

Provisional text

## JUDGMENT OF THE COURT (Fourth Chamber)

22 October 2020 (\*)

(Reference for a preliminary ruling – Approximation of laws – Trade marks – Directive 2008/95/EC – Article 12(1) – Genuine use of trade mark – Burden of proof – Article 13 – Proof of use ‘in respect of some of the goods or services’ – Trade mark covering a car model the production of which has stopped – Use of the trade mark in respect of replacement parts as well as for services relating to that model – Use of the trade mark for used vehicles – Article 351 TFEU – Convention between the Federal Republic of Germany and the Swiss Confederation – Reciprocal protection of patents, designs and trade marks)

In Joined Cases C–720/18 and C–721/18,

TWO REQUESTS for a preliminary ruling under Article 267 TFEU from the Oberlandesgericht Düsseldorf (Higher Regional Court, Düsseldorf, Germany), made by decisions of 8 November 2018, received at the Court on 16 November 2018, in the proceedings

**Ferrari SpA**

v

**DU,**

THE COURT (Fourth Chamber),

composed of M. Vilaras (Rapporteur), President of the Chamber, N. Piçarra, D. Šváby, S. Rodin and K. Jürimäe, Judges,

Advocate General: E. Tanchev,

Registrar: A. Calot Escobar,

having regard to the written procedure,

after considering the observations submitted on behalf of:

- Ferrari SpA, by R. Pansch, S. Klopschinski, A. Sabellek, and H. Hilge, Rechtsanwälte,
- DU, by M. Krogmann, Rechtsanwalt,
- the European Commission, by É. Gippini Fournier, W. Mölls and M. Šimerdová, acting as Agents,

having decided, after hearing the Advocate General, to proceed to judgment without an Opinion,

gives the following

**Judgment**

- 1 These requests for a preliminary ruling concern the interpretation of Article 12(1) of Directive 2008/95/EC 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).
- 2 The requests have been made in two sets of proceedings between Ferrari SpA and DU concerning the cancellation for lack of genuine use of two trade marks owned by Ferrari.

### Legal context

#### *EU law*

- 3 Recitals 6 and 10 of Directive 2008/95 were worded as follows:

‘(6) Member States should also remain free to fix the provisions of procedure concerning the registration, the revocation and the invalidity of trade marks acquired by registration. They can, for example, determine the form of trade mark registration and invalidity procedures, decide whether earlier rights should be invoked either in the registration procedure or in the invalidity procedure or in both and, if they allow earlier rights to be invoked in the registration procedure, have an opposition procedure or an *ex officio* examination procedure or both. Member States should remain free to determine the effects of revocation or invalidity of trade marks.

...

(10) It is fundamental, in order to facilitate the free movement of goods and services, to ensure that registered trade marks enjoy the same protection under the legal systems of all the Member States. This should not, however, prevent the Member States from granting at their option extensive protection to those trade marks which have a reputation.’

- 4 Article 7 of that directive, entitled ‘Exhaustion of the rights conferred by a trade mark’, provided in paragraph 1:

‘The trade mark shall not entitle the proprietor to prohibit its use in relation to goods which have been put on the market in the [European Union] under that trade mark by the proprietor or with his consent.’

- 5 Article 10 of that directive, under the heading ‘Use of trade marks’, provided in the first subparagraph of paragraph 1:

‘If, within a period of five years following the date of the completion of the registration procedure, the proprietor has not put the trade mark to genuine use in the Member State in connection with the goods or services in respect of which it is registered, or if such use has been suspended during an uninterrupted period of five years, the trade mark shall be subject to the sanctions provided for in this Directive, unless there are proper reasons for non-use.’

- 6 Article 12 of that directive, under the heading ‘Grounds for revocation’, provided in paragraph 1:

‘A trade mark shall be liable to revocation if, within a continuous period of five years, it has not been put to genuine use in the Member State in connection with the goods or services in respect of which it is registered, and there are no proper reasons for non-use.

However, no person may claim that the proprietor’s rights in a trade mark should be revoked where, during the interval between expiry of the five-year period and filing of the application for revocation, genuine use of the trade mark has been started or resumed.

The commencement or resumption of use within a period of three months preceding the filing of the application for revocation which began at the earliest on expiry of the continuous period of five years of

non-use shall be disregarded where preparations for the commencement or resumption occur only after the proprietor becomes aware that the application for revocation may be filed.'

- 7 Article 13 of Directive 2008/95, entitled 'Grounds for refusal or revocation or invalidity relating to only some of the goods or services', provided:

'Where grounds for refusal of registration or for revocation or invalidity of a trade mark exist in respect of only some of the goods or services for which that trade mark has been applied for or registered, refusal of registration or revocation or invalidity shall cover those goods or services only.'

### *German law*

- 8 Paragraph 26 of the Gesetz über den Schutz von Marken und sonstigen Kennzeichen (Markengesetz) (Law on the protection of trade marks and other distinctive signs) of 25 October 1994 (BGBl. 1994 I, p. 3082; 'the Law on trade marks'), entitled 'Use of the trade mark', provides:

'(1) Where the assertion of rights from a registered trade mark or the upholding of the registration depends on the trade mark having been used, it must have been genuinely used in this country by its proprietor for the goods or services in respect of which it is registered unless there are legitimate grounds for non-use.

(2) The use of the trade mark with the consent of the proprietor shall be deemed to constitute use by the proprietor.

(3) The use of the trade mark in a form which deviates from the registration shall also be deemed to constitute use of a registered trade mark in so far as the deviation does not change the distinctive character of the trade mark. The first sentence shall also be applied if the trade mark is likewise registered in the form in which it has been used.

(4) Use in this country shall be deemed to also include the affixing of the trade mark to goods or their wrapping or packaging in this country if the goods are exclusively intended for export.

(5) In so far as use within five years from the time of the registration is necessary, in cases in which an opposition has been lodged against the registration, the time of the registration shall be replaced by the time of the conclusion of the opposition proceedings.'

- 9 Paragraph 49 of the Law on trade marks, entitled 'Revocation', provides:

'(1) The registration of a trade mark shall be cancelled on request because of revocation if the trade mark has not been used after the date of registration in accordance with Paragraph 26 within an uninterrupted period of five years. The revocation of a trade mark may however not be claimed if use of the trade mark in accordance with Paragraph 26 has been commenced or resumed after the end of this period and prior to the filing of the application for cancellation. If however use is commenced or resumed following an uninterrupted period of five years of non-use within three months prior to the filing of the cancellation application, it shall remain unconsidered in so far as the preparations for the first or renewed use did not take place until the proprietor of the trade mark became aware of the fact that an application for cancellation may be filed ...

...

(3) If a ground for revocation only applies to some of the goods or services for which the trade mark has been registered, the registration shall be cancelled only for these goods or services.'

- 10 Paragraph 115 of the Law on trade marks, entitled 'Subsequent withdrawal of protection', is worded as follows:

‘(1) For internationally registered trade marks, the application or the action for withdrawal of protection shall take the place of the application or the action for cancellation of a trade mark due to revocation (Paragraph 49) ... .

(2) If an application for withdrawal of protection in accordance with Paragraph 49(1) is made due to lack of use, the date of the entry in the Register shall be replaced by the date

1. of the receipt of the communication on the granting of protection by the International Bureau of the World Intellectual Property Organisation, or

2. on which the time limit contained in Article 5(2) of the Madrid Agreement on Marks expired, if neither the communication under point 1 nor a communication on the provisional refusal of protection has been received at that time.’

- 11 Paragraph 124 of the Law on trade marks, entitled ‘Application, *mutatis mutandis*, of the provisions on the effect of trade marks internationally registered in accordance with the Madrid Agreement on Marks’, provides:

‘Paragraphs 112 to 117 shall be applied *mutatis mutandis* to internationally registered trade marks whose protection has been extended to the territory of the Federal Republic of Germany in accordance with Article 3 of the Protocol relating to the Madrid Agreement on Marks with the proviso that the provisions of the Madrid Agreement on Marks listed in Paragraphs 112 to 117 shall take the place of the corresponding provisions of the Protocol relating to the Madrid Agreement on Marks.’

### ***The Convention of 1892***

- 12 Article 5(1) of the Convention between Switzerland and Germany concerning the Reciprocal Protection of Patents, Designs and Trademarks, signed in Berlin on 13 April 1892, as amended (‘the Convention of 1892’), states that the legal disadvantages which, under the laws of the contracting parties, occur when a trade mark has not been used within a certain period of time are precluded if the use takes place in the territory of the other party.

### **The facts giving rise to the main proceedings and the questions referred for a preliminary ruling**

- 13 Ferrari is the proprietor of the following trade mark:



- 14 That mark was registered with the World Intellectual Property Organisation on 22 July 1987 as international trade mark 515 107 in respect of the following goods in Class 12 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:

‘Vehicles; apparatus for locomotion by land, air or water, in particular motor cars and parts thereof.’

- 15 The same mark was also registered with the Deutsches Patent- und Markenamt (German Patent and Trade Mark Office, Germany) on 7 May 1990 as mark No 11158448 for the following goods in Class 12:

‘Land vehicles, aircraft and water vehicles and parts thereof; motors and engines for land vehicles; car components, i.e. tow bars, luggage racks, ski racks, mudguards, snow chains, air deflectors, head restraints, seat belts, child safety seats.’

- 16 Since the Landgericht Düsseldorf (Regional Court, Düsseldorf, Germany) ordered the cancellation, on grounds of revocation, of the two Ferrari marks referred to in paragraphs 14 and 15 of this judgment (together ‘the marks at issue’) on the ground that, during a continuous period of five years, Ferrari had not made genuine use of those marks in Germany and in Switzerland, in respect of the goods for which they are registered, Ferrari appealed against the decisions of that court before the Oberlandesgericht Düsseldorf (Higher Regional Court, Düsseldorf, Germany).
- 17 The referring court states that Ferrari sold a sports car model under the designation ‘Testarossa’ between 1984 and 1991 and sold the follow-up models 512 TR and F512 M until 1996. According to the referring court, in 2014, Ferrari produced a one-off piece with the model designation ‘Ferrari F12 TRS’. It is apparent from the order for reference that, during the period relevant to the assessment of the use of the marks at issue, Ferrari used those trade marks to identify replacement and accessory parts of very high-priced luxury sports cars previously sold under those trade marks.
- 18 Taking the view that the use of a mark does not always have to be extensive in order to be genuine, and also taking into account the fact that Ferrari used the marks at issue in respect of high-priced sports cars which are typically only produced in small numbers, the referring court does not share the view expressed by the court of first instance that the extent of use demonstrated by Ferrari is not sufficient to establish genuine use of those marks.
- 19 However, according to the referring court, it is doubtful whether account may be taken of such particular features in the case of the marks at issue, since those marks were registered not in respect of high-priced luxury sports cars, but generally in respect of motor cars and parts thereof. The referring court takes the view that, if account is taken of whether the marks at issue have been put to genuine use in the mass market for motor cars and parts thereof, it would be necessary to find at the outset that no such use has been made of them.
- 20 The referring court adds that Ferrari claims to have resold, after inspection, used vehicles bearing the marks at issue. The court of first instance did not regard that as renewed use of the marks at issue since, following the first release onto the market of the goods bearing those marks, the rights which Ferrari derived from them had been exhausted and it was not in a position to prohibit the resale of those goods.
- 21 Since the concept of ‘right-maintaining use of a mark’ cannot go further than that of right-infringing use of a mark, acts of use which the proprietor of that mark cannot prohibit third parties from performing, cannot, according to the court of first instance, constitute right-maintaining use of that mark. For its part, Ferrari claimed that the sale of used vehicles bearing the marks at issue thereby comprised a renewed commitment in respect of the vehicle concerned and therefore constituted a renewed right-maintaining use of the marks at issue.
- 22 The referring court adds that, in the main proceedings, Ferrari claimed that it provided replacement and accessory parts in respect of the vehicles bearing the marks at issue and offered maintenance services for those vehicles. In that regard, the referring court states that the court of first instance found that, between 2011 and 2016, turnover of approximately EUR 17 000 was achieved with the replacement parts actually sold by Ferrari in respect of the vehicles bearing the marks at issue, which was not sufficient to constitute right-maintaining use of the marks at issue. It is true that there are only 7 000 vehicles worldwide bearing the marks at issue. However, that fact alone does not explain the small quantities of replacement parts sold under the marks at issue.
- 23 While being aware of the case-law arising from the judgment of 11 March 2003, *Ansul* (C-40/01, EU:C:2003:145), the referring court observes, first, that it follows from the ‘Guidelines for examination of European Union trade marks’ (Part C, Section 6, No 2.8) of the European Union Intellectual Property Office (EUIPO) that the application of that case-law should remain exceptional.
- 24 Second, the referring court takes the view that there is a particular feature in the main proceedings, since the marks at issue also claim protection in respect of parts of motor cars, so that the application of the

case-law arising from the judgment of 11 March 2003, *Ansul* (C-40/01, EU:C:2003:145) would mean that the marks at issue which have been used in respect of parts of motor cars are also used in respect of the motor cars, even if those motor cars have not been sold under those marks for more than 25 years. Furthermore, the question arises of whether genuine use of a mark can result from the fact that its proprietor still holds replacement parts and offers services in respect of the goods previously sold under that mark, but does not use that trade mark to designate those parts or services.

- 25 In relation to the territorial extent of the use required by Article 12(1) of Directive 2008/95, the referring court notes that that provision requires use ‘in the Member State concerned’. Relying on the judgment of 12 December 2013, *Rivella International v OHIM* (C-445/12 P, EU:C:2013:826, paragraphs 49 and 50), it notes that the Court has held that the use of a trade mark in Switzerland does not prove genuine use of the trade mark in Germany. However, the case-law of the Bundesgerichtshof (Federal Court of Justice, Germany) assumes that the Convention of 1892 is still in force and is to be applied by the German courts, having regard to Article 351 TFEU. Such an application could, nevertheless, give rise to difficulties, in the case of a German trade mark which, although it cannot be cancelled under German law, cannot be relied on in opposition proceedings to preclude the registration of a trade mark of the European Union either.
- 26 Lastly, the referring court observes that, in the main proceedings, the question also arises as to which party must bear the burden of proving genuine use of a trade mark. In accordance with German case-law, the general principles of civil procedure are to be applied, which means that, also in the case of an application for revocation for non-use of a registered mark, it is the party bringing the action which bears the burden of proving the facts on which that application is based, even if these facts are negative facts, such as the lack of use of a mark.
- 27 In order to take into account the fact that the precise circumstances of the use of a mark are often beyond the knowledge of the applicant for revocation, German case-law imposes on the proprietor of the trade mark concerned a secondary burden to explain in a substantiated and comprehensive manner how it has used it. Once the proprietor of the trade mark has discharged that burden of explanation, it is for the applicant for the cancellation of that mark to disprove those explanations.
- 28 The application of those principles to the main proceedings would mean that a ruling could be given on those proceedings without an evidentiary hearing, since Ferrari has sufficiently explained in a substantiated manner the acts of use which it performed and has also offered proof, although DU confines himself to contesting Ferrari’s submission without offering any proof of his own. He would therefore have to be regarded as not having discharged the burden of proof. If, on the other hand, that burden of proof was to lie with Ferrari, as the proprietor of the marks at issue, the proof offered by it would have to be examined.
- 29 In those circumstances, the Oberlandesgericht Düsseldorf (Higher Regional Court, Düsseldorf) decided to stay the proceedings and to refer the following questions, which are identical in both cases, to the Court of Justice for a preliminary ruling:
- ‘(1) When assessing the question of whether use is genuine in terms of nature and extent within the meaning of Article 12(1) of [Directive 2008/95] in the case of a trade mark which is registered in respect of a broad category of goods, in this case land vehicles, in particular motor cars and parts thereof, but is actually only used in respect of a particular market segment, in this case high-priced luxury sports cars and parts thereof, is account to be taken of the market for the registered category of goods overall or may account be taken of the particular segment? If the use in respect of the particular market segment is sufficient, is the trade mark to be maintained in relation to that market segment in cancellation proceedings due to revocation?
- (2) Does the sale of used goods which have already been released onto the market by the trade mark proprietor in the European Economic Area constitute use of the trade mark by the trade mark proprietor within the meaning of Article 12(1) of [Directive 2008/95]?

- (3) Is a trade mark which is registered not only in respect of a product, but also in respect of parts of that product also used in a right-maintaining manner in respect of the product if that product is no longer sold, but there are still sales of trademarked accessory and replacement parts for the trademarked product sold in the past?
- (4) When assessing whether there is genuine use, is consideration also to be given to whether the trade mark proprietor offers services which do not use the trade mark but are intended for the goods already sold?
- (5) When examining the use of the trade mark in the Member State concerned (in this case Germany) within the meaning of Article 12(1) of [Directive 2008/95], pursuant to Article 5 of the [Convention of 1892], are uses of the trade mark in Switzerland also to be taken into consideration?
- (6) Is it compatible with [Directive 2008/95] to require the trade mark proprietor against which action is being taken due to revocation of the trade mark to comprehensively explain the use of the trade mark, but to impose the risk of evidence not being furnished on the cancellation applicant?

### **Consideration of the questions referred**

#### ***The first and third questions***

- 30 By its first and third questions, the referring court asks, in essence, whether Article 12(1) and Article 13 of Directive 2008/95 must be interpreted as meaning that a trade mark registered in respect of a category of goods and the replacement parts thereof, such as motor cars and parts thereof, must be regarded as having been put to ‘genuine use’, within the meaning of Article 12(1), for all of the goods falling within that category and replacement parts thereof, if it has been so used only in respect of some of those goods, such as high-priced luxury sports cars, or only in respect of replacement parts or accessories of some of those goods.
- 31 In the first place, it should be borne in mind that, under Article 12(1) of Directive 2008/95, a trade mark is liable to revocation if, within a continuous period of five years, it has not been put to genuine use in the Member State in connection with the goods or services in respect of which it is registered, and there are no proper reasons for the non-use of that mark.
- 32 The Court has held that Article 12(1) of Directive 2008/95 must be interpreted as meaning that there is ‘genuine use’ of a trade mark where the mark is used in accordance with its essential function, which is to guarantee the identity of the origin of the goods or services for which it is registered, in order to create or preserve an outlet for those goods or services; genuine use does not include token use for the sole purpose of preserving the rights conferred by the mark (judgment of 11 March 2003, *Ansul*, C-40/01, EU:C:2003:145, paragraph 43).
- 33 When assessing whether use of the trade mark is genuine, regard must be had to all the facts and circumstances relevant to establishing whether the commercial exploitation of the mark is real, particularly whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods or services protected by the mark, the nature of those goods or services, the characteristics of the market and the scale and frequency of use of the mark (judgment of 11 March 2003, *Ansul*, C-40/01, EU:C:2003:145, paragraph 43).
- 34 The fact that a mark is not used for goods newly available on the market but for goods that were sold in the past does not mean that its use is not genuine, if the proprietor makes actual use of the same mark for component parts that are integral to the make-up or structure of such goods, or for goods or services directly connected with the goods previously sold and intended to meet the needs of customers of those goods (judgment of 11 March 2003, *Ansul*, C-40/01, EU:C:2003:145, paragraph 43).

- 35 It follows from that case-law that the use, by its proprietor, of a registered trade mark in respect of replacement parts forming an integral part of the goods covered by that mark is capable of constituting ‘genuine use’, within the meaning of Article 12(1) of Directive 2008/95, not only for the replacement parts themselves but also for the goods covered by that mark. It is irrelevant in that regard that the registration of that mark covers not only entire goods but also replacement parts thereof.
- 36 In the second place, according to Article 13 of Directive 2008/95, where grounds for revocation, such as those provided for in Article 12(1) of that directive, exist in respect of only some of the goods or services for which that trade mark has been applied for or registered, revocation is to cover those goods or services only.
- 37 With regard to the concept of ‘some of the goods or services’ referred to in Article 13 of Directive 2008/95, it should be noted that a consumer who wishes to purchase a product or service in a category of goods or services that has been defined particularly precisely and narrowly, but within which it is not possible to make any significant sub-divisions, will associate all the goods or services belonging to that category with a mark registered in respect of that category of goods or services, such that that trade mark will fulfil its essential function of guaranteeing the origin of those goods or services. Accordingly, it is sufficient to require the proprietor of such a mark to adduce proof of genuine use of his trade mark in relation to some of the goods or services in that homogeneous category (see, by analogy, judgment of 16 July 2020, *ACTC v EUIPO*, C-714/18 P, EU:C:2020:573, paragraph 42).
- 38 On the other hand, with regard to goods or services in a broad category of goods, which may be subdivided into several independent subcategories, it is necessary to require the proprietor of a mark registered in respect of that category of goods or services to adduce proof of genuine use of his mark for each of those independent subcategories, failing which he will be liable to forfeit his rights to the trade mark in respect of those independent subcategories for which he has not adduced such proof (see, by analogy, judgment of 16 July 2020, *ACTC v EUIPO*, C-714/18 P, EU:C:2020:573, paragraph 43).
- 39 Indeed, if the proprietor of a mark has registered his trade mark for a wide range of goods or services which he may potentially market, but which he has not done during a continuous period of five years, his interest in enjoying the protection of his mark for those goods or services cannot prevail over his competitors’ interest in using an identical or similar sign for those goods or services, or even in applying for registration of that sign as a trade mark (see, by analogy, judgment of 16 July 2020, *ACTC v EUIPO*, C-714/18 P, EU:C:2020:573, paragraph 43).
- 40 With regard to the relevant criterion or criteria to apply for the purposes of identifying a coherent subcategory of goods or services capable of being viewed independently, the criterion of the purpose and intended use of the goods or services at issue is the essential criterion for defining an independent subcategory of goods (see, by analogy, judgment of 16 July 2020, *ACTC v EUIPO*, C-714/18 P, EU:C:2020:573, paragraph 44).
- 41 It is important therefore to assess in a concrete manner – principally in relation to the goods or services for which the proprietor of a mark has furnished proof of use of his mark – whether those goods or services constitute an independent subcategory in relation to the goods and services falling within the class of goods or services concerned, so as to link the goods or services for which genuine use of the mark has been proved to the category of goods or services covered by the registration of that trade mark (judgment of 16 July 2020, *ACTC v EUIPO*, C-714/18 P, EU:C:2020:573, paragraph 46).
- 42 It follows from the considerations set out in paragraphs 37 to 41 of this judgment that the concept of ‘particular market segment’, referred to by the referring court, is not, as such, relevant to the assessment of whether the goods or services in respect of which the proprietor of a trade mark has used it fall within an independent subcategory of the category of goods or services in respect of which that mark was registered.
- 43 As is apparent from paragraph 37 of this judgment, the only relevant question in that regard is whether a consumer who wishes to purchase a product or service falling within the category of goods or services

covered by the trade mark in question will associate all the goods or services belonging to that category with that mark.

- 44 Such a situation cannot be excluded on the sole ground that, according to an economic analysis, the various goods or services included within that category belong to different markets, or to different market segments. This is all the more the case where there is a legitimate interest of the proprietor of a trade mark in expanding his range of goods or services for which his trade mark is registered (see, by analogy, judgment of 16 July 2020, *ACTC v EUIPO*, C-714/18 P, EU:C:2020:573, paragraph 51).
- 45 In the present case, in so far as the referring court states that the proprietor of the marks in question in the main proceedings has used those marks for replacement parts and accessories for ‘very high-priced luxury sports cars’, it must be noted, first, that it follows from the considerations set out in paragraphs 40 and 42 to 44 of this judgment that the mere fact that the goods in respect of which a mark has been used are sold at a particularly high price and, consequently, may belong to a specific market is not sufficient for them to be regarded as an independent subcategory of the class of goods in respect of which that mark was registered.
- 46 Secondly, it is true that cars referred to as ‘sports cars’ are high-performance cars and therefore are capable of being used in motor sports. However, this is only one of the possible intended uses for such cars, which are also capable of being used, like any other car, for the transport by road of people and their personal effects.
- 47 Where the goods covered by a mark have several purposes and intended uses – as is often the case – determining whether there exists a separate subcategory of goods by considering in isolation each of the purposes that those goods may have will not be possible, since such an approach does not enable independent subcategories to be identified coherently and has the effect of limiting excessively the rights of the proprietor of the mark (see, by analogy, judgment of 16 July 2020, *ACTC v EUIPO*, C-714/18 P, EU:C:2020:573, paragraph 51).
- 48 It follows that the mere fact that the cars in respect of which a mark has been used are referred to as ‘sports cars’ is not sufficient to consider that they belong to an independent subcategory of cars.
- 49 Thirdly and lastly, the concept of ‘luxury’, to which the terms ‘luxury cars’, used by the referring court, refer, could be relevant to several types of cars, so that the fact that cars in respect of which a trade mark has been used are classified as ‘luxury cars’ is likewise not sufficient for them to be regarded as an independent subcategory of cars.
- 50 It therefore appears, subject to verification by the referring court, that the fact that the company which is the proprietor of the marks in question in the main proceedings has used those marks in respect of replacement parts and accessories for ‘very high-priced luxury sports cars’ is not sufficient to establish that it has used those marks in respect of only some of the goods covered by them, for the purposes of Article 13 of Directive 2008/95.
- 51 However, even if the circumstance that a trade mark has been used for goods classified as ‘very high-priced’ cannot suffice for those goods to be regarded as an independent subcategory of the goods in respect of which that mark was registered, the fact remains that it is relevant to the assessment of whether that mark has been put to ‘genuine use’ within the meaning of Article 12(1) of Directive 2008/95.
- 52 That circumstance is capable of demonstrating that, despite the relatively low number of product units sold under the trade mark concerned, the use which has been made of that mark has not been token, but constitutes use of that mark in accordance with its essential function, a use which, according to the case-law cited in paragraph 32 of this judgment, must be classified as ‘genuine use’ within the meaning of Article 12(1) of Directive 2008/95.

53 In the light of all the foregoing considerations, the answer to the first and third questions is that Article 12(1) and Article 13 of Directive 2008/95 must be interpreted as meaning that a trade mark registered in respect of a category of goods and replacement parts thereof must be regarded as having been put to ‘genuine use’ within the meaning of Article 12(1), in connection with all the goods in that category and the replacement parts thereof, if it has been so used only in respect of some of those goods, such as high-priced luxury sports cars, or only in respect of replacement parts or accessories of some of those goods, unless it is apparent from the relevant facts and evidence that a consumer who wishes to purchase those goods will perceive them as an independent subcategory of the category of goods in respect of which the mark concerned was registered.

### *The second question*

54 By its second question, the referring court asks, in essence, whether Article 12(1) of Directive 2008/95 must be interpreted as meaning that a trade mark is capable of being put to genuine use by its proprietor when that proprietor resells second-hand goods put on the market under that mark.

55 It should be noted that it is true that the resale, as such, of a second-hand product bearing a trade mark does not mean that that mark is being ‘used’ within the meaning of the case-law cited in paragraph 32 of this judgment. That mark was used when it was affixed by its proprietor onto the new product when that product was first put on the market.

56 However, if the proprietor of the trade mark concerned actually uses that mark, in accordance with its essential function which is to guarantee the identity of the origin of the goods for which it was registered, when reselling second-hand goods, such use is capable of constituting ‘genuine use’ of that mark within the meaning of Article 12(1) of Directive 2008/95.

57 Article 7(1) of Directive 2008/95 on the exhaustion of the rights conferred by a trade mark confirms that interpretation.

58 According to that provision, a trade mark does not entitle the proprietor to prohibit its use in relation to goods which have already been put on the market in the European Union under that trade mark by the proprietor or with his consent.

59 Accordingly, a trade mark is capable of being put to use in respect of goods already put on the market under that trade mark. The fact that the proprietor of the trade mark cannot prohibit third parties from using his trade mark in respect of goods already put on the market under that mark does not mean that he cannot use it himself in respect of such goods.

60 Consequently, the answer to the second question is that Article 12(1) of Directive 2008/95 must be interpreted as meaning that a trade mark is capable of being put to genuine use by its proprietor when that proprietor resells second-hand goods put on the market under that mark.

### *The fourth question*

61 By its fourth question, the referring court asks, in essence, whether Article 12(1) of Directive 2008/95 must be interpreted as meaning that a trade mark is put to genuine use by its proprietor where that proprietor provides certain services connected with the goods previously sold under that mark, but does not use that mark when providing those services.

62 According to the Court’s case-law cited in paragraph 34 of this judgment, the actual use, by its proprietor, of a trade mark registered in respect of certain goods, for services which are directly connected with the goods previously sold and intended to meet the needs of customers of those goods, is capable of constituting ‘genuine use’ of that mark, within the meaning of Article 12(1) of Directive 2008/95.

63 However, it is apparent from that case-law that such use presupposes actual use of the trade mark concerned when the services in question are provided. In the absence of use of that mark, there can obviously be no question of ‘genuine use’ of that mark within the meaning of Article 12(1) of Directive 2008/95.

64 Accordingly, the answer to the fourth question is that Article 12(1) of Directive 2008/95 must be interpreted as meaning that a trade mark is put to genuine use by its proprietor where that proprietor provides certain services connected with the goods previously sold under that mark, on condition that those services are provided under that mark.

### *The fifth question*

65 By its fifth question, the referring court asks, in essence, whether Article 351 TFEU must be interpreted as meaning that it allows a court of a Member State to apply a convention concluded before 1 January 1958 or, for States acceding to the European Union, before the date of their accession, such as the Convention of 1892, which provides that the use of a trade mark registered in that Member State in the territory of the non-member State which is a contracting party to that convention must be taken into consideration in order to determine whether that mark has been put to ‘genuine use’ within the meaning of Article 12(1) of Directive 2008/95.

66 It is relevant that, in so far as Article 12(1) of Directive 2008/95 refers to genuine use of a trade mark ‘in the Member State concerned’, it excludes the taking into consideration of use in a non-member State, such as the Swiss Confederation.

67 However, since the Convention of 1892 was concluded before 1 January 1958, Article 351 TFEU applies. Under the second paragraph of that provision, Member States are required to take all appropriate steps to eliminate the incompatibilities between an agreement concluded before a Member State’s accession and the TFEU.

68 It follows that the referring court must ascertain whether a possible incompatibility between EU law and the Convention of 1892 can be avoided by interpreting that convention, to the extent possible and in compliance with international law, in such a way that it is consistent with EU law (see, by analogy, judgment of 18 November 2003, *Budějovický Budvar*, C-216/01, EU:C:2003:618, paragraph 169).

69 If it is not possible to interpret the Convention of 1892 in such a way that it is consistent with EU law, the Federal Republic of Germany is obliged to take the necessary measures to eliminate the incompatibility of that convention with EU law, where appropriate, by denouncing it. However, pending such elimination, the first paragraph of Article 351 TFEU permits it to continue to apply that convention (see, to that effect, judgment of 18 November 2003, *Budějovický Budvar*, C-216/01, EU:C:2003:618, paragraphs 170 to 172).

70 Admittedly, as the referring court observes, the application of the Convention of 1892 by the Federal Republic of Germany may give rise to difficulties, in so far as a mark registered in Germany, while capable of being maintained in the register only on the basis of genuine use in the territory of the Swiss Confederation, could not be relied on to preclude the registration of an EU trade mark since, in a situation where a request is made for proof of genuine use of that trade mark in the context of opposition proceedings, the proprietor of that trade mark would not be in a position to provide such proof in the territory of the European Union alone.

71 However, those difficulties are the inevitable consequence of the incompatibility of the Convention of 1892 with EU law and can be removed only once that incompatibility has been eliminated, which the Federal Republic of Germany is required to do under the second paragraph of Article 351 TFEU.

72 In the light of all the foregoing considerations, the answer to the fifth question is that the first paragraph of Article 351 TFEU must be interpreted as allowing a court of a Member State to apply a convention concluded between a Member State of the European Union and a non-member State before 1 January 1958

or, for States acceding to the European Union, before the date of their accession, such as the Convention of 1892, which provides that the use of a trade mark registered in that Member State in the territory of the non-member State must be taken into consideration in order to determine whether that mark has been put to 'genuine use' within the meaning of Article 12(1) of Directive 2008/95, until such time as one of the steps referred to in the second paragraph of Article 351 TFEU makes it possible to eliminate any incompatibilities between the TFEU and that convention.

### *The sixth question*

- 73 By its sixth question, the referring court asks, in essence, whether Article 12(1) of Directive 2008/95 must be interpreted as meaning that the burden of proof that a trade mark has been put to 'genuine use', within the meaning of that provision, rests on the proprietor of that mark.
- 74 The referring court states, in that regard, that, according to the general principles of civil procedure applicable in Germany, in a situation where an application for revocation of a trade mark for non-use is made, the burden of proving non-use of the mark concerned lies with the applicant, the proprietor of that mark being only required to explain in a substantiated and comprehensive manner how he or she has used it, without however being required to provide evidence thereof.
- 75 It should be noted that, admittedly, recital 6 of Directive 2008/95 states, in particular, that Member States should remain free to fix the provisions of procedure concerning the revocation of trade marks acquired by registration.
- 76 However, it cannot be inferred that the question of the burden of proof in respect of genuine use, within the meaning of Article 12(1) of Directive 2008/95, in the context of proceedings relating to revocation of a trade mark for non-use constitutes such a procedural provision falling within the competence of Member States (see, by analogy, judgment of 19 June 2014, *Oberbank and Others*, C-217/13 and C-218/13, EU:C:2014:2012, paragraph 66).
- 77 If the question of the burden of proof in respect of genuine use of a mark in the context of revocation proceedings for non-use of that mark were a matter for the national law of the Member States, the consequence for proprietors of trade marks could be that protection would vary according to the legal system concerned, with the result that the objective of 'the same protection under the legal systems of all the Member States' set out in recital 10 of Directive 2008/95, where it is described as 'fundamental', would not be attained (see, by analogy, judgment of 19 June 2014, *Oberbank and Others*, C-217/13 and C-218/13, EU:C:2014:2012, paragraph 67 and the case-law cited).
- 78 It should also be borne in mind that, in the judgment of 26 September 2013, *Centrotherm Systemtechnik v OHIM* (C-610/11 P, EU:C:2013:593, paragraph 61), the Court held, with regard to the revocation of an EU trade mark, that the principle under which it is for the proprietor of the mark to prove genuine use of that mark is in reality merely an application of common sense and requirements of procedural efficacy.
- 79 The Court inferred from this that it is, in principle, for the proprietor of an EU trade mark to which an application for revocation relates to establish genuine use of that mark (judgment of 26 September 2013, *Centrotherm Systemtechnik v OHIM and centrotherm Clean Solutions*, C-610/11 P, EU:C:2013:593, paragraph 63).
- 80 Those considerations are also valid with regard to proof in respect of genuine use, within the meaning of Article 12(1) of Directive 2008/95, of a trade mark registered in a Member State.
- 81 The Court finds that it is the proprietor of the mark at issue which is best placed to adduce evidence in support of the assertion that its mark has been put to genuine use (see, by analogy, judgment of 19 June 2014, *Oberbank and Others*, C-217/13 and C-218/13, EU:C:2014:2012, paragraph 70).

82 Consequently, the answer to the sixth question is that Article 12(1) of Directive 2008/95 must be interpreted as meaning that the burden of proof that a trade mark has been put to ‘genuine use’, within the meaning of that provision, rests on the proprietor of that mark.

### Costs

83 Since these proceedings are, for the parties to the main proceedings, a step in the action pending before the referring court, the decision on costs is a matter for that court. Costs incurred in submitting observations to the Court, other than the costs of those parties, are not recoverable.

On those grounds, the Court (Fourth Chamber) hereby rules:

1. **Article 12(1) and Article 13 of Directive 2008/95/EC of the European Parliament and of the Council of 22 October 2008 to approximate the laws of the Member States relating to trade marks must be interpreted as meaning that a trade mark registered in respect of a category of goods and replacement parts thereof must be regarded as having been put to ‘genuine use’ within the meaning of Article 12(1), in connection with all the goods in that category and the replacement parts thereof, if it has been so used only in respect of some of those goods, such as high-priced luxury sports cars, or only in respect of replacement parts or accessories of some of those goods, unless it is apparent from the relevant facts and evidence that a consumer who wishes to purchase those goods will perceive them as an independent subcategory of the category of goods in respect of which the mark concerned was registered.**
2. **Article 12(1) of Directive 2008/95 must be interpreted as meaning that a trade mark is capable of being put to genuine use by its proprietor when that proprietor resells second-hand goods put on the market under that mark.**
3. **Article 12(1) of Directive 2008/95 must be interpreted as meaning that a trade mark is put to genuine use by its proprietor where that proprietor provides certain services connected with the goods previously sold under that mark, on condition that those services are provided under that mark.**
4. **The first paragraph of Article 351 TFEU must be interpreted as allowing a court of a Member State to apply a convention concluded between a Member State of the European Union and a non-member State before 1 January 1958 or, for States acceding to the European Union, before the date of their accession, such as the Convention between Switzerland and Germany concerning the Reciprocal Protection of Patents, Designs and Trademarks, signed in Berlin on 13 April 1892, as amended, which provides that the use of a trade mark registered in that Member State in the territory of the non-member State must be taken into consideration in order to determine whether that mark has been put to ‘genuine use’ within the meaning of Article 12(1) of Directive 2008/95, until such time as one of the steps referred to in the second paragraph of Article 351 TFEU makes it possible to eliminate any incompatibilities between the TFEU and that convention.**
5. **Article 12(1) of Directive 2008/95 must be interpreted as meaning that the burden of proof that a trade mark has been put to ‘genuine use’, within the meaning of that provision, rests on the proprietor of that mark.**

[Signatures]

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— Language of the case: German.