

JUDGMENT OF THE GENERAL COURT (Third Chamber)

17 April 2024 (*)

(EU trade mark – Application for the EU word mark Pablo Escobar – Absolute ground for refusal – Trade mark contrary to public policy and to accepted principles of morality – Article 7(1)(f) of Regulation (EU) 2017/1001 – Presumption of innocence)

In Case T-255/23,

Escobar Inc., established in Guaynabo, Puerto Rico (United States), represented by D. Slopek, lawyer,

applicant,

v

European Union Intellectual Property Office (EUIPO), represented by T. Klee, acting as Agent,

defendant,

THE GENERAL COURT (Third Chamber),

composed of F. Schalin, President, P. Škvařilová-Pelzl (Rapporteur) and I. Nömm, Judges,

Registrar: V. Di Bucci,

having regard to the written part of the procedure,

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

gives the following

Judgment

1 By its action under Article 263 TFEU, the applicant, Escobar Inc., seeks the annulment of the decision of the Fifth Board of Appeal of the European Union Intellectual Property Office (EUIPO) of 21 February 2023 (Case R 1364/2022-5) ('the contested decision').

Background to the dispute

2 On 30 September 2021, the applicant filed an application for registration of an EU trade mark with EUIPO in respect of the word sign Pablo Escobar.

3 The mark applied for covered goods and services in Classes 3, 5, 9, 10, 12 to 16, 18, 20, 21, 24 to 26 and 28 to 45 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.

4 By decision of 1 June 2022, the examiner rejected, in respect of all the goods and services covered, the application for registration of that mark, on the basis of Article 7(1)(f) of 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).

5 On 26 July 2022, the applicant filed a notice of appeal with EUIPO against the examiner's decision.

6 By the contested decision, the Fifth Board of Appeal of EUIPO dismissed the appeal on the ground that the mark applied for was contrary to public policy and to accepted principles of morality, within the meaning of Article 7(1)(f) of Regulation 2017/1001.

Forms of order sought

7 The applicant claims that the Court should:

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

8 EUIPO contends that the Court should:

- dismiss the action;
- order the applicant to pay the costs in the event that a hearing is convened.

Law

9 The applicant relies, in essence, on three pleas in law, alleging, first, infringement of Article 7(1)(f) of Regulation 2017/1001, second, infringement of Article 94(1) of that regulation and, third, infringement of the right to the presumption of innocence, as enshrined in Article 48(1) of the Charter of Fundamental Rights of the European Union ('the Charter').

10 Although the second plea, as a procedural plea, should in principle be examined before the first and third pleas, which are substantive pleas (see, to that effect, judgment of 4 July 2007, *Bouygues and Bouygues Télécom v Commission*, T-475/04, EU:T:2007:196, paragraph 43), the Court considers it appropriate, in the circumstances of the present case, to examine those pleas in the order in which they are set out in the application.

The first plea in law, alleging infringement of Article 7(1)(f) of Regulation 2017/1001

11 The applicant complains that, in the contested decision, the Board of Appeal misinterpreted or misapplied Article 7(1)(f) of Regulation 2017/1001, as interpreted by the case-law, in finding that the mark applied for was contrary to public policy and to accepted principles of morality.

12 The applicant submits that, in the absence of a definition of the concepts of 'public policy' and 'accepted principles of morality' in Article 7(1)(f) of Regulation 2017/1001, the case-law states that the examination of whether a sign is contrary to public policy or to accepted principles of morality must be carried out in relation to the perception of the relevant public in the European Union or a substantial part of it, which could, where appropriate, correspond to the territory of a single Member State, because public policy and accepted principles of morality may differ from one part of the European Union to another or from one Member State to another. According to the applicant, reference must necessarily be made, in that regard, to the perception of a majority of that public. Furthermore, according to the case-law, it is necessary to take into account the perception of that majority at the time when the examination is carried out. Lastly, in accordance with the case-law, Article 7(1)(f) of Regulation 2017/1001 must be applied in a cautious and narrow manner and an infringement of 'public policy' and 'accepted principles of morality' should be found only where a sign is actually perceived as being incompatible with the fundamental moral values and standards of society.

13 In that regard, the applicant criticises the Board of Appeal for having, in the contested decision, applied Article 7(1)(f) of Regulation 2017/1001 too liberally, by not examining whether a majority of the Spanish public, the only one taken into account by the Board of Appeal, would perceive the mark applied for as being immoral.

14 Furthermore, according to the applicant, the Board of Appeal failed to take account of the fact that, by definition, the names of characters such as 'Robin Hood', which have become mythical, symbolic or archetypal in mainstream popular culture, even when associated with crimes, no longer fall within the scope of Article 7(1)(f) of Regulation 2017/1001. Accordingly, the names of Bonnie and Clyde, Al Capone or Che Guevara have already been registered as EU trade marks. Pablo Escobar, because of his many good deeds for the poor in Colombia, has become a mythical figure in mainstream popular culture, as evidenced by the entry about him in the online encyclopaedia Wikipedia, the successful series 'Narcos' broadcast worldwide, including in Spain, and the fact that during his lifetime he was nicknamed the 'Robin Hood of Colombia'. In that regard, the reference made by the Board of Appeal, in paragraph 68 of the contested decision, to its own decision of 23 April 2021 in Case R 459/2020-5, *Boy London*, is irrelevant in the present case, since it relates to a symbol of the punk subculture which refers to Nazi ideology, which is almost unanimously repudiated, and concerns a different period and socio-cultural context.

15 EUIPO disputes the applicant's arguments.

16 In that regard, it should be borne in mind that pursuant to Article 7(1)(f) of Regulation 2017/1001, trade marks which are contrary to public policy or to accepted principles of morality are not to be registered.

- 17 As the Board of Appeal correctly pointed out in paragraphs 21 to 23 of the contested decision, the relevant public cannot be limited, for the purposes of the examination of the ground for refusal provided for in Article 7(1)(f) of Regulation 2017/1001, solely to the public to which the goods and services in respect of which registration is sought are directly addressed. Consideration must be given to the fact that the sign caught by that ground for refusal will shock not only the public to which the goods and services designated by the sign are addressed, but also other persons who, without being concerned by those goods and services, will encounter that sign incidentally in their day-to-day lives (see judgment of 15 March 2018, *La Mafia Franchises v EUIPO – Italy (La Mafia SE SIENTA A LA MESA)*, T-1/17, EU:T:2018:146, paragraph 27 and the case-law cited).
- 18 In addition, in order to apply that ground for refusal, it is necessary to take account not only of the circumstances common to all Member States of the European Union but also the particular circumstances of individual Member States which are likely to influence the perception of the relevant public within those States (see judgment of 15 March 2018, *La Mafia SE SIENTA A LA MESA*, T-1/17, EU:T:2018:146, paragraph 29 and the case-law cited).
- 19 In paragraph 24 of the contested decision, the Board of Appeal found that the goods and services covered by the mark applied for were aimed at a professional public and at the general public, whose level of attention would vary from low, in respect of everyday consumer goods, to high, in respect of very sophisticated goods or services. However, as stated in paragraphs 28 to 34 of the contested decision, it chose to assess, in the present case, the existence of the ground for refusal referred to in Article 7(1)(f) of Regulation 2017/1001 in relation to the Spanish public, on the ground that that was the public most familiar with the Colombian national called Pablo Escobar, born on 1 December 1949 and presumed to be a drug lord and narco-terrorist who founded and was the sole leader of the Medellín cartel (Colombia), on account of the privileged links, in particular historical links, between Spain and Colombia.
- 20 Those assessments, which, moreover, are not disputed by the parties, appear to be well founded and may be upheld, with the result that, in the present case, it is necessary to focus on the relevant Spanish public in order to assess, for the purposes of examining the present plea, the existence of the absolute ground for refusal referred to in Article 7(1)(f) of Regulation 2017/1001.
- 21 In paragraphs 46 to 54 of the contested decision, the Board of Appeal found that at least a non-negligible part of the relevant Spanish public would associate the mark applied for with Pablo Escobar, perceived as a symbol of a drug lord and a narco-terrorist.
- 22 In paragraphs 55 to 69 of the contested decision, it found that the mark applied for, understood in the manner referred to in paragraph 21 above, would be perceived as being contrary to public policy and to accepted principles of morality by the non-negligible part of the relevant Spanish public which would associate it with the crimes committed by the Medellín cartel or directly attributed to Pablo Escobar, which were unacceptable in modern democratic societies, as they were absolutely contrary to the recognised ethical and moral principles, not only in Spain but also in all EU Member States, and constituted one of the most serious threats to the fundamental interests of society and the maintenance of social peace and order. The mark applied for contradicts, for a non-negligible part of the general public exposed to it, the indivisible and universal values on which the European Union is founded, namely human dignity, freedom, equality and solidarity, and the principles of democracy and the rule of law, as proclaimed in the Charter, and the right to life and physical integrity. Furthermore, for the many consumers of the goods and services at issue who, in particular in Spain, share those values, the mark applied for could be perceived as being highly offensive or shocking, as an apology of crime and a trivialisation of the suffering caused to thousands of people killed or injured by the Medellín cartel, of which Pablo Escobar was the presumed leader. That suffering is not erased by the actions in favour of the poor or the role of ‘Robin Hood’ which the applicant or many Colombians attribute to Pablo Escobar in Colombia, or by the fact that he has become an icon of popular culture in Spain.
- 23 Lastly, in paragraphs 70 to 78 of the contested decision, the Board of Appeal rejected the applicant’s arguments alleging that signs identical with, or similar to, the mark applied for had already been applied for or registered, as trade marks, by national offices or by EUIPO, observing that, in some of those decisions, the signs at issue had been refused registration on the ground that they were contrary to public policy and to accepted principles of morality, and that, in any event and according to the case-law, the Board of Appeal was not bound by those decisions and had to rule solely on the basis of Regulation 2017/1001.
- 24 However, the applicant complains that the Board of Appeal did not examine, in the contested decision, whether the majority of that public would perceive the mark applied for as being immoral. It should be borne in mind that, according to the case-law, the assessment of the existence of a ground for refusal under Article 7(1)(f) of Regulation 2017/1001 cannot be based either on the perception of the majority of the relevant public taken into account or on that of the parts of that public that does not find anything shocking or that may be very easily offended, but must be based on the standard of a reasonable person with average sensitivity and tolerance thresholds (see, to that effect, judgment of 15 March 2018, *La Mafia SE SIENTA A LA MESA*, T-1/17, EU:T:2018:146, paragraph 26 and the case-

law cited; see also, to that effect, judgment of 27 February 2020, *Constantin Film Produktion v EUIPO*, C-240/18 P, EU:C:2020:118, paragraph 42).

- 25 In the contested decision, the Board of Appeal correctly referred, in the light of the case-law cited in paragraph 24 above, to the perception of the persons who, within the relevant Spanish public taken into account, could be regarded as reasonable and having average sensitivity and tolerance thresholds and who, as such, shared the indivisible and universal values on which the European Union is founded.
- 26 Accordingly, the applicant is not justified in claiming that the Board of Appeal misinterpreted or misapplied or applied Article 7(1)(f) of Regulation 2017/1001 too liberally, by not referring, in that regard, to the perception of the majority of the persons making up the relevant Spanish public taken into account.
- 27 Furthermore, in the contested decision, the Board of Appeal was justified in finding that the persons referred to in paragraph 25 above would associate the name of Pablo Escobar with drug trafficking and narco-terrorism and with the crimes and suffering resulting therefrom, rather than with his possible good deeds in favour of the poor in Colombia, and would therefore perceive the mark applied for, corresponding to that name, as running counter to the fundamental values and moral standards prevailing within Spanish society.
- 28 The fact, evidenced by the documents produced in the file by the applicant, that the names of Bonnie and Clyde, Al Capone or Che Guevara have already been registered as EU trade marks, which have subsequently either expired or been cancelled, is not such as to call into question the assessments by which the Board of Appeal correctly interpreted and applied, in the present case, Article 7(1)(f) of Regulation 2017/1001, as interpreted by the case-law, by referring to the specific perception of the name Pablo Escobar by the persons referred to in paragraph 25 above.
- 29 In that regard, it should be noted that, according to the case-law, the decisions concerning the registration of a sign as an EU trade mark which EUIPO is led to take under Regulation 2017/1001 are adopted in the exercise of circumscribed powers and are not a matter of discretion. Accordingly, the legality of those decisions of the Boards of Appeal must be assessed solely on the basis of that regulation, as interpreted by the Courts of the European Union, and not on the basis of a previous decision-making practice (see, to that effect, judgment of 26 April 2007, *Alcon v OHIM*, C-412/05 P, EU:C:2007:252, paragraph 65).
- 30 In the light of all the foregoing considerations, the first plea in law, alleging infringement of Article 7(1)(f) of Regulation 2017/1001, must therefore be rejected in its entirety as unfounded.

The second plea in law, alleging infringement of Article 94(1) of Regulation 2017/1001

- 31 The applicant claims, in essence, that the Board of Appeal infringed Article 94(1) of Regulation 2017/1001 in the contested decision by failing to fulfil its obligation to state reasons which should have led it to identify the factual circumstances enabling the prohibition laid down in Article 7(1)(f) of Regulation 2017/1001 to be relied on in respect of the mark applied for. In particular, in the contested decision, the Board of Appeal did not sufficiently specify the reasons why the name of Pablo Escobar could not be registered as an EU trade mark, even though, as is apparent from the evidence which the applicant adduced before it, Pablo Escobar was part of Spanish popular culture, without causing controversy, and, in the past, the names of alleged criminals, which have become iconic, had already been registered as EU trade marks (see paragraph 14 above). In so doing, the Board of Appeal disregarded the case-law which required it, by virtue of the principles of sound administration and equal treatment, to take into account the decisions already taken in respect of similar applications and to consider with especial care whether it was necessary to give a ruling to the same effect in the present case.
- 32 EUIPO disputes the applicant's arguments.
- 33 In accordance with the first sentence of Article 94(1) of Regulation 2017/1001, decisions of EUIPO are to state the reasons on which they are based. That obligation has the same scope as that which derives from the second paragraph of Article 296 TFEU which requires that the statement of reasons must disclose in a clear and unequivocal manner the reasoning followed by the institution which adopted the measure in question, without it being necessary for that reasoning to go into all the relevant facts and points of law, since the question whether the statement of reasons meets those requirements must, nonetheless, be assessed with regard, not only to its wording, but also to its context and to all the legal rules governing the matter in question (see judgment of 28 June 2018, *EUIPO v Puma*, C-564/16 P, EU:C:2018:509, paragraph 65 and the case-law cited). However, in stating the reasons for the decisions which they adopt, the Boards of Appeal are not obliged to express a view on every argument which the parties have submitted to them. It is sufficient if they set out the facts and legal considerations having decisive importance in the context of the decision (see order of 11 September 2019, *ruwido austria v EUIPO (transparent pairing)*, T-649/18, not published, EU:T:2019:585, paragraph 41 and the case-law cited).
- 34 In paragraphs 46 to 78 of the contested decision, as summarised in paragraphs 21 to 23 above, the Board of Appeal set out, in a clear and unequivocal manner, the reasoning which led it to conclude, on the basis of a correct

interpretation and application, in the present case, of Article 7(1)(f) of Regulation 2017/1001, as interpreted by the case-law, that the mark applied for was contrary to public policy and to accepted principles of morality, within the meaning of that provision.

- 35 As regards the applicant's arguments alleging, in essence, that the Board of Appeal did not set out to the requisite legal standard, in the contested decision, the reasons why it did not take into account the earlier registrations of EU trade marks consisting of the name of alleged criminals relied on before it, it must indeed be borne in mind that, as the applicant correctly points out, according to the case-law, EUIPO is under a duty to exercise its powers in accordance with the general principles of EU law, including the principles of equal treatment and sound administration (judgment of 10 March 2011, *Agencja Wydawnicza Technopol v OHIM*, C-51/10 P, EU:C:2011:139, paragraph 73). In the light of those principles, EUIPO must take into account the decisions already taken in respect of similar applications and consider with especial care whether it should decide in the same way or not. The way in which those principles are applied must be consistent with respect for the principle of legality (judgment of 10 March 2011, *Agencja Wydawnicza Technopol v OHIM*, C-51/10 P, EU:C:2011:139, paragraphs 74 and 75).
- 36 However, it is apparent from paragraphs 46 to 78 of the contested decision, as summarised in paragraphs 21 to 23 above, that, in that decision, the Board of Appeal set out to the requisite legal standard the reasons why the application of the principles recalled in paragraph 35 above did not lead it to decide, in the present case, in the same way as with the previous registrations relied on before it. It is apparent from those paragraphs that the Board of Appeal considered with especial care how the persons referred to in paragraph 25 above would perceive the name of Pablo Escobar, as required by Article 7(1)(f) of Regulation 2017/1001, as interpreted by the case-law, which led it to find that those persons would perceive that name as an offensive symbol of organised crime causing a great deal of suffering and, therefore, the mark applied for, corresponding to that name, as being contrary to public policy and to accepted principles of morality. Therefore, the contested decision makes it possible to understand, in a sufficiently clear and unequivocal manner, that, for the Board of Appeal, the application for registration of the name of Pablo Escobar as an EU trade mark was not comparable to the earlier applications for registration relied on by the applicant, which related to names of alleged criminals, which have become iconic, which had more to do with history than current events and whose offensive character may have diminished over time.
- 37 Furthermore, as regards the applicant's arguments alleging, in essence, that the Board of Appeal did not set out to the requisite legal standard, in the contested decision, the reasons why it did not take account of the few examples, put forward before it, of the marketing, in Spain, of wall decorations, figurines, t-shirts or books representing Pablo Escobar, in ways which, although sympathetic or amusing, emphasised his role as a symbol for organised crime, it must be observed that the contested decision makes it possible to understand, in a sufficiently clear and unequivocal manner, that, for the Board of Appeal, although those examples showed the popularity of Pablo Escobar in Spain, they did not in any way call into question the finding that the persons referred to in paragraph 25 above would nevertheless perceive that name as an offensive symbol of organised crime causing a great deal of suffering and, therefore, the mark applied for, corresponding to that name, as being contrary to public policy and to accepted principles of morality.
- 38 It follows from all the foregoing considerations that the second plea in law, alleging infringement of Article 94(1) of Regulation 2017/1001, must also be rejected as unfounded.

The third plea in law, alleging infringement of the fundamental right to the presumption of innocence, as enshrined in Article 48 of the Charter

- 39 The applicant submits that, by refusing, in the contested decision, to register the mark applied for on the basis of alleged criminal acts attributed to Pablo Escobar, the Board of Appeal infringed its obligation, under the case-law, to take account of the fundamental right to the presumption of innocence, as enshrined, in particular, in Article 48 of the Charter, in the application of Article 7(1)(f) of Regulation 2017/1001, in respect of which it has a broad discretion. In that context, and contrary to what it did in other previous decisions, the Board of Appeal did not correctly weigh the opposing interests of the relevant public and the applicant for registration. By refusing registration of the mark applied for on the basis of the premiss that, first, the acts committed by Pablo Escobar were known facts, to be taken into account independently of any conviction, and in respect of which he was not convicted solely because he had been killed by the police beforehand and that, second, in the context of Article 7(1)(f) of Regulation 2017/1001, it only matters that the relevant public associates the name of Pablo Escobar with crimes, the Board of Appeal infringed Pablo Escobar's fundamental right to the presumption of innocence.
- 40 EUIPO disputes the applicant's arguments.
- 41 In paragraphs 40 to 45 of the contested decision, the Board of Appeal found that the fact that Pablo Escobar had never been criminally convicted and enjoyed, on that basis, the presumption of innocence did not prejudice the fact that, in view of the image created by literature and films, he was nevertheless perceived, by a non-negligible part of the relevant Spanish public taken into account, as the leader of a criminal organisation responsible for numerous crimes.

- 42 The principle of the presumption of innocence, which constitutes a fundamental right set out in Article 6(2) of the Convention for the Protection of Human Rights and Fundamental Freedoms, signed in Rome on 4 November 1950, and in Article 48(1) of the Charter, confers rights on individuals which are enforced by the Union judicature (see judgment of 6 June 2019, *Dalli v Commission*, T-399/17, not published, EU:T:2019:384, paragraph 168 and the case-law cited).
- 43 Furthermore, as the Board of Appeal correctly pointed out in paragraph 14 of the contested decision, the public interest underlying the absolute ground for refusal laid down in Article 7(1)(f) of Regulation 2017/1001 is to ensure that signs which, when used in the European Union, would be contrary to public policy or to accepted principles of morality are not registered (judgment of 15 March 2018, *La Mafia SE SIENTA A LA MESA*, T-1/17, EU:T:2018:146, paragraph 25).
- 44 As the applicant correctly points out, the application of Article 7(1)(f) of Regulation 2017/1001 must, admittedly, be reconciled with the fundamental right to the presumption of innocence, laid down in Article 48(1) of the Charter, as confirmed by recital 21 of that regulation, which expressly emphasises the need to apply that regulation in such a way as to ensure full respect for fundamental rights and freedoms (see, to that effect and by analogy, judgment of 27 February 2020, *Constantin Film Produktion v EUIPO*, C-240/18 P, EU:C:2020:118, paragraph 56).
- 45 However, in the contested decision, the Board of Appeal did not derogate from the general principle of EU law of the presumption of innocence in respect of Pablo Escobar.
- 46 The Board of Appeal found, in that decision, in essence, that, even though ‘Pablo Escobar [had] never [been] convicted by a Colombian, an American or a European court but [had] voluntarily [agreed] to join his “prison”, *La Catedral*, as part of a deal with the then Colombian government’, he was nevertheless perceived, by the persons referred to in paragraph 25 above, as an offensive symbol of organised crime causing a great deal of suffering.
- 47 Those assessments are well founded in the light of the evidence in the file, including that adduced by the applicant which confirms, as has already been observed in paragraph 37 above, that Pablo Escobar is publicly perceived, in Spain, as a symbol of organised crime responsible for numerous crimes.
- 48 The Board of Appeal was therefore entitled to find, in the contested decision, without calling into question Pablo Escobar’s fundamental right to the presumption of innocence, that the conditions for the application of Article 7(1) (f) of Regulation 2017/1001 were satisfied in the present case.
- 49 It follows from all the foregoing considerations that the third plea in law, alleging infringement of the fundamental right to the presumption of innocence, must also be rejected as unfounded.
- 50 Since the present action is therefore unfounded, it must be dismissed in its entirety.

Costs

- 51 Under Article 134(1) of the Rules of Procedure of the General Court, the unsuccessful party is to be ordered to pay the costs if they have been applied for in the successful party’s pleadings.
- 52 Although the applicant has been unsuccessful, EUIPO has applied for the applicant to be ordered to pay the costs only in the event that a hearing is convened. Since no hearing was held, each party must be ordered to bear its own costs.

On those grounds,

THE GENERAL COURT (Third Chamber)

hereby:

- 1. Dismisses the action;**
- 2. Orders each party to bear its own costs.**

Schalin

Škvařilová-Pelzl

Nõmm

Delivered in open court in Luxembourg on 17 April 2024.

Registrar

President

* Language of the case: English.