one hand, in paragraph 94 of the judgment under appeal, the General Court noted that the evidence of genuine use of the trade mark at issue, submitted by Nestlé before EUIPO, constituted relevant evidence which, when assessed globally, was capable of establishing that, in the eyes of the relevant public, that trade mark was perceived as an indication of the commercial origin of the goods in question. On the other hand, in paragraph 107 of that judgment, the General Court indicated that the Second Board of Appeal 'carried out an examination of whether the ... trade mark [at issue] had acquired distinctive character by virtue of that mark and specifically substantiated its conclusions regarding that acquisition so far as Denmark, Germany, Spain, France, Italy, the Netherlands, Austria, Finland, Sweden and the United Kingdom are concerned'.

14. Finally, in paragraphs 112 to 178 of the judgment under appeal, the General Court analysed the fourth part of Mondelez's first plea in law. In paragraphs 142 and 143 of that judgment, it stated that the Second Board of Appeal had erred, in concluding, in essence, that, for the purposes of proving distinctive character acquired through use of a mark throughout the European Union, it was sufficient to show that a substantial proportion of the relevant public in the European Union, merging all the Member States and regions, perceived a mark as an indication of the commercial origin of the goods designated by that mark and that it was not necessary to prove the distinctive character of a mark acquired through its use in all the Member States concerned.

15. Nevertheless, as can be seen from paragraphs 144 and 145 of the judgment under appeal, the General Court took the view that it was possible that, despite having erred in setting out the assessment criterion for the purposes of proving the distinctive character of a mark acquired through its use throughout the European Union, the Second Board of Appeal had applied that criterion correctly when examining the evidence submitted by Nestlé. The General Court therefore considered that it was necessary to examine the Second Board of Appeal's assessment of that evidence.

16. Following an examination of the evidence relating to Denmark, Germany, Spain, France, Italy, the Netherlands, Austria, Finland and Sweden, as well as the United Kingdom, the General Court concluded, in paragraphs 146, 148, 151, 153, 155, 158, 159, 164 and 167 respectively, that the Second Board of Appeal was correct to consider that it had been established that the trade mark at issue had acquired a distinctive character through use in all of those Member States.

17. However, in paragraph 173 of the judgment under appeal, the General Court noted that the Second Board of Appeal had not explicitly answered the question of whether it had been established that the trade mark at issue had acquired distinctive character in Belgium, Ireland, Greece and Portugal, nor had it included those Member States among those in which it took the view that such acquisition had been proven.

18. In paragraph 176 of that judgment, the General Court considered that the Second Board of Appeal had erred in concluding that the trade mark at issue had acquired distinctive character through use in the European Union, given that such acquisition had been proven for only a part, indeed a substantial part, of the territory of the European Union.

19. In paragraphs 177 to 179 of the judgment under appeal, the General Court held that the fourth part of Mondelez's first plea in law must be upheld and that the decision at issue must be annulled in its entirety, since the Second Board of Appeal could not validly conclude its examination of the distinctive character of the trade mark at issue acquired through its use without coming to a conclusion regarding the perception of that mark by the relevant public in, inter alia, Belgium, Ireland, Greece and Portugal and without analysing the evidence adduced in respect of those Member States.

V. Procedure before the Court

20. By its appeal in Case C-84/17 P, Nestlé claims that the Court should:

- set aside the judgment under appeal on the grounds that the General Court infringed Articles 7(3) and 52(2) of Regulation No 207/2009, and
- order Mondelez to pay the costs.

21. By its appeal in Case C-85/17 P, Mondelez claims that the Court should set aside the reasoning of the General Court contained in paragraphs 37 to 44, 58 to 64, 78 to 111 and 144 to 169 of the judgment under appeal, as well as part of paragraph 177 of that judgment, which reads 'Although it had been established that the ... trade mark [at issue] had acquired distinctive character through use in Denmark, Germany, Spain, France, Italy, the Netherlands, Austria, Finland, Sweden and the United Kingdom'.

22. By its appeal in Case C-95/17 P, EUIPO claims that the Court should:

- set aside the judgment under appeal, and
- order Mondelez to pay the costs.

23. By decision of the President of the Court of 10 May 2017, Cases C-84/17 P, C-85/17 P and C-95/17 P were joined for the purposes of the written and oral procedure and of the judgment.

24. In its response in Case C-85/17 P, Nestlé contends that the Court should:

- dismiss the appeal as manifestly inadmissible or manifestly unfounded by order or, alternatively, by judgment;
- not allow the appeal, to the extent that it is admissible, and set aside the judgment under appeal, and
- in any event, order Mondelez to pay the costs.

25. In its response in Cases C-84/17 P and C-95/17 P, Mondelez contends that the Court should:

- dismiss the appeals by Nestlé and EUIPO, and
- order Nestlé and EUIPO, respectively, to pay the costs in those two cases.

26. In its response in Cases C-84/17 P, C-85/17 P and C-95/17 P, EUIPO contends that the Court should:

- allow Nestlé's appeal;
- dismiss Mondelez's appeal, and
- order Mondelez to pay the costs incurred by EUIPO.

27. By document lodged at the Court Registry on 13 November 2017, the European Association of Trade Mark Owners ('MARQUES') sought leave to intervene in the dispute in Case C-84/17 P, in support of Nestlé. By order of 12 January 2018, the President of the Court granted such leave to intervene. In view of the late timing of that application, he gave MARQUES permission to submit its observations at the hearing.

28. A hearing was held, on 22 February 2018, at which Nestlé, Mondelez, MARQUES and EUIPO submitted their oral observations.

VI. Admissibility of Mondelez's appeal in Case C-85/17 P

A. Arguments of the parties

29. Nestlé argues that Mondelez's appeal is inadmissible, as Mondelez does not claim that the Court should set aside, in whole or in part, the judgment under appeal, but that it should set aside part of the reasoning of the judgment under appeal whilst maintaining the operative part of that judgment.

30. Even though the General Court upheld its action and annulled the decision at issue, Mondelez submits that its appeal is admissible, as the General Court rejected some of its arguments when it examined its first plea in law alleging infringement of Articles 7(3) and 52(2) of Regulation No 207/2009. Given that the Second Board of Appeal of EUIPO would be bound by the rejection of its arguments for the purposes of the further examination which it would be called upon to carry out following the annulment of the decision at issue, Mondelez takes the view that it should be in a position to contest the judgment under appeal.

B. Assessment

31. Mondelez's appeal is manifestly inadmissible for two reasons. Firstly, contrary to what is provided by Article 56 of the Statute of the Court of Justice of the European Union, Mondelez was not unsuccessful, in whole or in part, in its submissions before the General Court. Secondly, contrary to what is required by Article 169(1) of the Rules of Procedure of the Court, its appeal does not seek to have set aside, in whole or in part, the operative part of the judgment under appeal, but to have set aside some of the grounds of that judgment.

1. Compliance by the appeal with the second paragraph of Article 56 of the Statute of the Court of Justice of the European Union

32. Article 56 of the Statute of the Court of Justice provides that an appeal may be brought by 'any party which has been unsuccessful, in whole or in part, in its submissions'. (3)

33. According to the case-law of the Court, a party which had asked the General Court to annul an EU act is not considered to have been unsuccessful, even partially, in its submissions where the General Court granted the relief sought, (4) even if the General Court rejected several of its arguments before upholding the plea in law on which the annulment was based. (5)

34. In this case, aside from the issue of costs, Mondelez had claimed only that the Court should ‘annul the ... decision [at issue], except in so far as the Board of Appeal stated that the ... trade mark [at issue] was devoid of inherent distinctive character within the meaning of Article 7(1)(b) of Regulation No 207/2009’. (6)

35. By the judgment under appeal, the General Court partially upheld the second and fourth parts of the first plea in law (7) and annulled the decision at issue for infringement of Article 7(3) of Regulation No 207/2009.

36. As EUIPO explained at the hearing, that annulment implies that, in the absence of an appeal and given the reasoning and the operative part of the judgment under appeal, the Board of Appeal of EUIPO would have been obliged to confirm the decision of the Cancellation Division of 11 January 2011 declaring the trade mark at issue invalid, which declaration of invalidity was essentially the aim of Mondelez’s application to EUIPO.

37. Consequently, Mondelez cannot be considered to have been unsuccessful, in whole or in part, in either of its claims submitted before the General Court.

38. To my knowledge, and to that of the parties, the only exception to that rule is that recognised by the Court in the case which gave rise to the judgment of 20 September 2001, *Procter & Gamble v OHIM* (C-383/99 P, EU:C:2001:461), in which Procter & Gamble had claimed ‘that the Court of Justice should [set aside] the ... judgment [of the General Court] in so far as the [General] Court ... [had] held that the [EUIPO]’s First Board of Appeal ... had not infringed Article 7(1)(c) of Regulation No [207/2009]’. (8) In its judgment, the Court pointed out that, at first instance, Procter & Gamble had asked ‘the [General] Court ... , inter alia, as its principal claim, to annul the ... decision [taken by EUIPO] in so far as that decision [had] found that the mark did not satisfy the conditions laid down in Article 7(1) (b) and (c) of Regulation No [207/2009] and, in the alternative, to annul the ... decision [taken by EUIPO] in so far as it [had] found [its] submissions based on Article 7(3) of Regulation No [207/2009] to be inadmissible’. (9)

39. On that basis, the Court held that by rejecting Procter & Gamble’s principal plea in law and annulling EUIPO’s decision on the alternative plea in law, the General Court’s judgment had allowed that part of the decision relating to the compatibility of the trade mark with the requirements of Article 7(1)(b) and (c) of Regulation No 207/2009 to stand, which implied that EUIPO was expected to alter its interpretation only of Article 7(3) of Regulation No 207/2009 and that, consequently, the annulment by the General Court was, in reality, only partial. (10)

40. No analogy can be drawn with the present case. First, unlike Procter & Gamble, Mondelez does not claim that the Court should set aside the judgment under appeal, but merely that it should set aside some of the paragraphs of the reasoning of the General Court. Second, despite the fact that Mondelez had relied upon several pleas in law in its action before the General Court, the latter examined only the plea in law based on Article 7(3) of Regulation No 207/2009 and upheld that plea, even though it first of all rejected some of the arguments upon which Mondelez had relied for the purposes of that plea in law. In the absence of a principal plea in law which was rejected, I take the view that there cannot be said to be, in the present case, a part of EUIPO’s decision which the General Court, by the judgment under appeal, allowed to stand. In that sense, I take the view that no analogy can be drawn with the judgment of 20 September 2001, *Procter & Gamble v OHIM* (C-383/99 P, EU:C:2001:461).

41. In these circumstances, it cannot be considered that Mondelez was unsuccessful, in whole or in part, in its submissions within the meaning of Article 56 of the Statute of the Court of Justice of the European Union.

2. Compliance by the appeal with Article 169(1) of the Rules of Procedure of the Court

42. Article 169(1) of the Rules of Procedure of the Court requires that ‘an appeal shall seek to have set aside, in whole or in part, the decision of the General Court as set out in the operative part of that decision’. (11)

43. According to the Court, ‘that provision encapsulates the basic principle applying to appeals, namely that an appeal must be directed against the operative part of the General Court’s decision and may not merely seek the amendment of some of the grounds of that decision’. (12)

44. In addition, on several occasions the Court has held that, except by way of a defence to a ground of appeal relied upon by the appellant, a request for substitution of grounds is inadmissible for lack of interest in bringing proceedings, as it is not capable of procuring an advantage for the party making it. (13)

45. In this case, it can be seen from the application initiating the appeal, that Mondelez’s appeal does not seek to have set aside, in whole or in part, the decision of the General Court as set out in the operative part thereof, but to have set aside the reasoning of the General Court in paragraphs 37 to 44, 58 to 64, 78 to 111, 144 to 169 and 177 of the judgment under appeal.

46. That request does not comply with Article 169(1) of the Rules of Procedure, but constitutes a request for substitution of grounds. In this respect, Mondelez has no interest in bringing proceedings

47. For these reasons, I consider that the appeal brought by Mondelez in Case C-85/17 P is manifestly inadmissible and must be dismissed.

VII. Substance

48. By the only ground of appeal in Case C-84/17 P and the second ground of appeal in Case C-95/17 P, Nestlé and EUIPO respectively argue that the General Court infringed Article 52(2) of Regulation No 207/2009, read in conjunction with Article 7(3) thereof, by considering that the proprietor of an EU trade mark must show that that trade mark has acquired a distinctive character through use in each of the Member States separately. Nestlé and EUIPO take the view that that assessment is based on an incorrect interpretation and application of paragraphs 60 to 63 of the judgment of 24 May 2012, *Chocoladefabriken Lindt & Sprüngli v OHIM* (C-98/11 P, EU:C:2012:307).

49. EUIPO’s first ground of appeal in Case C-95/17 P, although it formally alleges infringement of the obligation to state reasons, in reality concerns the same issue.

50. I will therefore deal with the two appeals together.

A. Arguments of the parties

51. Nestlé (14) and EUIPO, supported by MARQUES, criticise the judgment under appeal in relation to the issue of the extent of the territory of the European Union in which it is necessary to show distinctive character, acquired through use of the trade mark at issue. They take the view that by holding, in paragraph 139 of the judgment under appeal, that distinctive character acquired through use must be shown throughout the territory of the European Union and not only for a substantial part or the majority thereof and that, consequently, it cannot be concluded that such a character has been acquired where the evidence submitted does not cover part of the European Union, even a part which is not substantial or consists of only one Member State, the General Court infringed Article 7(3) of Regulation No 207/2009 and the interpretation given to it by the Court in paragraphs 60 to 63 of the judgment of 24 May 2012, *Chocoladefabriken Lindt & Sprüngli v OHIM* (C-98/11 P, EU:C:2012:307).

52. According to Nestlé, MARQUES and EUIPO, the General Court was wrong to hold that the Second Board of Appeal of EUIPO had erred in law in taking the view that it was sufficient to show that a significant proportion of the relevant public throughout the European Union, merging all the Member States and regions,

perceived a mark as an indication of the commercial origin of the goods covered by the trade mark at issue and that it was not necessary to prove distinctive character acquired through use in all the Member States concerned. (15)

53. Consequently, they argue that the General Court was wrong to hold that the Second Board of Appeal of EUIPO had erred in law in concluding that the trade mark at issue had acquired distinctive character through use without coming to a conclusion regarding the perception of that mark by the relevant public in Belgium, Ireland, Greece and Portugal and without analysing the evidence adduced in respect of those Member States. (16)

54. Nestlé, MARQUES and EUIPO argue that by focusing on individual national markets, the General Court's interpretation is incompatible with the unitary character of the European trade mark and the very existence of a single market.

55. By contrast, Mondelez takes the view that the General Court correctly interpreted and applied Article 7(3) of Regulation No 207/2009, as well as the judgment of 24 May 2012, *Chocoladefabriken Lindt & Sprüngli v OHIM* (C-98/11 P, EU:C:2012:307). According to Mondelez, it is not sufficient for an EU trade mark to be distinctive in a substantial part of the European Union if it is not distinctive in another part of the European Union, even if that part represents only one Member State.

56. Mondelez takes the view that a different conclusion would lead to the paradox whereby a trade mark which must be refused registration for lack of distinctive character in one Member State, could nevertheless be registered as an EU trade mark, with the result that it could be relied upon before the courts of that Member State.

B. Assessment

1. Preliminary observations

57. Questions relating to the geographical extent of the evidence which must be provided to establish that a trade mark has acquired distinctive character through the use which has been made of it, in accordance with Article 7(3) of Regulation No 207/2009, and to the interpretation to be given to paragraphs 60 to 63 of the judgment of 24 May 2012, *Chocoladefabriken Lindt & Sprüngli v OHIM* (C-98/11 P, EU:C:2012:307), are not new.

58. Louis Vuitton Malletier's appeal in Joined Cases C-363/15 P and C-364/15 P posed precisely that question as, like Nestlé, MARQUES and EUIPO, Louis Vuitton Malletier argued that the General Court had been wrong to require that evidence of the distinctive character of the brown-beige chequerboard and the grey chequerboard be provided for each of the Member States. However, the parties settled the case before the hearing took place. (17)

59. The present appeals afford the Court a further opportunity to clarify, definitively, the meaning to be given to paragraphs 60 to 63 of the judgment of 24 May 2012, *Chocoladefabriken Lindt & Sprüngli v OHIM* (C-98/11 P, EU:C:2012:307).

2. Territorial extent of the evidence required in Article 7(3) of Regulation No 207/2009

60. It should be noted first of all that, according to Article 1(2) of Regulation No 207/2009, the EU trade mark shall have a unitary character and shall have equal effect throughout the European Union. As the General Court held in paragraph 119 of the judgment under appeal, 'the EU trade mark is to have a unitary character, which implies that it is to have equal effect throughout the European Union. It follows from the unitary character of the EU trade mark that, in order to be accepted for registration, a sign must have distinctive character throughout the European Union. Therefore, under Article 7(1)(b) of that regulation, read in conjunction with Article 7(2) thereof, a mark must not be registered if it is devoid of distinctive character in part of the European Union'. (18)

61. Article 7(3) of Regulation No 207/2009 introduces an exception to the absolute grounds for refusal provided for in Article 7(1)(b) to (d) thereof, in respect of trade marks which have become distinctive in consequence of the use which has been made of them.

62. The principles applicable to the interpretation of that provision are set out in the judgments of 22 June 2006, *Storck v OHIM* (C-25/05 P, EU:C:2006:422) and of 24 May 2012, *Chocoladefabriken Lindt & Sprüngli v OHIM* (C-98/11 P, EU:C:2012:307).

63. In paragraph 83 of the judgment of 22 June 2006, *Storck v OHIM* (C-25/05 P, EU:C:2006:422), the Court held that 'a mark [could] be registered under Article 7(3) of Regulation No [207/2009] only if evidence [was] provided that it has acquired, through the use which has been made of it, distinctive character in the part of the [European Union] in which it did not, *ab initio*, have such character for the purposes of Article 7(1)(b)'.

64. In the same paragraph of that judgment, the Court added that the part of the European Union which, in accordance with Article 7(2) of Regulation No 207/2009, is sufficient for registration of a trade mark to be refused 'may be comprised of a single Member State'.

65. Nestlé argues that, as a result of setting the evidential bar very high, the effect of that judgment was that, with one exception, no operator was able to furnish adequate evidence. It thus considers that, in the judgment of 24 May 2012, *Chocoladefabriken Lindt & Sprüngli v OHIM* (C-98/11 P, EU:C:2012:307), the Court adopted an approach which was more tailored to the territorial aspect of the evidence.

66. I note that the case which gave rise to the latter judgment related to an application for registration as an EU trade mark of a three-dimensional sign consisting of the shape of a chocolate Easter bunny with a red ribbon and that Chocoladefabriken Lindt & Sprüngli had provided evidence seeking to establish the acquisition of a distinctive character through use for only 3 of the 15 Member States at the relevant time, namely Germany, Austria and the United Kingdom.

67. In paragraph 60 of that judgment, the Court first of all recalled paragraph 83 of the judgment of 22 June 2006, *Storck v OHIM* (C-25/05 P, EU:C:2006:422). On that basis, it then held that the General Court's conclusion that the mark for which registration is sought must have acquired distinctive character through use throughout the European Union, was not vitiated by any error of law in so far as Chocoladefabriken Lindt & Sprüngli had failed to establish that the trade mark in question 'has inherent distinctive character and that that was the case throughout the European Union'. (19) The Court added that the evidence furnished for 3 Member States was not sufficient to establish that the trade mark in question 'has inherent distinctive character in 15 Member States and that, therefore, in those States, the acquisition by it of distinctive character through use does not have to be shown'. (20)

68. In relation to Chocoladefabriken Lindt & Sprüngli's argument based on the unitary character of the EU trade mark, according to which the assessment of the acquisition by a mark of distinctive character through use should not be based on individual national markets, the Court held that 'even if it is true ... that the acquisition by a mark of distinctive character through use must be proved for the part of the European Union in which that mark did not, *ab initio*, have such character, it would be unreasonable to require proof of such acquisition for each individual Member State'. (21)

69. The Court, however, dismissed Chocoladefabriken Lindt & Sprüngli's appeal, holding in paragraph 63 of its judgment that 'as regards the present case, the General Court did not err in law because, in any event, [Chocoladefabriken Lindt & Sprüngli] ha[d] not sufficiently proved [in quantitative terms] the acquisition, by the mark for which registration [was] sought, of distinctive character through use throughout the European Union'. (22)

70. It should be noted that there is an error in the English translation of that passage. Whilst the German and French language versions of that paragraph refer to the absence of *quantitatively* sufficient evidence ('keinen quantitativ hinreichenden Nachweis' and 'n'a pas prouvé de manière quantitativement suffisante'), the English language version refers only to the absence of sufficient evidence ('sufficiently proved'). As the German language version is the authoritative version of that judgment, there is no reason to think that the adverb 'sufficiently' would not cover 'quantitatively' sufficient evidence.

71. That clarification supports the inference that, in that judgment, the Court had concluded that, by providing evidence for three Member States only, *Chocoladefabriken Lindt & Sprüngli* had clearly not provided evidence which was quantitatively sufficient to be extrapolated to the whole of the European Union.
72. Curiously, a similar error found its way into the French language version of the judgment under appeal. Whilst paragraphs 125 and 130 of the version of the judgment under appeal which is in English, the language of the case, refer to *quantitatively* sufficient evidence, the same paragraphs of the French language version of the judgment under appeal refer to *quantitatively* sufficient evidence (paragraph 125) and *qualitatively* sufficient evidence (paragraph 130).
73. That clerical error on the part of the General Court in the French language version perhaps explains the position adopted by the General Court in paragraphs 139 to 143 and 175 to 178 of the judgment under appeal where it held, in essence, that the acquisition of distinctive character through use could not be established by extrapolating from evidence which shows only that a significant proportion of the relevant public throughout the European Union, merging all the Member States and regions, perceives a mark as an indication of the commercial origin of the goods or services covered by that mark, even if the population of the Member States for which evidence was provided represents almost 90% of the population of the European Union.
74. In other words, according to the General Court, the acquisition of distinctive character is not linked simply to a majority of Member States and populations, but also to the concept of 'geographical representativeness' in the sense that the trade mark in question must acquire a distinctive character in the perception of the public in all of the parts of the territory of the European Union, which parts do not necessarily correspond to the borders of the Member States.
75. Paragraphs 60 to 63 of the judgment of 24 May 2012, *Chocoladefabriken Lindt & Sprüngli v OHIM* (C-98/11 P, EU:C:2012:307), address that issue only in part. *Chocoladefabriken Lindt & Sprüngli* had provided evidence seeking to establish the acquisition of a distinctive character through use for only three Member States, namely Germany, Austria and the United Kingdom. In these circumstances, as a result of its leaving out vast regions of the European Union, it was clear that the evidence was not sufficient to form the basis of an extrapolation for the whole of the European Union.
76. In paragraph 62 of the judgment of 24 May 2012, *Chocoladefabriken Lindt & Sprüngli v OHIM* (C-98/11 P, EU:C:2012:307), the Court did indeed hold that 'it would be unreasonable to require proof of such acquisition for each individual Member State'.
77. However, as EUIPO admits at paragraph 43 of its appeal, this does not imply that the party applying for registration of a trade mark can leave out entire regions and markets. On the contrary, as it points out in paragraph 53 of its appeal, account must be taken of the geographical size and the distribution of the regions in which acquired distinctive character has been positively established, in order to ensure that the evidence from which an extrapolation is made for the whole of the European Union relates to a quantitatively and geographically representative sample.
78. For the purposes of that extrapolation, although account must not be taken of the territories of the Member States as such, (23) the existence of the single market within the European Union does not imply the non-existence of national or regional markets. It is common for economic operators like Nestlé, when distributing their goods or services, to group together certain national markets for a number of reasons, such as their geographical proximity, the existence of historical links between them, or even a common language, customs or practices. In that sense, against that background and depending on the goods at issue, the evidence provided for certain national markets could, on the basis of what Mondelez called 'market comparability' at the hearing, be sufficient to cover other markets omitted from the evidence or for which quantitatively sufficient evidence has not been provided. For example, it might be that, for certain goods or services and on account of the comparability of the markets in question, the evidence provided for the Spanish market is also sufficient for the Portuguese market, or the evidence provided for the United Kingdom market is sufficient for the Irish market, and so on.
79. To provide quantitatively and geographically sufficient evidence of the acquisition of a distinctive character through use throughout the European Union, account must be taken, for each product or service, of this diversity within the European Union. In that sense, a trade mark cannot be an EU trade mark with a unitary character if the relevant public in part of the European Union does not perceive it as an indication of the commercial origin of the goods or services which it covers.
80. In this regard, it should be added that the regions or parts of the European Union in which the acquisition of distinctive character must be shown are not predetermined, but must be established, whenever an application for registration is filed, for the goods and services covered by the trade mark in question.
81. Contrary to what EUIPO argues, this does not mean that the absence of evidence in relation to Luxembourg alone would be sufficient to exclude the acquisition of distinctive character, when evidence has been provided for the other Member States. If, for the goods or services covered by the trade mark in question, Luxembourg is part of the same market as Belgium, France or Germany, and sufficient evidence has been provided for one such country which is part of the same market as Luxembourg, it would not be necessary to provide specific evidence for Luxembourg. That, in my opinion, is the meaning to be given to Article 7(2) and (3) of Regulation No 207/2009 and to paragraphs 60 to 63 of the judgment of 24 May 2012, *Chocoladefabriken Lindt & Sprüngli v OHIM* (C-98/11 P, EU:C:2012:307).
82. The requirement that evidence of the acquisition of distinctive character must be not only quantitatively sufficient but also geographically representative is also supported by the example of the jigsaw puzzle given by EUIPO in paragraph 42 of its appeal. (24)
83. Taking this example, if the majority of the pieces of the jigsaw depict the body of a horse, the fact that the only piece of the jigsaw which is missing is that of the head may have a significant impact: even if the majority of pieces suggest that the jigsaw shows a picture of a horse, it is possible that the missing piece depicts the torso of a man. In that case, it would be a picture not of a horse, but of a centaur. That is the risk posed by the selective exclusion of certain Member States from the evidence provided.
84. In that sense, in the cases which gave rise to the General Court's judgments of 21 April 2015, *Louis Vuitton Malletier v OHIM — Nanu-Nana (Representation of a brown and beige chequerboard pattern)* (T-359/12, EU:T:2015:215), and of 21 April 2015, *Louis Vuitton Malletier v OHIM — Nanu-Nana (Representation of a grey chequerboard pattern)* (T-360/12, not published, EU:T:2015:214), to which the General Court referred in paragraph 128 of the judgment under appeal, the General Court correctly held that the acquisition of distinctive character had not been proven due to the absence of evidence for Denmark, Portugal, Finland and Sweden, even though, according to Louis Vuitton Malletier, the evidence which it had provided related to 11 of the 15 Member States representing 92.5% of the population of the European Union. Louis Vuitton Malletier had entirely omitted to present evidence for the Nordic countries which represent a part of the European Union, without establishing that the evidence provided for the other Member States was also representative of those countries. As a result of that omission, it could not be concluded that the chequerboards in question had acquired a distinctive character throughout the European Union.
85. In this case, it can be seen from paragraphs 60 to 87 of the decision at issue and paragraphs 146 to 173 of the judgment under appeal that Nestlé produced evidence for 14 of the 15 Member States at the relevant time. The only Member State for which no evidence was provided was Luxembourg. However, whilst Nestlé provided market research for the majority of the Member States, it can be seen from paragraphs 84 to 87 of the decision at issue and paragraph 173 of the judgment under appeal that the information provided for Belgium, Ireland, Greece and Portugal (25) was not sufficient to establish that the relevant public in those countries identified Nestlé as the commercial origin of the product covered by the trade mark at issue.
86. However, before concluding in paragraphs 176 and 177 of the judgment under appeal that the Second Board of Appeal of EUIPO could not validly conclude its examination of the distinctive character acquired by the trade mark at issue throughout the European Union in the absence of sufficient evidence for Belgium, Ireland, Greece, Luxembourg and Portugal, the General Court did not examine whether, with regard to the product covered by the trade mark at issue, the acquisition of a distinctive character through use in those five Member States could be extrapolated on the basis of the evidence provided for the other national or regional markets.

87. Even though the General Court was, in principle, required to examine that question, Nestlé confirmed at the hearing that it had not included in the case file evidence seeking to establish that, with regard to the product covered by the trade mark at issue, the evidence provided for the Danish, German, Spanish, French, Italian, Netherlands, Austrian, Finnish, Swedish and United Kingdom markets also applied to the Belgian, Irish, Greek, Luxembourg and Portuguese markets or could act as a basis for extrapolating the acquisition, by the trade mark at issue, of distinctive character through use in those countries. In that sense, Nestlé had not established, in respect of the product concerned, the comparability of the Belgian, Irish, Greek, Luxembourg and Portuguese markets with some of the other national markets for which it had provided sufficient evidence.

88. In the absence of such evidence, the General Court had no option but to annul the decision of the Second Board of Appeal of EUIPO, which it did.

89. In view of the foregoing considerations, I propose that the Court dismiss the appeals brought by Nestlé and EUIPO.

VIII. Costs

90. Pursuant to Article 137 of the Rules of Procedure of the Court, which applies to the appeal procedure by virtue of Article 184(1) thereof, a decision as to costs is to be given in the judgment which closes the proceedings. Under Article 138(1) of those rules, to which Article 184(1) thereof refers, the unsuccessful party is to be ordered to pay the costs if they have been applied for in the successful party's pleadings.

91. In addition, Article 184(2) of those rules provides that where the appeal is unfounded, the Court is to make a decision as to the costs.

92. Finally, Article 140(3) of the Rules of Procedure of the Court of Justice, which also applies to the appeal procedure by virtue of Article 184(1) thereof, provides, *inter alia*, that the Court may order an intervener other than a Member State or an institution to bear its own costs.

93. In this case, in Case C-84/17 P, as Mondelez has applied for costs, and Nestlé has been unsuccessful, Nestlé should be ordered to pay the costs incurred by Mondelez. It should be decided that EUIPO and MARQUES are to bear their own costs.

94. In Case C-85/17 P, as Nestlé and EUIPO have applied for costs, and Mondelez has been unsuccessful, Mondelez should be ordered to pay the costs incurred by Nestlé and EUIPO.

95. In Case C-95/17 P, as Mondelez has applied for costs, and EUIPO has been unsuccessful, EUIPO should be ordered to pay the costs incurred by Mondelez. Nestlé will bear its own costs.

IX. Conclusion

96. In Case C-84/17 P, *Société des produits Nestlé SA v EUIPO and Mondelez UK Holdings & Services Ltd*, I propose that the Court:

- dismiss the appeal as unfounded,
- order Société des produits Nestlé to bear its own costs and also those incurred by Mondelez UK Holdings & Services, and
- order the European Union Intellectual Property Office (EUIPO) and the European Association of Trade Mark Owners to bear their own costs.

97. In Case C-85/17 P, *Mondelez UK Holdings & Services Ltd v EUIPO*, I propose that the Court:

- dismiss the appeal as manifestly inadmissible, and
- order Mondelez UK Holdings & Services to bear its own costs, and also those incurred by Société des produits Nestlé and EUIPO.

98. In Case C-95/17 P, *EUIPO v Mondelez UK Holdings & Services Ltd*, I propose that the Court:

- dismiss the appeal as unfounded,
- order EUIPO to bear its own costs, and also those incurred by Mondelez UK Holdings & Services, and
- order Société des produits Nestlé to bear its own costs.

¹ Original language: French.

² OJ 2009 L 78, p. 1. That regulation was repealed and 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). Article 7(3) remained the same.

³ This provision is the subject of considerable linguistic divergence between the various language versions of the Statute of the Court of Justice of the European Union, as several of those versions do not refer to the equivalent of the French term 'conclusions des parties'. See, to this effect, Opinion of Advocate General Mengozzi in *British Airways v Commission* (C-122/16 P, EU:C:2017:406, points 40 and 41).

⁴ See judgment of 29 April 2004, *IPK-München v Commission* (C-199/01 P and C-200/01 P, EU:C:2004:249, paragraph 42).

⁵ See judgment of 15 November 2012, *Al-Aqsa v Council and Netherlands v Al-Aqsa* (C-539/10 P and C-550/10 P, EU:C:2012:711, paragraphs 44 and 45).

⁶ Paragraph 61, first sentence, (1), of its application in Case T-112/13.

⁷ See points 11 to 19 of this Opinion.

⁸ Paragraph 11 of that judgment.

[9](#) See paragraph 19 of that judgment.

[10](#) See paragraphs 24 and 25 of that judgment.

[11](#) Emphasis added.

[12](#) See judgment of 14 November 2017, *British Airways v Commission* (C-122/16 P, EU:C:2017:861, paragraph 51). See, also, judgment of 15 November 2012, *Al-Aqsa v Council* and *Netherlands v Al-Aqsa* (C-539/10 P and C-550/10 P, EU:C:2012:711, paragraphs 43 to 45).

[13](#) See judgments of 21 December 2011, *Iride v Commission* (C-329/09 P, not published, EU:C:2011:859, paragraphs 49 and 50); of 11 July 2013, *Ziegler v Commission* (C-439/11 P, EU:C:2013:513, paragraph 42); and of 13 January 2015, *Council and Commission v Stichting Natuur en Milieu and Pesticide Action Network Europe* (C-404/12 P and C-405/12 P, EU:C:2015:5, paragraph 31).

[14](#) Nestlé's appeal does not clearly and precisely challenge specific paragraphs of the judgment under appeal, but it seems to me that it is clear from paragraph 21 of the application initiating its appeal that, in reality, it challenges the same paragraphs as EUIPO challenges in its appeal.

[15](#) See paragraphs 141 to 143 of the judgment under appeal.

[16](#) See paragraphs 175 to 179 of the judgment under appeal.

[17](#) See Order of the President of the Court of 21 July 2016, *Louis Vuitton Malletier v EUIPO* (C-363/15 P and C-364/15 P, not published, EU:C:2016:595).

[18](#) See, also, to this effect judgment of 22 June 2006, *Storck v OHIM* (C-25/05 P, EU:C:2006:422, paragraphs 81 to 83).

[19](#) Paragraph 61 of that judgment.

[20](#) Paragraph 61 of that judgment.

[21](#) Paragraph 62 of that judgment.

[22](#) Emphasis added.

[23](#) According to the Court, 'if it were held that particular significance should be given, in the framework of the Community arrangements for trade marks, to the territories of the Member States, that would frustrate the objectives [of Regulation No 207/2009] and would be detrimental to the unitary character of the [EU] trade mark' (judgment of 19 December 2012, *Leno Merken*, C-149/11, EU:C:2012:816, paragraph 42).

[24](#) See, also, EUIPO's Guidelines for Examination of European Union Trade Marks, Part B, Section 4, Chapter 14, p. 8, version of 1 October 2017 available on EUIPO's website at the following address: https://euiipo.europa.eu/tunnel-web/secure/webdav/guest/document_library/contentPdfs/law_and_practice/trade_marks_practice_manual/WP_2_2017/Part-B/04-part_b_examination_section_4_absolute_grounds_for_refusal/part_B_examination_section_4_chapter_14/part_B_examination_section_4_chapter_14_Acquired_distinctive According to EUIPO, the principle established by the Court in paragraph 62 of the judgment of 24 May 2012, *Chocoladefabriken Lindt & Sprüngli v OHIM* (C-98/11 P, EU:C:2012:307), implies that 'if one considers the European territory as a puzzle, failure to prove acquired distinctiveness for one or more specific national markets may not be decisive, provided that the "missing piece" of the puzzle does not affect the general picture that a significant proportion of the relevant European public perceives the sign as a trade mark in the various parts or regions of the European Union'.

[25](#) The information consisted of the 'Nielsen' table and advertising materials. See, in particular, paragraphs 84 to 87 of the decision at issue.