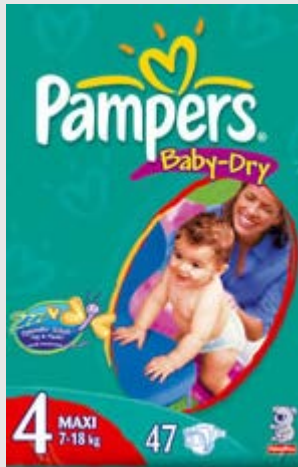


Hof van Justitie EG, 20 september 2001, Baby-Dry

Baby Dry



MERKENRECHT

BESCHRIJVENDE MERKEN

- **Doel**

Verbod heeft tot doel te voorkomen dat als merk worden ingeschreven tekens of aanduidingen, die niet de functie kunnen vervullen van identificatie van de onderneming die ze op de markt brengt

[artikel 7 (1) en artikel 12 GMeV] Uit de combinatie van deze bepalingen volgt dat het verbod om zuiver beschrijvende tekens of aanduidingen als merk in te schrijven tot doel heeft, zoals zowel Procter & Gamble als het BHIM erkennen, te voorkomen dat als merk tekens of aanduidingen worden ingeschreven die, wegens hun overeenkomst met de gebruikelijke wijze van aanduiding van de betrokken waren of diensten of van de eigenschappen daarvan, niet de functie kunnen vervullen van identificatie van de onderneming die ze op de markt brengt, en dus het onderscheidend vermogen missen die voor het vervullen van deze functie vereist is. Dit is de enige uitlegging die ook verenigbaar is met artikel 4 van verordening nr. 40/94, volgens hetwelk gemeenschapsmerken kunnen worden gevormd door alle tekens die vatbaar zijn voor grafische voorstelling, met name woorden, met inbegrip van namen van personen, tekeningen, letters, cijfers, vormen van waren of van verpakking, mits deze de waren of diensten van een onderneming kunnen onderscheiden van die van andere ondernemingen.

- **Samengestelde woorden**

Beschrijvend karakter vereist voor elk van de woorden afzonderlijk en het geheel, waarbij elk merkbaar verschil met de gangbare terminologie aan de combinatie onderscheidend vermogen kan verlenen

Met betrekking tot merken die uit woorden bestaan, zoals het merk dat in casu voorwerp is van het geschil, moet een eventueel beschrijvend karakter niet alleen worden vastgesteld ten aanzien van elk van de woorden

afzonderlijk, doch ook ten aanzien van het geheel dat zij vormen. Elk merkbaar verschil tussen de formulering van de woordcombinatie waarvoor inschrijving wordt aangevraagd, en de terminologie die in het normale taalgebruik van de betrokken categorie consumenten wordt gebezigd om de waar of de dienst of de essentiële eigenschappen daarvan aan te duiden, is geschikt om deze woordcombinatie onderscheidend vermogen te verlenen, zodat zij als merk kan worden ingeschreven

- **Beschrijvend in één taal**

Zuiver beschrijvend karakter in een taal volstaat voor ongeschiktheid als merk

Artikel 7, lid 2, van verordening nr. 40/94 preciseert dat het eerste lid van dit artikel ook van toepassing is indien de weigeringsgronden slechts in een deel van de Gemeenschap bestaan. Deze bepaling, die terecht is aangehaald in punt 24 van het bestreden arrest, betekent dat wanneer een woordcombinatie een zuiver beschrijvend karakter heeft in een van de talen die in de intracommunautaire handel worden gebezigd, dit volstaat om haar als ongeschikt voor een inschrijving als gemeenschapsmerk aan te merken.

- **Nevenschikking geen gebruikelijke aanduiding – taalkundige vondst**

de nevenschikking, die qua structuur ongebruikelijk is, vormt geen uitdrukking die in de Engelse taal bekendstaat als een aanduiding van dergelijke producten of een weergave van de essentiële eigenschappen daarvan, maar veeleer een taalkundige vondst

Weliswaar roept de in geding zijnde woordcombinatie onbetwistbaar de functie op die de waar geacht wordt te vervullen, doch dit betekent nog niet dat zij daarmee ook voldoet aan de voorwaarden genoemd in (...) dit arrest. Immers, ook al kan elk van de twee woorden waaruit het geheel is samengesteld, deel uitmaken van de uitdrukkingen die in de omgangstaal ter aanduiding van de functie van luiers voor baby's worden gebruikt, dit neemt niet weg dat de nevenschikking ervan, die qua structuur ongebruikelijk is, geen uitdrukking vormt die in de Engelse taal bekendstaat als een aanduiding van dergelijke producten of een weergave van de essentiële eigenschappen daarvan. Woorden als Baby-Dry kunnen, samengenomen, derhalve niet worden geacht een beschrijvend karakter te hebben; zij vloeien veeleer voort uit een taalkundige vondst die het aldus gevormde merk in staat stelt een onderscheidende rol te spelen, en de inschrijving ervan kan niet met een beroep op artikel 7, lid 1, sub c, van verordening nr. 40/94 worden geweigerd. Het Gerecht heeft derhalve blijk gegeven van een onjuiste rechtsopvatting door te oordelen dat de eerste kamer van beroep van het BHIM op basis van bovengenoemde bepaling wettig heeft kunnen beslissen dat de woordcombinatie Baby-Dry geen gemeenschapsmerk kan vormen.

Vindplaatsen: curia.europe.eu; Jurispr. blz. I-6251; IER 2001, nr. 54, m.nt. De Wit; NJ 2002, 139, m.nt. Verkade (NJ 2002, 140)

Hof van Justitie EG. 20 september 2001

(G. C. Rodríguez Iglesias, C. Gulmann, M. Wathelet, V. Skouris, J.-P. Puissochet (rapporteur), P. Jann, L. Sevón, R. Schintgen, F. Macken, N. Colneric en S. von Bahr)

Hogere voorziening - Ontvankelijkheid - Gemeenschapsmerk - Verordening (EG) nr. 40/94 - Absolute weigeringsgrond - Onderscheidend vermogen - Merken die uitsluitend bestaan uit beschrijvende tekens of aanduidingen - Woordcombinatie Baby-dry

In zaak C-383/99 P,

Procter & Gamble Company, gevestigd te Cincinnati (Verenigde Staten), vertegenwoordigd door T. van Innis, advocaat, domicilie gekozen hebbende te Luxemburg,

rekwirante,

betreffende hogere voorziening tegen het arrest van het Gerecht van eerste aanleg van de Europese Gemeenschappen (Tweede kamer) van 8 juli 1999, Procter & Gamble/BHIM (BABY-DRY) (T-163/98, Jurispr. blz. II-2383), strekkende tot vernietiging van dat arrest voorzover het Gerecht heeft geoordeeld dat de eerste kamer van beroep van het Bureau voor harmonisatie binnen de interne markt (merken, tekeningen en modellen) bij de vaststelling van haar beslissing van 31 juli 1998 (zaak R 35/1998-1) niet in strijd heeft gehandeld met artikel 7, lid 1, sub c, van verordening (EG) nr. 40/94 van de Raad van 20 december 1993 inzake het gemeenschapsmerk (PB 1994, L 11, blz. 1), andere partij bij de procedure:

Bureau voor harmonisatie binnen de interne markt (merken, tekeningen en modellen), vertegenwoordigd door O. Montalto en E. Joly als gemachtigden, domicilie gekozen hebbende te Luxemburg, verweerder in eerste aanleg, wijst

HET HOF VAN JUSTITIE,

samengesteld als volgt: (...)

advocaat-generaal: F. G. Jacobs,

griffier: D. Loutherman-Hubeau, afdelingshoofd,

gezien het rapport ter terechtzitting,

gehoord de pleidooien van partijen ter terechtzitting van 30 januari 2001, waarbij Procter & Gamble Company werd vertegenwoordigd door T. van Innis en door F. Herbert, advocaat, en het Bureau voor harmonisatie binnen de interne markt (merken, tekeningen en modellen) door O. Montalto en E. Joly,

gehoord de [conclusie van de advocaat-generaal](#) ter terechtzitting van 5 april 2001, het navolgende

Arrest

1. Bij verzoekschrift, neergelegd ter griffie van het Hof op 8 oktober 1999, heeft Procter & Gamble Company (hierna: Procter & Gamble) krachtens artikel 49 van 's Hof's Statuut-EG hogere voorziening ingesteld tegen het arrest van het Gerecht van eerste aanleg van de Eu-

ropese Gemeenschappen van 8 juli 1999, Procter & Gamble/BHIM (BABY-DRY) (T-163/98, Jurispr. blz. II-2383; hierna: bestreden arrest), waarbij het Gerecht de beslissing van de eerste kamer van beroep van het Bureau voor harmonisatie binnen de interne markt (merken, tekeningen en modellen) (hierna: BHIM) van 31 juli 1998 (zaak R 35/1998-1; hierna: omstreden beslissing) houdende verwerping van het door Procter & Gamble ingestelde beroep tegen de weigering tot inschrijving van de woordcombinatie Baby-dry als gemeenschapsmerk voor wegwerpluiers van papier of cellulose en luiers van stof, uitsluitend wegens schending van artikel 62, lid 1, van verordening (EG) nr. 40/94 van de Raad van 20 december 1993 inzake het gemeenschapsmerk (PB 1994, L 11, blz. 1) heeft vernietigd.

Verordening nr. 40/94

2. Artikel 7 van verordening nr. 40/94 luidt als volgt:

1. Geweigerd wordt inschrijving van:

a) tekens die niet in overeenstemming zijn met artikel 4;

b) merken die elk onderscheidend vermogen missen;

c) merken die uitsluitend bestaan uit tekens of aanduidingen die in de handel kunnen dienen tot aanduiding van soort, kwaliteit, hoeveelheid, bestemming, waarde, plaats van herkomst, tijdstip van vervaardiging van de waren of verrichting van de dienst of andere kenmerken van de waren of diensten;

(...)

2. Lid 1 is ook van toepassing indien de weigeringsgronden slechts in een deel van de Gemeenschap bestaan.

3. Lid 1, onder b, c en d, is niet van toepassing indien het merk als gevolg van het gebruik dat ervan is gemaakt onderscheidend vermogen heeft verkregen voor de waren of diensten waarvoor inschrijving is aangevraagd.

3. Artikel 62, lid 1, van verordening nr. 40/94 bepaalt: Nadat onderzocht is of het beroep ontvankelijk is, beslist de kamer van beroep over het beroep. De kamer van beroep kan hetzij de bevoegdheden uitoefenen van de instantie die de bestreden beslissing heeft genomen, hetzij de zaak voor verdere afdoening naar deze instantie terugwijzen.

De feiten van het geding

4. Bij brief van 8 april 1996 heeft Procter & Gamble bij het BHIM een aanvraag ingediend tot inschrijving van de woordcombinatie Baby-dry als gemeenschapsmerk voor wegwerpluiers van papier of cellulose en voor luiers van stof.

5. De onderzoeker van het BHIM heeft deze aanvraag bij beslissing van 29 januari 1998 afgewezen. Het door Procter & Gamble tegen deze beslissing ingestelde beroep is bij de omstreden beslissing van de eerste kamer van beroep van het BHIM verworpen. Deze kamer was van oordeel dat de woordcombinatie Baby-dry uitsluitend uit woorden bestond die in de handel kunnen dienen tot aanduiding van de bestemming van de betrokken waar, en dat zij onderscheidend vermogen miste, zodat zij op grond van artikel 7, lid 1, sub b en c, van verordening nr. 40/94 ongeschikt was om te wor-

den ingeschreven. Voorts verklaarde de kamer van beroep het op artikel 7, lid 3, van verordening nr. 40/94 gebaseerde betoog van Procter & Gamble dat het merk onderscheidend vermogen had verkregen door het gebruik dat ervan was gemaakt, niet-ontvankelijk omdat dit betoog niet voor de onderzoeker van het BHIM was gevoerd.

Het bestreden arrest

6. Het bestreden arrest erkent om te beginnen dat de woordcombinatie Baby-dry geen gemeenschapsmerk kan vormen, waarmee de beoordeling in de omstreden beslissing wordt bevestigd.

7. Het Gerecht heeft namelijk overwogen dat tekens die uitsluitend bestaan uit woorden die in de handel kunnen dienen tot aanduiding van de bestemming van de waar, naar hun aard reeds ongeschikt zijn om de waren van een onderneming te onderscheiden van die van een andere onderneming, ook al bestaat de weigeringsgrond slechts in een deel van de Gemeenschap. Aangezien luiers een absorberende functie voor het drooghouden van baby's hebben, concludeerde het Gerecht dat de woordcombinatie Baby-dry de gebruiker slechts informeert over de bestemming van de waar, zonder dat zij wordt aangevuld door een extra bestanddeel dat haar onderscheidend vermogen zou kunnen verlenen.

8. In de tweede plaats onderzocht het Gerecht het subsidiaire betoog van rekwirante dat het bewijsaanbod van Procter & Gamble voor de stelling dat de woordcombinatie Baby-dry overeenkomstig artikel 7, lid 3, van verordening nr. 40/94 door het gebruik ervan onderscheidend vermogen had verkregen, in de omstreden beslissing ten onrechte niet-ontvankelijk was verklaard omdat het niet voor de onderzoeker was gedaan. Het Gerecht oordeelde dat de kamer van beroep, door dit bewijsaanbod niet-ontvankelijk te verklaren, artikel 62 van verordening nr. 40/94 had geschonden. Gelezen in het licht van de systematiek van deze verordening, die een continuïteit binnen het BHIM tussen het optreden van de onderzoeker en dat van de kamers van beroep veronderstelt, zou die bepaling de kamer namelijk niet toestaan een betoog te verwerpen op de enkele grond dat het niet voor de onderzoeker was gevoerd.

9. Het Gerecht concludeerde dan ook, dat de omstreden beslissing moest worden vernietigd op grond dat de kamer van beroep van het BHIM ten onrechte had geweigerd het betoog van Procter & Gamble betreffende artikel 7, lid 3, van verordening nr. 40/94 te onderzoeken.

10. Het wees de overige conclusies van Procter & Gamble af en vernietigde de omstreden beslissing.

De hogere voorziening

11. Procter & Gamble concludeert dat het het Hof behage, het bestreden arrest te vernietigen voorzover het Gerecht heeft geoordeeld dat de eerste kamer van beroep van het BHIM bij de vaststelling van de bestreden beslissing niet in strijd heeft gehandeld met artikel 7, lid 1, sub c, van verordening nr. 40/94. Voorts vordert zij veroordeling van het BHIM in de kosten.

12. Het BHIM concludeert tot afwijzing van de hogere voorziening en tot veroordeling van Procter & Gamble in de kosten.

De ontvankelijkheid van de hogere voorziening

Argumenten van partijen

13. Rekwirante stelt om te beginnen dat zij door het Gerecht gedeeltelijk in het ongelijk is gesteld omdat deze rechterlijke instantie haar betoog dat de omstreden beslissing werd gekenmerkt door een schending van artikel 7, lid 1, sub b en c, van verordening nr. 40/94, heeft verworpen.

14. Voorts zet zij uiteen, dat zij belang heeft bij het instellen van hogere voorziening omdat het BHIM ter uitvoering van het bestreden arrest de betrokken inschrijvingsaanvraag slechts zal toetsen aan artikel 7, lid 3, van verordening nr. 40/94 en niet aan artikel 7, lid 1, sub b en c, van deze verordening. Het Gerecht heeft immers de uitlegging aanvaard die in de omstreden beslissing aan laatstgenoemde twee bepalingen is gegeven; de draagwijdte van de verplichting tot uitvoering van het bestreden arrest moet worden beoordeeld tegen de achtergrond van de overwegingen waarop het dictum berust.

15. Het BHIM erkent dat rekwirante een procesbelang heeft. Wat de ontvankelijkheid aangaat, betwijfelt zij slechts of het middel inzake schending van het gemeenschapsrecht een hogere voorziening kan staven. Hoe dan ook refereert het BHIM zich aan het oordeel van het Hof, omdat het om een vraag van openbare orde gaat.

Beoordeling door het Hof

16. Artikel 49, eerste en tweede alinea, van 's Hof's Statuut-EG bepaalt:

Uiterlijk binnen twee maanden te rekenen vanaf de betekening van de bestreden beslissing kan bij het Hof een verzoek om hogere voorziening worden ingediend tegen eindbeslissingen van het Gerecht, alsmede tegen beslissingen die het geding ten gronde slechts gedeeltelijk beslechten of die een einde maken aan een procesincident ter zake van onbevoegdheid of niet-ontvankelijkheid.

Hogere voorziening staat open voor iedere partij die geheel of gedeeltelijk in het ongelijk is gesteld. (...)

17. Artikel 92, lid 2, van het Reglement voor de procesvoering van het Hof luidt als volgt:

Het Hof kan in iedere stand van het geding ambtshalve middelen van niet-ontvankelijkheid die van openbare orde zijn, in behandeling nemen of, na de partijen te hebben gehoord, vaststellen dat het beroep zonder voorwerp is geraakt en dat er niet meer op behoeft te worden beslist; de beslissing wordt genomen met inachtneming van het bepaalde in artikel 91, leden 3 en 4.

18. Aangezien Procter & Gamble het Gerecht om vernietiging van de omstreden beslissing heeft verzocht en het dictum van het bestreden arrest is ingekleed als een blote vernietiging van deze beslissing, dient het Hof ambtshalve te onderzoeken of rekwirante op zijn minst gedeeltelijk in het ongelijk is gesteld en dus ontvankelijk moet worden geacht in de hogere voorziening die zij bij het Hof tegen het bestreden arrest heeft ingesteld.

19. Blijkens punt 9 van het bestreden arrest heeft rekwirante onder meer geconcludeerd dat het het Gerecht behage, primair, de omstreden beslissing te vernietigen voorzover daarin is geoordeeld dat het merk niet vol-

doet aan de eisen van artikel 7, lid 1, sub b en c, van verordening nr. 40/94, en, subsidiair, de omstreden beslissing te vernietigen voorzover daarbij haar op artikel 7, lid 3, van die verordening gebaseerde betoog niet-ontvankelijk is verklaard.

20. Het Gerecht heeft allereerst het belangrijkste onderdeel van de conclusies uitdrukkelijk afgewezen door in punt 28 van het bestreden arrest te verklaren dat de eerste kamer van beroep van het BHIM terecht heeft geconcludeerd dat de woordcombinatie Baby-dry op grond van artikel 7, lid 1, sub c, van verordening nr. 40/94 geen gemeenschapsmerk kan zijn. Pas daarna heeft het Gerecht vastgesteld dat deze kamer de bepalingen van artikel 62 van diezelfde verordening heeft geschonden door het op artikel 7, lid 3, gebaseerde betoog van rekwirante niet-ontvankelijk te verklaren, en heeft het het subsidiaire onderdeel van de conclusies van het beroep gegrond verklaard.

21. Aan zijn onderzoek van de twee onderdelen van het beroep heeft het Gerecht in punt 54 van het bestreden arrest de algemene conclusie verbonden, dat de omstredenbeslissing moet worden vernietigd op grond dat de eerste kamer van beroep van het BHIM ten onrechte heeft geweigerd het op artikel 7, lid 3, van verordening nr. 40/94 gebaseerde betoog van rekwirante te onderzoeken; het heeft hieraan toegevoegd dat het BHIM de maatregelen dient te treffen die ter uitvoering van het arrest nodig zijn.

22. Gelet hierop en niettegenstaande het feit dat het dictum de in punt 54 van het bestreden arrest geformuleerde beperking niet uitdrukkelijk overneemt, moet worden geoordeeld, dat de vorderingen van rekwirante in dit arrest in werkelijkheid slechts gedeeltelijk zijn toegewezen.

23. In feite heeft de eerste kamer van beroep van het BHIM namelijk twee maatregelen in de vorm van één enkele handeling, de omstreden beslissing, vastgesteld, te weten weigering van inschrijving van de woordcombinatie Baby-dry op de in artikel 7, lid 1, sub b en c, van verordening nr. 40/94 vermelde gronden, en niet-ontvankelijkverklaring van rekwirantes betoog betreffende artikel 7, lid 3, van deze verordening.

24. Doordat het bestreden arrest de omstreden beslissing heeft vernietigd op de enkele grond dat daarin is geweigerd het betoog betreffende artikel 7, lid 3, van verordening nr. 40/94 te onderzoeken, is het gedeelte van deze beslissing betreffende het voldoen van de woordcombinatie Baby-dry aan de eisen van artikel 7, lid 1, sub b en c, van deze verordening in stand gebleven.

25. Het Gerecht heeft dus de aan zijn toezicht onderworpen handeling slechts gedeeltelijk vernietigd. Hieruit volgt dat het BHIM bij het treffen van de maatregelen ter uitvoering van het bestreden arrest, zoals door het Gerecht in punt 54 ervan genoemd, kon volstaan met een onderzoek naar de toepassing van artikel 7, lid 3, van verordening nr. 40/94 op het onderhavige geval zonder terug te komen op zijn uitlegging van artikel 7, lid 1, sub b en c, van deze verordening, die immers door het Gerecht is aanvaard.

26. Procter & Gamble heeft derhalve een belang bij het

instellen van hogere voorziening tegen het bestreden arrest, omdat daarin is geweigerd gevolg te geven aan haar vordering tot vernietiging van de op artikel 7, lid 1, sub b en c, van verordening nr. 40/94 gebaseerde weigering om het merk Baby-dry in te schrijven.

27. De hogere voorziening, die ertoe strekt het bestreden arrest op dit punt te vernietigen, moet dan ook ontvankelijk worden verklaard.

De gegrondheid van de hogere voorziening Argumenten van partijen

28. Tot staving van haar hogere voorziening voert rekwirante één middel aan, namelijk dat het Gerecht een te ruime draagwijdte heeft toegekend aan de absolute weigeringsgrond inzake het zuiver beschrijvende karakter van de tekens en aanduidingen van een merk. Op basis van artikel 7, lid 1, sub c, van verordening nr. 40/94 kan namelijk slechts de inschrijving als gemeenschapsmerk worden geweigerd van tekens en aanduidingen die door het publiek niet anders kunnen worden opgevat dan als een aanduiding van de eigenschappen van de betrokken waar en die als zodanig ongeschikt worden geacht om de onderscheidende rol van een merk te vervullen. Aan de hand van het merk moet een waar immers kunnen worden geassocieerd met de onderneming die ze op de markt brengt, doordat zij wordt onderscheiden van soortgelijke waren van concurrerende ondernemingen.

29. Het Gerecht zou de betrokken bepaling onjuist hebben uitgelegd en toegepast door te oordelen dat de woordcombinatie Baby-dry de consument rechtstreeks informeert over de bestemming van de waar en niet wordt aangevuld door een extra bestanddeel dat aan het teken in zijn geheel de geschiktheid zou kunnen verlenen om de waren van rekwirante te onderscheiden van die van andere ondernemingen.

30. Volgens rekwirante ligt aan het arrest van het Gerecht een achterhaalde opvatting van het merk ten grondslag, namelijk dat de inschrijving van een merk aan de houder daarvan een monopolie verleent op het gebruik van de tekens of aanduidingen waaruit het merk bestaat, met als gevolg dat alle tekens of aanduidingen met een beschrijvend karakter, die vrij moeten blijven voor gebruik in de handel, per definitie ongeschikt zijn om een merk te vormen.

31. De moderne opvatting waarvan verordening nr. 40/94 volgens rekwirante uitgaat, sluit daarentegen elk monopolistisch recht op de tekens of aanduidingen waaruit een merk bestaat, uit. Derden mogen hiervan een normaal gebruik blijven maken. De wisselwerking hiervan is, dat geen enkele categorie tekens of aanduidingen in abstracto ongeschikt wordt geacht om een merk te vormen. Het beschrijvende karakter is, evenals het generieke karakter van een teken of aanduiding, slechts een onderdeel van de weigeringsgrond inzake het ontbreken van onderscheidend vermogen van de als merk voorgedragen tekens of aanduidingen, aangezien beide begrippen - onderscheidend vermogen en niet uitsluitend beschrijvend karakter - tezamen moeten worden genomen om uit te maken of de voorgedragen tekens of aanduidingen geschikt zijn om de betrokken

waren te kunnen identificeren als zijnde afkomstig van een bepaalde onderneming.

32. Het BHIM betwist de relevantie van deze theoretische analyse niet en zet uiteen dat het onderscheidend vermogen het beslissende element is ter beoordeling van de geschiktheid van een teken om een merk te vormen; het uitsluitend beschrijvende karakter is in dit verband een aanwijzing dat het onderscheidend vermogen vermoedelijk ontbreekt.

33. Volgens het BHIM vooronderstelt de op het beschrijvende karakter gebaseerde weigering tot inschrijving dat aan drie voorwaarden is voldaan, namelijk:

- de verwijzing van het teken naar een essentiële eigenschap van de waar en niet naar een eigenschap van ondergeschikt belang of een eigenschap die niet karakteristiek is voor de waar;
- de herkenbaarheid van de verwijzing voor de potentiële consumenten van de waar.

34. Volgens het BHIM voldoet de woordcombinatie Baby-dry, zoals ook het Gerecht heeft geoordeeld, aan die voorwaarden om als uitsluitend beschrijvend te kunnen worden aangemerkt.

Beoordeling door het Hof

35. Opgemerkt zij dat volgens artikel 7, lid 1, van verordening nr. 40/94 de inschrijving moet worden geweigerd van merken die elk onderscheidend vermogen missen (lid 1, sub b) en van merken die uitsluitend bestaan uit tekens of aanduidingen die in de handel kunnen dienen tot aanduiding van soort, kwaliteit, hoeveelheid, bestemming, waarde, plaats van herkomst, tijdstip van vervaardiging van de waren of verrichting van de dienst of andere kenmerken van de waren of diensten (lid 1, sub c).

36. Ingevolge artikel 12 van verordening nr. 40/94 staat het aan het merk verbonden recht de houder niet toe een derde te verbieden om in het economisch verkeer gebruik te maken van aanduidingen inzake soort, kwaliteit, hoeveelheid, bestemming, waarde, plaats van herkomst, tijdstip van vervaardiging van de waren of verrichting van de dienst of andere kenmerken van de waren of diensten, voorzover er sprake is van gebruik volgens de eerlijke gebruiken in nijverheid en handel.

37. Uit de combinatie van deze bepalingen volgt dat het verbod om zuiver beschrijvende tekens of aanduidingen als merk in te schrijven tot doel heeft, zoals zowel Procter & Gamble als het BHIM erkennen, te voorkomen dat als merk tekens of aanduidingen worden ingeschreven die, wegens hun overeenkomst met de gebruikelijke wijze van aanduiding van de betrokken waren of diensten of van de eigenschappen daarvan, niet de functie kunnen vervullen van identificatie van de onderneming die ze op de markt brengt, en dus het onderscheidend vermogen missen die voor het vervullen van deze functie vereist is.

38. Dit is de enige uitlegging die ook verenigbaar is met artikel 4 van verordening nr. 40/94, volgens hetwelk gemeenschapsmerken kunnen worden gevormd door alle tekens die vatbaar zijn voor grafische voorstelling, met name woorden, met inbegrip van namen van personen, tekeningen, letters, cijfers, vormen van

waren of van verpakking, mits deze de waren of diensten van een onderneming kunnen onderscheiden van die van andere ondernemingen.

39. De tekens en aanduidingen waarop artikel 7, lid 1, sub c, van verordening nr. 40/94 doelt, zijn dus slechts die welke in het normale gebruik uit het oogpunt van de consument kunnen dienen ter aanduiding, hetzij rechtstreeks, hetzij door vermelding van een van de essentiële eigenschappen ervan, van een waar of dienst als die waarvoor de inschrijving is aangevraagd. Verder kan de inschrijving van een merk dat tekens en aanduidingen bevat die aan deze omschrijving beantwoorden, slechts worden geweigerd op voorwaarde dat het geen andere tekens of aanduidingen bevat en dat bovendien de zuiver beschrijvende tekens en aanduidingen waaruit het bestaat, niet worden gepresenteerd of geschikt op een wijze die het geheel onderscheidt van de gebruikelijke wijzen van aanduiding van de betrokken waren of diensten of van de essentiële eigenschappen daarvan.

40. Met betrekking tot merken die uit woorden bestaan, zoals het merk dat in casu voorwerp is van het geschil, moet een eventueel beschrijvend karakter niet alleen worden vastgesteld ten aanzien van elk van de woorden afzonderlijk, doch ook ten aanzien van het geheel dat zij vormen. Elk merkbaar verschil tussen de formulering van de woordcombinatie waarvoor inschrijving wordt aangevraagd, en de terminologie die in het normale taalgebruik van de betrokken categorie consumenten wordt gebezigd om de waar of de dienst of de essentiële eigenschappen daarvan aan te duiden, is geschikt om deze woordcombinatie onderscheidend vermogen te verlenen, zodat zij als merk kan worden ingeschreven.

41. Artikel 7, lid 2, van verordening nr. 40/94 preciseert dat het eerste lid van dit artikel ook van toepassing is indien de weigeringsgronden slechts in een deel van de Gemeenschap bestaan. Deze bepaling, die terecht is aangehaald in punt 24 van het bestreden arrest, betekent dat wanneer een woordcombinatie een zuiver beschrijvend karakter heeft in een van de talen die in de intracommunautaire handel worden gebezigd, dit volstaat om haar als ongeschikt voor een inschrijving als gemeenschapsmerk aan te merken.

42. Teneinde te beoordelen of een woordcombinatie als Baby-dry onderscheidend vermogen kan hebben, dient men zich dus te verplaatsen in de positie van de Engelse consument. Vanuit dit perspectief hangt de beoordeling in het geval van luiers voor baby's af van het antwoord op de vraag, of de betrokken woordcombinatie kan worden opgevat als een normale wijze om dit product in de omgangstaal aan te duiden of de essentiële eigenschappen ervan weer te geven.

43. Weliswaar roept de in geding zijnde woordcombinatie onbetwistbaar de functie op die de waar geacht wordt te vervullen, doch dit betekent nog niet dat zij daarmee ook voldoet aan de voorwaarden genoemd in de punten 39 tot en met 42 van dit arrest. Immers, ook al kan elk van de twee woorden waaruit het geheel is samengesteld, deel uitmaken van de uitdrukkingen die in de omgangstaal ter aanduiding van de functie van luiers voor baby's worden gebruikt, dit neemt niet weg

dat de nevenschikking ervan, die qua structuur ongebruikelijk is, geen uitdrukking vormt die in de Engelse taal bekendstaat als een aanduiding van dergelijke producten of een weergave van de essentiële eigenschappen daarvan.

44. Woorden als Baby-dry kunnen, samengenomen, derhalve niet worden geacht een beschrijvend karakter te hebben; zij vloeien veeleer voort uit een taalkundige vondst die het aldus gevormde merk in staat stelt een onderscheidende rol te spelen, en de inschrijving ervan kan niet met een beroep op artikel 7, lid 1, sub c, van verordening nr. 40/94 worden geweigerd.

45. Het Gerecht heeft derhalve blijk gegeven van een onjuiste rechtsopvatting door te oordelen dat de eerste kamer van beroep van het BHIM op basis van bovengenoemde bepaling wettig heeft kunnen beslissen dat de woordcombinatie Baby-dry geen gemeenschapsmerk kan vormen.

46. In deze omstandigheden moet het bestreden arrest worden vernietigd voorzover dit door Procter & Gamble is gevorderd en moet, met toewijzing van de door rekwiirante voor het Gerecht voorgedragen conclusies, ook de omstreden beslissing worden vernietigd voorzover daarbij de aanvraag tot inschrijving van het merk Baby-dry is afgewezen op grond van artikel 7, lid 1, sub c, van verordening nr. 40/94.

Kosten

47. Volgens artikel 122 van het Reglement voor de procesvoering van het Hof beslist het Hof ten aanzien van de proceskosten wanneer de hogere voorziening gegrond is en het Hof de zaak zelf afdoet.

48. Volgens artikel 69, lid 2, van het Reglement voor de procesvoering van het Hof, dat krachtens artikel 118 van toepassing is op de procedure in hogere voorziening, wordt de in het ongelijk gestelde partij in de kosten verwezen voorzover dit is gevorderd. Aangezien het BHIM in het ongelijk is gesteld, moet het overeenkomstig de vordering van Procter & Gamble in de kosten van de twee instanties worden verwezen.

HET HOF VAN JUSTITIE, rechtdoende:

1) Vernietigt het arrest van het Gerecht van eerste aanleg van de Europese Gemeenschappen van 8 juli 1999, Procter & Gamble/BHIM (BABY-DRY) (T-163/98), voorzover daarin is geoordeeld dat de eerste kamer van beroep van het Bureau voor harmonisatie binnen de interne markt (merken, tekeningen en modellen) bij de vaststelling van haar beslissing van 31 juli 1998 (zaak R 35/1998-1) niet in strijd heeft gehandeld met artikel 7, lid 1, sub c, van verordening (EG) nr. 40/94 van de Raad van 20 december 1993 inzake het gemeenschapsmerk.

2) Vernietigt de beslissing van de eerste kamer van beroep van het Bureau voor harmonisatie binnen de interne markt (merken, tekeningen en modellen) van 31 juli 1998 (zaak R 35/1998-1) voorzover daarin de aanvraag tot inschrijving van het merk Baby-dry is afgewezen op grond van artikel 7, lid 1, sub c, van verordening nr. 40/94.

3) Verwijst het Bureau voor harmonisatie binnen de interne markt (merken, tekeningen en modellen) in de kosten van de twee instanties.

Conclusie Advocaat-Generaal F. G. Jacobs

1. This is the first appeal to be heard by the Court of Justice in proceedings concerning a Community trade mark - in this instance a refusal to register a term - which were themselves the first to be brought before the Court of First Instance in that field.

2. Apart from certain novel procedural points, the main substantive issue in this case concerns the test to be applied when deciding whether a term is ineligible for registration as a Community trade mark because it consists exclusively of indications which may serve in trade to designate, in particular, the intended purpose or other characteristics of the goods to which it relates.

3. The term in respect of which registration is being requested is Baby-Dry, used for babies' nappies or (in the American parlance used by the manufacturer and in many of the documents in this case) diapers.

Relevant legislation

4. Rules concerning trade marks clearly have a significant effect on trade and it is not surprising that there have been moves to reach some degree of international agreement in the field. Among the most important have been the Paris Convention for the Protection of Industrial Property (the Paris Convention) (2) and the Agreement on Trade-Related Aspects of Intellectual Property Rights (1994, the TRIPs Agreement), (3) to both of which I shall refer.

5. It is even more clearly desirable that uniformity should prevail within any common or single market such as the Community. Following harmonisation of the laws of the Member States by the Trade Marks Directive in 1989, (4) the further and more far-reaching step of establishing a Community trade mark, in addition to the existing national trade marks, was taken by Regulation No 40/94 (the Trade Mark Regulation). (5)

6. The Trade Mark Regulation provides that the Community trade mark is to have a unitary character and equal effect throughout the Community (Article 1). A Community trade mark office - called the Office for Harmonisation in the Internal Market (trade marks and designs), hereinafter the Office - is established (Article 2). Community trade marks are to be obtained by registration (Article 6), and decisions on registration are to be taken on behalf of the Office by examiners (Article 126). Where an examiner's decision is disputed, it may be reviewed by an independent Board of Appeal (Articles 130 and 131). Appeals against the decisions of the Boards of Appeal may be brought before the Court of First Instance (Article 63 (6)) and thus before the Court of Justice by way of final appeal.

7. Under Article 4 of the Trade Mark Regulation, a Community trade mark may consist of any signs capable of being represented graphically, particularly words, including personal names, designs, letters, numerals, the shape of goods or of their packaging,

provided that such signs are capable of distinguishing the goods or services of one undertaking from those of other undertakings.

8. Article 7, headed Absolute grounds for refusal, provides, inter alia:

1. The following shall not be registered:

(a) signs which do not conform to the requirements of Article 4;

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

(c) trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin or the time of production of the goods or of rendering of the service, or other characteristics of the goods or service;

(d) trade marks which consist exclusively of signs or indications which have become customary in the current language or in the bona fide and established practices of the trade;

...

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

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.

9. It may be noted at this juncture that the definition in Article 4 of the Trade Mark Regulation is identical to that of a trade mark in Article 2 of the Trade Marks Directive and that there is a similar correspondence between the provisions of Article 7(1)(a) to (d) of the regulation and Article 3(1)(a) to (d) of the directive, (7) so that registration as a Community trade mark is in principle precluded on the same grounds as is registration as a national trade mark within the Member States.

10. However, since the distinctive or descriptive nature of a term may vary from one language to another, it does not follow that a mark which cannot be registered in certain Member States, and thus under Article 7(2) of the Trade Mark Regulation cannot be registered as a Community trade mark, may not be registered in other Member States.

11. In addition, as has been pointed out by the parties in the present case, Article 7(1)(b) to (d) of the Trade Mark Regulation is closely based on part of Article 6 quinquies B of the Paris Convention, (8) which provides for mutual registration and protection of trade marks registered in any of the countries of the Union for the protection of industrial property set up by the convention. It provides, inter alia:

Trademarks covered by this Article may be neither denied registration nor invalidated except in the following cases:

...

2. when they are devoid of any distinctive character, or consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, place of origin, of the goods, or the time of production, or have become customary in

the current language or in the bona fide and established practices of the trade of the country where protection is claimed;

...

12. On the other hand, the Paris Convention does not contain a definition of a trade mark such as that given in Article 4 of the Trade Mark Regulation. Provisions having the same general effect are, however, common in trade mark laws throughout the world. In particular, a similar definition is found in Article 15(1) of the TRIPs Agreement: (9) Any sign, or any combination of signs, capable of distinguishing the goods or services of one undertaking from those of other undertakings, shall be capable of constituting a trademark. ...

13. Under Article 9(1)(a) and (b) of the Trade Mark Regulation, essentially, the proprietor of a Community trade mark may prevent all third parties from using in the course of trade an identical or confusingly similar sign in relation to identical or similar goods or services. However, Article 12 provides:

A Community trade mark shall not entitle the proprietor to prohibit a third party from using in the course of trade:

...

(b) indications concerning the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of the goods or of rendering of the service, or other characteristics of the goods or service;

...

provided he uses them in accordance with honest practices in industrial or commercial matters.

14. Essentially identical provisions are to be found (for national trade marks) in Articles 5(1) and 6(1)(b) of the Trade Marks Directive (and thus, in principle, in the laws of the Member States).

15. Again, there is no equivalent in the Paris Convention; such a provision might in any event fall outside its scope. Under Article 17 of the TRIPs Agreement, Members may provide limited exceptions to the rights conferred by a trademark, such as fair use of descriptive terms, provided that such exceptions take account of the legitimate interests of the owner of the trademark and of third parties.

Circumstances of the present case

The application for registration

16. The Procter & Gamble Company of Cincinnati, Ohio (Procter & Gamble), applied to the Office in 1996 for registration of the term Baby-Dry as a Community trade mark for disposable diapers made out of paper or cellulose and diapers made out of textile.

17. That application was refused in 1998. The examiner considered that the trade mark was ineligible for registration under Article 7(1)(c) of the Trade Mark Regulation on the ground that it was descriptive of the goods for which registration was sought. It was composed only of a simple combination of the non-distinctive words baby and dry, thus consisting exclusively of an indication which may serve in trade to designate the intended purpose of goods such as those for which registration is sought, i.e. keeping a baby dry.

The decision of the Board of Appeal

18. Procter & Gamble challenged that refusal before the First Board of Appeal, arguing that the combination Baby-Dry was, though allusive, none the less sufficiently distinctive to qualify for trade mark protection, had been registered in Denmark, Finland and France and was at least as distinctive as certain other trade marks already published by the Office. The company further offered to submit evidence of acquired distinctiveness resulting from sales and heavy advertising throughout Europe since 1993, with a view to invoking the derogation contained in Article 7(3) of the Trade Mark Regulation from the application of Article 7(1)(b) to (d).

19. The Board of Appeal dismissed that challenge on 31 July 1998.

20. In its reasoning, it considered that the provisions of both Article 7(1)(b) and Article 7(1)(c), between which there was some overlap, were relevant. No undertaking, it stated, may be given an exclusive right to use in the course of trade a sign which does no more than describe, in ordinary language, the nature, quality or intended purpose of the goods or services in respect of which it is to be used. Baby-Dry was a combination of two ordinary words which immediately informed consumers that the product was suitable for performing its basic function of keeping babies dry.

21. Registration was therefore precluded by Article 7(1)(c) because the term consisted exclusively of signs or indications which may serve, in trade, to designate the ... intended purpose ... of the goods and by Article 7(1)(b) because it was devoid of any distinctive character, not being capable of distinguishing diapers produced by one undertaking from those of other undertakings which might also wish to emphasise the effectiveness of their products in keeping babies dry.

22. The Board rejected the arguments that comparable marks had already been registered by the Office and that Baby-Dry had been registered in certain Member States on the grounds respectively that the other marks registered did not appear so comparable that any difference in treatment infringed the principle of non-discrimination and that, for linguistic reasons, registration might be possible in some Member States but not in all.

23. Finally, the Board did not consider it appropriate to examine Procter & Gamble's proposed evidence as to acquired distinctiveness for the purposes of Article 7(3), since that issue had not been raised before the examiner. The company was not however precluded from making a further application and adducing evidence of acquired distinctiveness at the examination stage in that context.

The judgment of the Court of First Instance

24. Procter & Gamble appealed against that decision in an action brought before the Court of First Instance on 6 October 1998. It claimed that the Court should:

Principally (en ordre principal),

Annul the contested decision of the Board of Appeal of 31 July 1998,

Order the Office to publish Community trade mark application No 000200006 in accordance with Article 40 of the Community Trade Mark Regulation;

In the alternative (en ordre subsidiaire),

Annul the contested decision of the Board of Appeal of 31 July 1998 in that it found the applicant's argument based on Article 7(3) of the Regulation inadmissible,

Allow the applicant to establish that the term Baby-Dry has become distinctive in consequence of the use which has been made of it,

At the very least, remit the case to the Board of Appeal for it to rule on that alternative issue.

25. Although the principal head of claim was simply for annulment of the Board of Appeal's decision, it is clear from the case-file that it was sought on the ground of infringement of Article 7(1)(b) and (c) of the Trade Mark Regulation and indeed the Court of First Instance reformulated it both in the Report for the Hearing and in its judgment of 8 July 1999 (10) as a request to

- annul the contested decision in so far as it finds that the mark does not satisfy the conditions laid down in Article 7(1)(b) and (c) of Regulation No 40/94.

26. In its judgment the Court of First Instance dismissed that principal claim but held that the Board of Appeal should have considered the evidence of acquired distinctiveness offered by Procter & Gamble and annulled the decision on that ground.

27. In the context of the principal claim, (11) the Court examined only Article 7(1)(c), pointing out that it was sufficient for one of the absolute grounds for refusal to apply for the sign to be ineligible for registration. It considered in particular that it was the intention of the legislature that signs or indications of the kind described in that subparagraph should, by their very nature, be regarded as incapable of distinguishing the goods of one undertaking from those of another. The Board of Appeal had referred to the dictionary definition of diapers, had noted that the term Baby-Dry, read as a whole, informed consumers of the intended purpose of such goods but exhibited no additional feature capable of distinguishing Procter & Gamble's goods from those of other undertakings and had thus correctly concluded that in accordance with Article 7(1)(c) the term was not capable of constituting a Community trade mark.

28. On the question of the offer of evidence as to acquired distinctiveness for the purposes of Article 7(3) of the Trade Mark Regulation, (12) the Court of First Instance examined the provisions of that regulation (in particular Articles 57 to 62) governing appeals and concluded that it was not open to the Board of Appeal, which enjoys the same powers in determining an appeal as the examiner, simply to reject the applicant's arguments based on Article 7(3) of Regulation No 40/94 solely on the ground that they were not raised before the examiner. Having considered the appeal, it should have either ruled on the substance of that issue or remitted the matter to the examiner. The decision of the Court of First Instance on that point is not in issue in this appeal, and I express no view on it.

29. On the remaining claims, (13) the Court declined to hear evidence itself on the acquired distinctiveness of the mark on the ground that the merits of that matter had not been considered by the Office, and dismissed as inadmissible the claim for an order requiring the Office to publish the trade mark application, pointing out that the Office was required to take the necessary steps to comply with the Court's judgment.

30. The Court of First Instance concluded: (14) In the light of paragraphs 32 to 45 above, the Court finds that the contested decision must be annulled, inasmuch as the Board of Appeal was wrong to refuse to examine the applicant's arguments based on Article 7(3) of Regulation No 40/94. As has already been pointed out, it is for the Office to take the necessary measures to comply with this judgment.

31. It accordingly annulled the decision of the Board of Appeal but, in accordance with Article 87(3) of its Rules of Procedure, which applies where each party succeeds on some and fails on other heads, (15) ordered the parties to bear their own costs.

The present appeal

32. In its appeal lodged on 8 October 1999, Procter & Gamble asks the Court of Justice to set aside the judgment under appeal inasmuch as the Court of First Instance held that the First Board of Appeal ... had not infringed Article 7(1)(c) of Regulation (EC) No 40/94 by adopting its decision of 31 July 1998 The Office contends that the appeal should be dismissed and both parties ask for costs.

Admissibility

33. Neither party has devoted much consideration in its pleadings to the admissibility of the appeal, even though there is at least an apparent paradox where an applicant who has sought the annulment of a measure appeals against the judgment annulling that measure.

34. Procter & Gamble points out that under Article 49 of the Statute of the Court of Justice (Statute) an appeal may be brought against, inter alia, final decisions of the Court of First Instance by any party which has been unsuccessful, in whole or in part, in its submissions. It was partly unsuccessful in its submissions. Moreover, it has an interest in bringing the appeal because the Office is bound not only by the operative part but also by the reasoning of the judgment under appeal; in accordance with that reasoning the Office is required to re-examine the application only in the light of Article 7(3) of the Trade Mark Regulation but not in the light of Article 7(1)(b) and (c).

35. The Office accepts that Procter & Gamble has an interest in bringing the appeal and merely doubts whether there can be said to be an infringement of Community law by the Court of First Instance (16) in this case. It defers to the Court's judgment as to whether there is any question of admissibility which the Court should raise of its own motion in accordance with Article 92(2) of its Rules of Procedure.

36. An objection to the admissibility of the appeal would be that it is brought against a judgment which grants exactly what the applicant sought - annulment of the disputed decision. Moreover, it does not seek any

variation of the operative part of the judgment but rather annulment of part of the reasoning which determines the way in which that operative part must be implemented. There might be thought to be dangers in allowing an appeal to be brought whenever a party was merely dissatisfied by part of the reasoning on which the Court of First Instance had based its decision to grant the remedy sought.

37. However, I would not support that objection.

38. The limits of the right to appeal are defined by the second paragraph of Article 49 of the Statute of the Court of Justice: ... an appeal may be brought by any party which has been unsuccessful, in whole or in part, in its submissions. ... That scope already limits the circumstances in which an appeal may be brought and at the same time allows the bringing of any appeal which meets its criteria (subject to any further limitations in the Statute, such as those concerning interveners, the grounds which may be alleged and the exclusion of appeals relating solely to costs), so that it should not be further restricted by the Court without some overriding justification.

39. The word submissions in the English version of Article 49 corresponds to conclusions - namely, forms of order sought, in the terminology of the Rules of Procedure - in French. Where the English uses two concepts, the French uses a single term, and the same is true of at least the German, Italian and Spanish versions of the Statute. If the term is taken in the restricted sense of forms of order sought, the right of appeal seems tightly circumscribed, but a broader interpretation is possible. English is not the only language that uses different terminology - the Dutch for example has *iedere partij die geheel of gedeeltelijk in het ongelijk is gesteld*, which makes no specific reference to conclusions, and at least the Danish, Portuguese and Finnish also use different expressions. In that light, I consider that the provision should be interpreted as referring in general terms to a failure to obtain what was asked for rather than strictly to a failure to have a particular argument accepted or a particular form of order granted.

40. Here, it is clear from paragraphs 20 to 29 of the judgment under appeal that Procter & Gamble was unsuccessful in its principal claim. At paragraph 55, the Court of First Instance explicitly acknowledges that each of the parties had failed on some heads of claim. In addition, the duty of the Office to take the necessary measures to comply with the judgment under appeal clearly entails an obligation to allow Procter & Gamble to adduce evidence of acquired distinctiveness for the purposes of Article 7(3) of the Trade Mark Regulation but precludes it from reconsidering its position in the light of Article 7(1)(c). The latter circumstance limits Procter & Gamble's chances of obtaining registration and it thus has an interest in pursuing its original claim.

41. Specifically, the judgment under appeal, although it formally grants the form of order sought, does so in an explicitly limited manner which fails to grant Procter & Gamble full redress. The right of appeal would be unjustifiably curtailed if there were no possibility of challenging such a limitation. In the present situation, if

the Office cannot re-examine the case in the light of Article 7(1)(c) and no appeal is possible then what seems to be the essential issue in the case, which was duly raised before the Court of First Instance, is excluded from further consideration, resulting in possible injustice to Procter & Gamble.

Substance

Arguments

42. Procter & Gamble claims that the Court of First Instance infringed Community law by misinterpreting Article 7(1)(c) of the Trade Mark Regulation.

43. Essentially, it argues that instead of considering that trade marks identified in that provision are regarded as inherently incapable of distinguishing goods of one undertaking from those of another for the purposes of Article 4 unless they have acquired distinctiveness through use, the Court should have understood that the provision merely cites examples of the ways in which marks may be incapable of distinguishing goods but that each mark must be assessed individually in order to determine whether it is in fact so incapable. In fact there is only one substantive requirement - that set out in Article 4, which requires that a trade mark must be capable of distinguishing

44. In other words, it is not enough to note that the words baby and dry, the sole elements of the mark Baby-Dry, may serve to designate the intended purpose of diapers but the mark taken as a whole must be examined to determine whether it is capable or incapable of fulfilling the required distinguishing function vis-à-vis consumers. In fact, Baby-Dry will not be understood by the buying public as a synonym for diapers or as a mere description of their purpose but as a guarantee that they are produced by a particular undertaking.

45. The line taken by the Court of First Instance has, at least in the past, been followed by the courts of many countries, including some Member States, generally in the context of a monopolistic approach to the trade mark right - the greater the right of the trade mark owner to prohibit any use whatever by a third party, the greater the tendency to exclude from the category of registrable marks any element which it would be wrong to remove from the public domain. However, that is not appropriate in the context of the Trade Mark Regulation, Article 12 of which precludes owners from prohibiting the use of indications of the kinds listed in Article 7(1)(c).

46. In that connection, Procter & Gamble reviews the history of Article 7(1)(b) and (c) and some of the relevant case-law.

47. It points out that the terms used in the provisions date back to the Paris Convention, the different context of which - that of according protection to marks already registered in another country - explains, it considers, the otherwise contradictory expression trade marks which are devoid of any distinctive character in Article 7(1)(b). Despite attempts to achieve a consistent approach in the context of the Paris Convention negotiations (the present text dates from the Washington revision of 1911), two camps remained: those countries, such as the United Kingdom and Germany,

which traditionally excluded any descriptive elements as a matter of principle and those, more modern, such as France and the Benelux countries, which examined each case on its merits and only excluded signs which were exclusively descriptive when viewed in the light of the goods in question. Procter & Gamble cites a number of such judgments, including some more recent rulings of the German Bundesgerichtshof.

48. In the modern approach, there is thus only one criterion - a trade mark must be capable of being perceived by the public as indicating that the goods are those of a given undertaking. The previous concern in UK and German legislation, that descriptive terms should not be monopolised, is amply catered for in Article 12 of the Trade Mark Regulation - just as the owner of the Vittel trade mark cannot prohibit another producer from stating in good faith that its water is bottled at Vittel, nor could Procter & Gamble prevent a rival from claiming that its diapers keep your baby dry. Put another way, simply because a sign is descriptive it does not follow that it cannot be distinctive of the goods of a particular undertaking.

49. The Office considers that the appeal raises two questions: (i) Is the descriptive character referred to in Article 7(1)(c) of the Trade Mark Regulation a sufficient ground for refusing protection of a sign? (ii) What descriptive signs may or must be refused on the basis of that provision?

50. The first question, the Office considers, should be answered in the affirmative.

51. The provisions of Article 6 quinquies B of the Paris Convention were intended to limit the extent to which member countries could refuse protection of trade marks already registered elsewhere; however, they have been incorporated into the substantive law of many member countries and have thus become conditions applicable to all trade marks in that context. Under the TRIPs Agreement, which is binding on the Community, members must comply with Articles 1 to 12 and 19 of the Paris Convention, although those provisions are not directly applicable in the Community.

52. In the Trade Mark Regulation, those provisions have not simply been copied verbatim because Article 7 relates to the registration of Community trade marks and not to the protection of marks registered elsewhere. None the less, because of the Community's obligation under the TRIPs Agreement to respect the relevant articles of the Paris Convention, there is a close correspondence both in the wording itself and in the way in which the Office interprets that wording. The grounds set out in Article 7(1)(b) to (d) of the Trade Mark Regulation correspond to those in Article 6 quinquies B(2) of the Convention and are similarly alternatives.

53. The Office agrees with Procter & Gamble that Article 7 of the Trade Mark Regulation should not be read as prohibiting the registration of terms which must remain in the public domain, a concern which is dealt with in Article 12. The rationale of Article 7(1)(c) is rather to ensure that only distinctive, as opposed to descriptive or generic, trade marks may be registered and

it proceeds on the basis that terms which are solely descriptive are incapable of having the distinctive character which is an essential feature of a trade mark (unless they have acquired distinctiveness through use). The criteria set out in Article 7(1)(c) provide sufficient independent grounds to refuse registration, without implying that examination of the basic criterion in Article 4 is short-circuited, since the result is the same.

54. As regards the second question, the Office considers that the Court of First Instance interpreted and applied Article 7(1)(c) correctly in the judgment under appeal - viewed as a whole in relation to the type of product to which it relates, Baby-Dry contains no element which is not descriptive and is immediately and clearly informative, for the consumer, of the purpose of the product.

Scope of the appeal

55. Procter & Gamble seeks the annulment of the judgment of the Court of First Instance in so far as it held that the Board of Appeal had not infringed Article 7(1)(c) of the Trade Mark Regulation in its decision of 31 July 1998, and it does so on the single ground that the Court of First Instance infringed Community law by misinterpreting that provision.

56. It may be noted that Article 7(1)(b) is not in issue here. Indeed, there is no reason that it should be. The examiner's original decision was based on Article 7(1)(c) alone and the Appeal Board's decision, by simply dismissing the appeal, did not in fact add Article 7(1)(b) as a further ground of refusal. Nor did the Court of First Instance address that provision in its judgment.

57. Thus, essentially, two passages of the judgment under appeal are in issue.

58. In paragraphs 20 to 23, the Court of First Instance examined Articles 4 and 7(1)(c) of the Trade Mark Regulation and concluded that the legislature had intended that signs of the kind referred to in Article 7(1)(c) (namely those which may serve in trade to designate characteristics of the goods in question, including their intended purpose) should, by their very nature, be regarded as incapable of distinguishing the goods of one undertaking from those of another - and thus, in effect, incapable of meeting one of the basic requirements for a Community trade mark laid down in Article 4.

59. Then, in paragraphs 25 to 28, the Court of First Instance examined the term Baby-Dry in that light and concluded that the Board of Appeal had been right to take the view that it was composed exclusively of words which may serve in trade to designate the intended purpose of the goods; the term immediately informed consumers of that purpose and did not exhibit any additional feature which might render the sign as a whole capable of distinguishing Procter & Gamble's goods from those of other undertakings.

60. I shall examine those two aspects separately. As will become clear, I do not believe that a decision on the first aspect is essential in order to dispose of this appeal; however, I shall consider it in some detail since it has been the principal focus of the appellant's submissions.

The relationship between Article 4 and Article 7(1)(c)

61. Unravelling the skein formed by Articles 4 and 7(1)(a) to (d) of the Trade Mark Regulation (or Articles 2 and 3(1)(a) to (d) of the Trade Marks Directive, which are essentially the same) is not an obviously easy matter.

62. Article 4 defines the signs of which a Community trade mark may consist; one condition is that they must be capable of distinguishing the goods or services of one undertaking from those of other undertakings. Thus, a Community trade mark may not consist of signs which are not capable of distinguishing goods in that way.

63. Article 7 concerns absolute grounds for refusal of registration. Not surprisingly, one such ground is non-conformity with Article 4 (Article 7(1)(a)). This is clearly tautologous, but understandable since the same criteria are viewed from two different angles (as positive requirements for registration and as negative grounds for refusal).

64. Further, less readily understandable, tautology seems to arise with Article 7(1)(b), which precludes registration of trade marks which are devoid of any distinctive character. What is the difference between being incapable of distinguishing two sets of goods and being devoid of any distinctive character? To answer that it is a matter of potentiality and actuality may do no more than displace the question by one step. From another perspective, it has been pointed out that, read in conjunction with Article 4, Article 7(1)(b) literally applies to signs which are capable of distinguishing which are devoid of any distinctive character. (17) Moreover, Article 7(3) recognises that such signs or marks are capable of becoming distinctive through use despite their lack of any distinctive character.

65. Where does Article 7(1)(c) stand in this already embroiled scheme of things? It covers signs or indications which may serve in trade to designate characteristics of the goods or service. Does that represent, as Procter & Gamble argues, simply one category of non-distinctiveness? If so, why is it presented separately? And might Article 7(1)(d) (signs or indications which have become customary in current language or bona fide trade practice) not appear capable of forming simply a subset within Article 7(1)(c)?

66. It is possible to become seriously entangled in such considerations. In particular, the relationship between a sign which is capable of distinguishing and a mark which is devoid of any distinctive character has given rise to much discussion in the United Kingdom, and has prompted a recent reference to this Court. (18)

67. Clearly, a large part of the difficulty stems from attempting to achieve a coherent, unified interpretation of provisions which have different origins. I suggest that too great a degree of coherence or unification need not be sought but rather that, at least in the context of the present case, the various provisions should be interpreted each within its own sphere.

68. First, there are the criteria laid down by Article 4 of the Trade Mark Regulation. A sign which does not

meet those criteria may not be registered as a Community trade mark - and it is irrelevant in that regard whether Article 4 itself or Article 7(1)(a) is taken as the basis for the refusal.

69. Then there are the other absolute grounds for refusal of registration which are contained in Article 7(1)(b) to (j). The grounds in subparagraphs (e) to (j) are distinct and need not concern us here. The grounds in subparagraphs (b) to (d) not only form a package imported from the Paris Convention (19) but also overlap to varying degrees both with each other and with Articles 4 and 7(1)(a).

70. Those degrees of overlap, I consider, may simply be accepted. It serves no useful purpose to tarry over the fact that one and the same aspect of a proposed trade mark may preclude registration simultaneously on several grounds. Article 4 sets out the positive requirements for a Community trade mark, Article 7(1)(a) reiterates them from the negative point of view. Subparagraphs (b) to (d) then go on to include the alignment with the Paris Convention (20) but do not need to be either distinguished from or read in the light of Article 4 or 7(1)(a). (21)

71. As the Court of First Instance rightly noted, (22) it is sufficient for one of the absolute grounds for refusal to apply for a sign to be ineligible for registration as a trade mark. Moreover, I cannot envisage any circumstances in which, in practice, it might be important to determine whether more than one absolute ground might apply. In theory, since the proviso concerning acquired distinctiveness in Article 7(3) relates only to Article 7(1)(b) to (d) and not to Article 7(1)(a), it might be thought necessary to differentiate between, say, signs which are incapable of distinguishing and marks which are devoid of any distinctive character or composed entirely of descriptive elements. In practice, however, if acquired distinctiveness can be established then there must be an underlying capacity to distinguish; if not, the question is immaterial.

72. In other words, for the purposes of the present case, Article 7(1)(c) falls to be interpreted independently of Article 4.

73. I thus consider that Procter & Gamble's endeavours to conflate all the criteria in Article 7(1)(a) to (d) as aspects of the fundamental criterion of capacity to distinguish are unnecessary and perhaps even misleading in the present context. (23) Furthermore, in my view the Court of First Instance went too far in paragraph 23 of the judgment under appeal when it held that it was the intention of the legislature that signs of the kind described in Article 7(1)(c) should, by their very nature, be regarded as incapable of distinguishing the goods of one undertaking from those of another.

74. However, although I believe the Court of First Instance to have gone beyond what was necessary in that regard, it does not necessarily follow that it was mistaken in its subsequent conclusion that the Board of Appeal was right to take the view that registration of the term Baby-Dry was precluded by the terms of Article 7(1)(c). The precise import of the provision must first be examined and, indeed, the nature of its relation-

ship to Article 4 or to the other absolute grounds for refusal may prove not to be decisive.

The scope of Article 7(1)(c)

- In general

75. One aspect of this question is whether the exclusion of signs or indications which may designate characteristics of goods or services should be read as intended to prevent traders from withdrawing from circulation terms which properly belong in the public domain. In paragraph 15 of its decision (24) the Board of Appeal took the view that the exclusion should be read in that way, but that approach is hotly contested by Procter & Gamble. However, it should be noted that in the judgment under appeal the Court of First Instance took no position on the issue.

76. In view of that last fact, the point is not directly relevant to the outcome of the appeal. It may none the less have some bearing on the interpretation of Article 7(1)(c).

77. I would broadly agree here with Procter & Gamble - as indeed does the Office. One concern of the authors of the Paris Convention may have been to allow certain countries, whose laws proceeded on the basis that a trade mark created a monopoly of use and that certain common terms must be excluded from any such monopoly, to refuse to protect trade marks registered elsewhere which consisted of such terms. However, with respect to indications concerning characteristics of the goods or services, that concern is dealt with in Article 12(b) of the Trade Mark Regulation, which limits the effects of a Community trade mark by ensuring that use of such indications - for descriptive or informative purposes rather than as brand identifications - cannot be prohibited by a trade mark proprietor. That goes far to meet the concern expressed long ago by an English judge: Wealthy traders are habitually eager to enclose part of the great common of the English language and to exclude the general public of the present day and of the future from access to the enclosure. (25)

78. In that light, it may be better to think of Article 7(1)(c) of the Trade Mark Regulation as intended not to prevent any monopolising of ordinary descriptive terms but rather to avoid the registration of descriptive brand names for which no protection could be available. If this means that the same words have to be interpreted as having a different import from that which they have in, say, the Paris Convention, that is because they appear in a different context.

79. I realise that the view I am putting forward here may appear to conflict with some passages in the Windsurfing Chiemsee judgment. (26) There, the Court held that Article 3(1)(c) of the Trade Marks Directive (equivalent to Article 7(1)(c) of the Regulation) pursues an aim which is in the public interest, namely that descriptive signs or indications relating to the categories of goods or services in respect of which registration is applied for may be freely used by all and that Article 6(1)(b) (which corresponds to Article 12(b) of the Regulation) does not have a decisive bearing on that interpretation.

80. I believe, however, that those statements, although formulated generally, must be viewed in the context of that particular case, which concerned the use not of descriptive language but of a geographical name. Although indications of geographical origin are included under Article 7(1)(c) of the Trade Mark Regulation and Article 3(1)(c) of the Directive along with other descriptive elements, they have a rather special status. They are singled out in Article 64(2) of the Regulation and Article 15(2) of the Directive as being capable of registration as collective marks and, in relation to agricultural products and foodstuffs (with regard to which they are particularly significant), they are closely regulated by other Community legislation. (27) In particular, however, the registration of a geographical name as a trade mark would occupy the ground much more completely than would that of a mark comprising descriptive elements. It may also be noted that the Court held in the Windsurfing judgment (28) that Community law did not embrace the German concept of *Freihaltebedürfnis* (real, current or serious need to keep an indication free) in that regard.

81. Thus, I consider, Article 7(1)(c) may be taken at its face value, as precluding registration of any proposed trade mark which consists exclusively of signs or indications designating characteristics of the goods or services. It is clear from Article 12(b) that a trade mark may include such signs or indications (or else that provision would serve no purpose) and from Article 7(1)(c) that it may not consist exclusively of them.

- In relation to Baby-Dry

82. In the present case, the Board of Appeal found that [t]he combination of two ordinary words (baby and dry), with no additional element that could be regarded as fanciful or imaginative, immediately informs consumers that the product is suitable for performing its basic function of keeping babies dry. The Court of First Instance agreed and considered that the term Baby-Dry does not seem to exhibit any additional [distinguishing] feature.

83. There can, admittedly, be little doubt that the words baby and dry may be used in trade in indications which designate the intended purpose of diapers and that the term Baby-Dry consists of no other words.

84. However, it may be doubted whether any reasonably aware person who had not yet encountered the brand name Baby-Dry would think unhesitatingly of diapers when first confronted with it or, when hearing it used in connection with such goods, would regard it as a designation of their intended purpose.

85. Of those two aspects of such a person's reaction, the second is the more important, since clearly the question whether registration of a mark is prohibited under Article 7(1)(c) must be assessed in relation to the relevant category of goods, as was rightly stated by the Court of First Instance in the judgment under appeal. (29) However, despite the fact that, as the Board of Appeal pointed out, one of the principal functions of diapers is to keep babies dry (in one sense of that expression), the term baby-dry is not to my knowledge used in ordinary

language to refer to such items or their intended purpose, nor has it been suggested that it is.

86. Nevertheless, the first aspect too may be not entirely without relevance. If the term Baby-Dry is capable of suggesting products as diverse as, say, talcum powder, rain hoods for prams, compact tumble-dryers or drinks presented in small bottles, then that might seem to dilute its power to designate with any precision the intended purpose of diapers.

87. The meanings of the words exclusively and may serve, in trade, to designate in Article 7(1)(c) are of some importance here.

88. The Board of Appeal and the Court of First Instance appear to have taken the view essentially that since there is no element in the proposed mark which cannot be used to indicate the intended purpose of the goods, the mark consists exclusively of indications which may serve in trade to designate that purpose.

89. That approach is in my view too narrow, at least in the way it was applied in the present case.

90. In particular, it fails to take account of the extremely elliptical nature of the indication, its unusual structure or its resistance to any intuitive grammatical analysis which would make the meaning immediately clear. Those are all, I consider, elements additional to the words baby and dry which should enter into the assessment.

91. It also fails to take account of the fact that, conversely, any indication used in trade to designate the intended purpose of diapers must, in order to be intelligible for that purpose, contain more than the words baby and dry simply juxtaposed as in the brand name in question. Furthermore, it fails to give any consideration to the fact that Baby-Dry is by any standard an invented term and does not as such form part of the English language, thus rendering its use as a descriptive term in trade considerably less likely.

92. A broader approach to Article 7(1)(c) is not without precedent, either within the Office or within the Court of First Instance.

93. The Office's examination guidelines, for example, state that a trade mark must do more than describe the goods. The Second Board of Appeal, when considering the mark Oilgear in relation to hydraulic pumps, motors and machine tools, paraphrased Article 7(1)(c) as prescribing that marks, in order to be accepted, should not be exclusively or purely descriptive. (30) Upholding an appeal against a refusal to register Netmeeting in relation to computer programs for providing real-time, multimedia, multiparty communications over computer networks, the Third Board of Appeal found that the mark contained at least an element of inventiveness, noting that the words are not normally used together, that their combination does not suggest a direct correlation with the specific goods of interest to the applicant and that the mark does not exclusively designate the intended purpose or other characteristics of the goods. (31)

94. In another case (echoing what the Court of Justice said in the context of confusion in SABEL (32)), the Third Board of Appeal considered that Article 7(1)(c)

should come into play only if the descriptive content is immediately, clearly and unmistakably obvious from the application, particularly since experience shows that customers are unlikely to engage in a conceptual analysis of the trade marks they encounter in order to read conceptual meanings into them. ... If a term that could serve to describe the characteristics of goods is merely hinted at and is recognisable only on the basis of intellectual conclusions, it does not usually impede the registration. (33)

95. In a very recent judgment, (34) the Court of First Instance annulled a decision of the First Board of Appeal dismissing an appeal against a refusal to register the mark Doublemint in respect of a number of types of goods but chiefly chewing gum. It based its ruling essentially on the consideration that the element double was ambiguous in the context and that Doublemint does not enable the public concerned immediately and without further reflection to detect the description of a characteristic of the goods in question. (35)

96. If that type of approach, with which I agree, had been followed in the present case, consideration of the factors to which I have referred above - extreme ellipsis, unusual and opaque grammatical structure, incompleteness as a description and inventiveness - might very well have led to the conclusion that Article 7(1)(c) of the Trade Mark Regulation does not preclude registration of the brand name Baby-Dry in respect of babies' diapers even if, by virtue of Article 12(b), the degree of protection afforded would be considerably limited. (36)

97. Thus I consider that, by failing to give due consideration to those factors in the context of Article 7(1)(c), the Board of Appeal erred in law in its assessment and the Court of First Instance erred in law in upholding the Board's decision in that regard.

Procedural consequences

98. The procedural consequences of a finding that the Court of First Instance erred in law also require some consideration.

99. In the present case, the examiner's decision was taken on the basis of Article 7(1)(c) alone. The Board of Appeal considered that registration was precluded also by Article 7(1)(b) but merely dismissed the appeal, presumably with the result that the original decision remained unaltered (subject to the suspensive effect of the appeal under Article 57(1) of the Trade Mark Regulation and of the Court proceedings under Article 62(3)). Although, under Article 62(1) of the Trade Mark Regulation, the Board of Appeal may either exercise any power within the competence of the department which was responsible for the decision appealed against or remit the case to that department for further prosecution, it did not take either course here nor would that seem necessary when an appeal is dismissed.

100. Procter & Gamble appealed to the Court of First Instance on the basis that the Board of Appeal had erred in its interpretation of both Article 7(1)(b) and Article 7(1)(c), but that Court examined only the latter

and consequently only the latter is the subject-matter of the present appeal proceedings.

101. Under Article 63(3) of the Trade Mark Regulation, the Court of First Instance has jurisdiction either to annul or to alter the decision of the Board of Appeal; in this case it annulled the decision. (37) I have considered some of the procedural implications of that annulment in the context of the admissibility of this appeal.

102. Finally, under Article 54 of the Statute, if an appeal is well founded, the Court of Justice is to quash the decision of the Court of First Instance and may then either itself give final judgment or refer the case back to the Court of First Instance.

103. If the Court finds in the present case that the Court of First Instance erred in its interpretation of Article 7(1)(c), what is the appropriate course of action?

104. In view of the multiplicity of the stages in the appeal procedure and the already considerable length of time taken, the shortest course must in my view be the best.

105. I do not consider it necessary to remit the case to the Court of First Instance. Such a course might have been thought necessary because that Court did not examine the issue which was submitted to it on Article 7(1)(b) and which thus remains undecided. However, the original examiner's decision was based only on Article 7(1)(c) and no other measure precluding registration on any other ground has supervened; I consider therefore that the arguments on Article 7(1)(b) do not require to be dealt with.

106. If the judgment of the Court of First Instance is set aside and replaced by a judgment again annulling the decision of the Board of Appeal but on different grounds, it is not entirely clear (38) whether the Board of Appeal remains seised of the case. If so, it would presumably have to take another decision in which it would be bound by the findings of this Court, perhaps an unnecessary and procedurally uneconomical step.

107. The Court could therefore set aside the judgment under appeal and itself give final judgment, making use of the power under Article 63(3) of the Trade Mark Regulation to alter the decision of the Board of Appeal.

108. Although it would be theoretically possible in those circumstances for the Court itself to order registration of the mark (in accordance with Article 62(1) of the Trade Mark Regulation under which the Board of Appeal may exercise any power within the examiner's competence), that would, I consider, be a wholly unjustified interference in the work of the Office, in particular because there may be other aspects of the case which have not been debated before the Court.

109. It therefore seems to me that the most efficient course of action in the present instance would be for the Court to remit the case to the examiner for further prosecution, the examiner being then bound to comply with the grounds of the Court's judgment requiring him to take into account the factors which I have discussed above.

Conclusion

110. I am thus of the opinion that the Court should:

- (1) set aside the judgment of the Court of First Instance in Case T-163/98;
- (2) alter the decision of the First Board of Appeal in Case R 35/1998-1 so that it
 - annuls the decision of 29 January 1998 whereby the examiner found that the mark Baby-Dry consisted exclusively of indications which may serve in trade to designate the intended purpose of babies' diapers;
 - remits the case to the examiner for further prosecution;
- (3) order the Office to pay the costs.

1: Original language: English.

2: - Of 20 March 1883, as revised at Brussels on 14 December 1900, at Washington on 2 June 1911, at The Hague on 6 November 1925, at London on 2 June 1934, at Lisbon on 31 October 1958, and at Stockholm on 14 July 1967 (United Nations Treaty Series No 11851, vol. 828, pp. 305 to 388).

3: - Set out in Annex 1 C to the Agreement establishing the World Trade Organisation (the WTO Agreement), approved on behalf of the Community, as regards matters within its competence, by Council Decision 94/800/EC of 22 December 1994, OJ 1994 L 336, p. 1.

4: - First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks, OJ 1989 L 40, p. 1.

5: - Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark, OJ 1994 L 11, p. 1.

6: - Read in the light of the 13th recital in the preamble to the Trade Mark Regulation and of Article 3(c) of Council Decision 88/591/EEC, EEC, Euratom of 24 October 1988 establishing a Court of First Instance of the European Communities, OJ 1988 L 319, p. 1, as amended by Council Decision 93/350/Euratom, ECSC, EEC of 8 June 1993, OJ 1993 L 144, p. 21.

7: - Although Article 3(1)(a) of the directive does not refer back explicitly to Article 2 but reads: signs which cannot constitute a trade mark.

8: - Cited in paragraph 4 and note 1.

9: - Cited above in paragraph 4 and note 2.

10: - Case T-163/98 Procter & Gamble v OHIM [1999] ECR II-2383 (the judgment under appeal).

11: - See paragraphs 20 to 29 of the judgment under appeal.

12: - See paragraphs 32 to 45 of the judgment under appeal.

13: - See paragraphs 46 to 53 of the judgment under appeal.

14: - In paragraph 54 of the judgment under appeal.

15: - See paragraph 55 of the judgment under appeal.

16: - Article 51 of the Statute.

17: - Mr Justice Jacob in *Philips v Remington* [1998] RPC 283 at p. 289; the remark concerned in fact the terms of Sections 1(1) and 3(1)(b) of the Trade Marks Act 1994, the United Kingdom legislation implement-

ing the equivalent provisions of the Trade Marks Directive.

18: - Case C-299/99 Philips Electronics, Opinion of Advocate General Ruiz-Jarabo Colomer delivered on 23 January 2001. See the discussion in Kerly's Law of Trade Marks and Trade Names, 13th edition (2001), pp. 18-35.

19: - Although it should be borne in mind that in the Paris Convention they are grounds on which one member of the Union may refuse to protect a trade mark already registered in another member country, whereas in the Trade Marks Directive and the Trade Mark Regulation they are grounds for mandatory refusal of registration.

20: - The Trade Mark Regulation makes no explicit reference to the Convention, but the final recital in the preamble to the Trade Marks Directive refers to the need for its provisions (which are in this regard identical to those of the regulation) to be entirely consistent with those of the Paris Convention. The Commission's explanatory memorandum to the original proposal for a Community Trade Mark Regulation stated, with regard to what was then Article 6: The list of absolute grounds of refusal is based to a large extent on Article 6 quinquies of the Paris Convention for the protection of Intellectual Property and the laws in force in the Member States. Only in exceptional cases has it been found convenient to refer back to the text of the Paris Convention.

21: - Cf., for example, the decision of the Third Board of Appeal of 27 November 1998 in Case R 26/1998-3 (Netmeeting), at paragraph 13: Even though there may be some overlap between the different subparagraphs in Article 7 CTMR, the Board is of the opinion that each should be interpreted and applied separately. This does not mean, on the other hand, that a trade mark cannot be affected simultaneously by more than one absolute grounds [sic] of refusal.

22: - At paragraph 29 of the judgment under appeal.

23: - It may be noted in passing that the appellant's numerous references to the case-law of Benelux courts may not be entirely in point, because the Benelux legislation is different. Although the Benelux Uniform Trade Mark Law purports to implement the Trade Marks Directive, Article 6 bis of the Law provides that an application is to be refused when the sign in question does not constitute a trade mark within the meaning of Article 1 [which refers essentially to all signs serving to distinguish the products of an undertaking], in particular because it lacks any distinctive character as provided for in Article 6 quinquies B(2) of the Paris Convention. That, I consider, is a rather different legislative context from that of Article 7(1)(a) to (d) of the Trade Mark Regulation.

24: - ... It is precisely because of the exclusive nature of the rights conferred by the Community trade mark that the provisions of Article 7(1) ... (c) ... prohibit the registration of signs which ... merely describe the goods or services in relation to which the sign is to be used. ...

25: - Perfection: Joseph Crosfield & Sons' Application (1909) 26 RPC 837 at 854, Court of Appeal, per Cozens-Hardy, Master of the Rolls.

26: - Joined Cases C-108/97 and C-109/97 [1999] ECR I-2779, especially at paragraphs 25 to 28 of the judgment.

27: - For example, Council Regulation (EEC) No 2081/92 of 14 July 1992 on the protection of geographical indications and designations of origin for agricultural products and foodstuffs, OJ 1992 L 208, p. 1.

28: - At paragraph 35.

29: - At paragraph 21.

30: - Decision of 22 September 1998 in Case R 36/1998-2, The Oilgear Company.

31: - Decision of 27 November 1998 in Case R 26/1998-3, Microsoft Corporation.

32: - Case C-251/95 SABEL v Puma [1997] ECR I-6191, at paragraph 23 of the judgment.

33: - Decision of 26 February 1999 in Case R 71/1998-3 Micro-Frame Technologies, in relation to the term Portfolio for various types of computer and printed material designed to allow businesses to select and plan projects based on existing and projected commitments and resources; paragraph 10 of the decision. It should be pointed out that those statements were made in the context of the view, with which I disagree, that the purpose of Article 7(1)(c) is to keep descriptive terms available for general use.

34: - Of 31 January 2001 in Case T-193/99 Wrigley v OHIM.

35: - Paragraph 30 of the judgment.

36: - It would, as Procter & Gamble has pointed out, not be possible to prevent a competitor from stating that his products keep your baby dry (or even perhaps keep your baby even drier). What would be possible would be to prohibit the competitor from using the two words baby dry to identify his products or in such a way as to lead to a likelihood of confusion between brands on the part of the public.

37: - Indeed, there do not seem to be any cases to date in which the Court of First Instance has altered the decision of a Board of Appeal.

38: - There seems to be no express provision governing this situation, and the Office was unable at the hearing to inform the Court of any consistent practice in relation to the small number of cases in which a decision of a Board of Appeal had been annulled (by the date of the hearing, there had been only two such cases, including the present one, although the Court of First Instance annulled four more decisions on the very next day - 31 January 2001). The Office did, however, consider that it was in principle for the Board of Appeal to take the necessary steps to comply with any judgment.
