



OFFICE FOR HARMONIZATION IN THE INTERNAL MARKET
(TRADE MARKS AND DESIGNS)

The Boards of Appeal

DECISION
of the Second Board of Appeal
of 20 March 2007

In Case R 299/2006-2

Anheuser-Busch, Incorporated

One Busch Place
Saint Louis, Missouri 63118-1852
United States of America

Appellant/Applicant

represented by LOVELLS, Bilbao, 1 – 5° Piso, E-03001 Alicante, Spain

v

Budějovický Budvar, národní podnik

Karoliny Světlé 4
CZ-370 21 České Budějovice
Czech Republic

Respondent/Opponent

represented by CABINET DEGRET, 24, place du Général Catroux, F-75017 Paris,
France

APPEAL relating to Opposition Proceedings No B 196 370 (Community trade mark
application No 24 646)

THE SECOND BOARD OF APPEAL

composed of T. de las Heras (Chairperson), D.T. Keeling (Rapporteur) and
H. Salmi (Member)

Registrar: E. Gastinel

gives the following

Decision

Summary of the facts

- 1 On 1 April 1996 Anheuser-Busch, Incorporated ('the applicant') filed an application to register the word

BUDWEISER

as a Community trade mark ('CTM') for the following goods:

Class 32 – Beer, ale, porter, malted alcoholic and non-alcoholic beverages.

- 2 The application was published in Community Trade Marks Bulletin No 50/99 of 28 June 1999.
- 3 On 28 September 1999 Budějovický Budvar, národní podnik ('the opponent') filed a notice of opposition against the registration of the published trade mark. The opposition was based on the following trade mark registrations:

- International trade mark registration No R 238 203 of the word mark BUDWEISER with effect in Germany, Italy, Austria and the Benelux countries;
- International trade mark registration No 674 530 of the figurative mark



with effect in France, Italy, Austria and the Benelux countries;

- International trade mark registration 614 536 of the figurative mark



with effect in France, Germany, Italy, Austria and the Benelux countries.

- 4 The opposition was also based on the following appellations of origin registered at the International Bureau of the World Intellectual Property Organisation (WIPO) in Geneva in accordance with the provisions of the Lisbon Agreement for the Protection of Appellations of Origin and their International Registration ('the Lisbon Agreement'):
- Appellation of origin No 49 – BUDWEISER BIER;
 - Appellation of origin No 50 – BUDWEISER BIER – BUDVAR;

- Appellation of origin No 51 – BUDWEISER BUDVAR;
 - Appellation of origin No 52 – BUDWEISER BIER.
- 5 The opponent's appellations of origin were all registered on 22 November 1967 in respect of beer. The opponent claims that as a result of registration under the Lisbon Agreement its appellations of origin are protected in France, Italy and Portugal.
 - 6 In addition, the opponent claims that the terms 'Budějovické pivo', 'Budějovické pivo – Budvar' and 'Budějovický Budvar' are protected as appellations of origin in Austria under a bilateral agreement concluded between the Czechoslovak Socialist Republic and the Republic of Austria on 11 June 1976. The opponent claims protection in Portugal, under a similar bilateral agreement, for the terms Českobudějovické pivo and Českobudějovický Budvar.
 - 7 The opposition was directed against all the goods applied for by the applicant.
 - 8 The grounds of opposition were those set out in Article 8(1)(a) and (b) and Article 8(4) of Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark ('CTMR') (OJ EC 1994 No L 11, p. 1; OJ OHIM 1/95, p. 52).
 - 9 On 10 June 2004 the Opposition Division issued Decision No 1914/2004 ruling on Opposition No B 196 370. In that decision the Opposition Division upheld the opposition in its entirety and ordered the applicant to pay the costs. The Opposition Division reasoned as follows:
 - On grounds of procedural economy it was appropriate to decide on the sole basis of International Registration No 674 530 with effect in France and Austria.
 - The goods were identical.
 - The signs were phonetically and conceptually identical. The visual comparison was not important since the signs were largely verbal.
 - There was therefore a likelihood of confusion.
 - 10 That decision was annulled by the Board of Appeal by decision of 11 July 2005 in Case R 509/2004-2. The reason for annulling the decision was that the 'earlier right' on which it was based was not in fact an earlier right, since International Registration No 674 530 was protected in France and Austria as from 19 May 1997. The Board remitted the case to the Opposition Division so that it could consider whether the opposition should succeed on the basis of any of the other earlier rights invoked by the opponent.
 - 11 On 22 December 2005 the Opposition Division issued a further decision ('the contested decision') ruling on Opposition No B 196 370. In the contested decision the Opposition Division once again upheld the opposition in its entirety


and ordered the opponent to bear the costs. The Opposition Division reasoned as follows:

- International trade mark registration No R 238 203 cannot be taken into consideration because it was not adequately substantiated. The opponent did not submit a renewal document with the notice of opposition or within the period prescribed by the Opposition Division for substantiating the opposition. The opponent must show that the earlier registration is still valid and enforceable at the moment of the opposition. By not submitting the renewal certificate, the opponent failed to prove the validity of this earlier registration.
- Therefore the Office will limit the comparison to the figurative mark covered by International trade mark registration No 614 536.
- The opponent proved that the evidence necessary to substantiate the opposition was transmitted to the Office on 26 February 2002. The document received on 27 February 2002 was sent the day before at 9.46 pm. Moreover, the opponent submitted a fax report showing the date of transmission of the relevant document.
- The request of the applicant that the opponent prove use of its earlier International trade mark registrations is valid. The obligation to prove use of the earlier mark on which the opposition is based arises when, at the date of publication of the contested CTM application, the earlier mark has been registered for more than five years (Article 43(2) CTMR). International trade mark registration No 614 536 was registered on 11 March 1994, that is to say more than five years before the date of publication of the contested CTM application, which took place on 28 June 1999.
- The opponent submitted several dozen invoices dated between 1997 and 2000 and addressed to retail stores in various countries of Europe, in particular: France, the Netherlands, Austria, Germany, Italy, the United Kingdom and Portugal. Moreover, it submitted advertising material, brochures, and copies of articles published in national specialised magazines. Therefore a good deal of evidence falls into the relevant five-year period ending on 28 June 1999.
- The invoices prove the sale of beer amounting, in France, for example, to more than 40 000 litres between October 1997 and April 1999.
- The nature of use is shown on the advertising material, in the top left hand corner of the invoices and in the copies of the specimens of bottle packaging that have been submitted as annexes with a representation of the opponent's mark as actually used on the bottles of beer sold in the various countries.

- The signs appears sometimes identical to that which is registered and sometimes with small differences that do not alter the distinctive character of the sign, as in the following example:



- The signs to be compared are:

Earlier trade mark registration No 614 536	CTM application
	<p style="text-align: center;">BUDWEISER</p>

- The earlier trade mark is protected in France, Germany, Italy, Austria and the Benelux countries. Therefore, it is the impression that the signs make on the public of these countries and their meaning and pronunciation in their languages which are relevant for their comparison.
- The word element of the earlier trade mark must be considered the dominant element since the figurative elements remain secondary. In fact, the graphical composition of the earlier sign is made up of various heraldic elements which are not very distinctive because they are commonplace for beverages.
- Visually, the marks coincide in the word BUDWEISER. In the earlier sign the word is accompanied by the word 'Budvar' and the afore-mentioned additional graphic elements. However, the word BUDWEISER, because of its dimensions and position in the centre of the earlier sign, must be considered the most prominent element, the other word being written in smaller letters and placed underneath the word BUDWEISER. Moreover, the other graphic elements only play a secondary role. Therefore, the signs are visually similar.
- Phonetically, it is clear that the relevant public will refer to the earlier trade mark by its word component BUDWEISER, which is identical to the mark applied for. Therefore the signs are phonetically identical.
- A conceptual comparison is not relevant since neither of the signs has a clear meaning for the public concerned.
- The contested goods are:

Beer, ale, porter, malted alcoholic and non-alcoholic beverages in Class 32.

- The goods of the earlier mark for which use has been proved are:

Beer in Class 32.
- It is indisputable that all goods of the application are either identical or very similar to the goods for which the earlier trade mark is protected.
- The opponent did not explicitly claim that the earlier mark is particularly distinctive by virtue of intensive use or reputation. Therefore, the assessment of the distinctiveness of the earlier mark must rest on its distinctiveness *per se*, which must be seen as normal in the present case.
- In view of the high degree of similarity of the goods, the differences between the signs do not suffice to exclude a likelihood of confusion for the public concerned in Germany, France, Italy, the Benelux countries and Austria.

12 On 13 February 2006 the applicant filed a Notice of Appeal against the contested decision. A statement of grounds was filed on 24 April 2006.

13 The opponent filed a response on 28 July 2006.

Submissions and arguments of the parties

14 The applicant requests the Board to:

- Annul the contested decision;
- Reject the opposition;
- Order the opponent to bear the costs of the opposition and appeal proceedings.

15 The applicant's arguments may be summarised as follows:

(a) Preliminary remarks

- According to Rule 19(4) of Commission Regulation (EC) No 2868/95 of 13 December 1995 implementing Council Regulation (EC) No 40/94 on the Community trade mark ('IR') (OJ EC 1995 No L 303, p. 1; OJ OHIM 2-3/95, p. 258), 'the Office shall not take into account written submissions or documents, or parts thereof, that have not been submitted ... within the time limit set by the Office'. The obligation of the parties to submit a complete brief before the deadline can also be deduced from Rule 80(2) IR. The opponent's submission of 27 February 2002 was belated and must therefore not be taken into account.
- The fax reports confirm that the opponent's representatives sent the brief from their Paris office on 26 February 2002 at 9.46 pm and that the fax

(consisting of 339 pages) was received at the Office in Alicante on 27 February 2002 at 12.44 am.

- The time recorded by a party's fax machine can be manipulated. What is decisive is not the date and time recorded by the sender's fax machine but the time of actual receipt by the recipient's fax machine. It is the opponent's own fault if it sent a fax of 339 pages just before the expiry of deadline.
- According to Rule 71(1), second sentence, IR, time limits can only be extended 'if such extension is requested by the party concerned and the request is submitted before the original period expired'. Since the opponent did not file a request asking to extend the time limit before the expiry of the deadline on 26 February 2002, the period could not be extended.

(b) No proof of use of International Registration No R 614 536

- The opponent failed to prove use of the earlier rights in Austria, Germany or France. The documents submitted on 27 February 2002 are belated and must therefore be disregarded. The remaining material filed on 8 November 2002 is not sufficient to show use of the sign in the relevant territory. The 22 pages consist of some advertisements allegedly published in unknown magazines directed at specialists. At least in some of the documents, the logo protected under International Registration No 614 536 cannot be seen at all. The time and the alleged place of use are unclear. Moreover, the material does not demonstrate the extent of use of the opposing trade mark.
- Even if one took into account the documents submitted on 27 February 2002, the result would be the same. In particular, the submitted invoices do not demonstrate that the BUDWEISER BUDVAR products mentioned there depicted the logo as protected by International Registration No 614 536. For example, only 1500 copies were published of the article 'Une grande blonde' in the magazine *La lettre des Gourmands*. The number of copies can be seen on the top of the relevant document submitted by the opponent. The magazine *La Feuille de Houblon* had a run of only 20,000 copies, and the magazine *La Revue des Comptoirs* only 50,000 copies. The opponent did not submit any evidence of figures relating to sales turnover, brand awareness, market share, advertising expenditure etc.
- The invoices submitted by the opponent do not show that the products ever reached the end consumer. One of the invoices submitted for France indicates as buyer 'Výstavy v Zahraničí Pivo Zdarma'. That invoice does not show any use of the mark in France. The remaining buyers are 'I.B.B. International breweries', 'Exhibition Bierexpo 2000' and 'Tradelink Inc. USA'. None of the invoices bears any price. It is therefore impossible to find out if the invoices prove any genuine use at all or merely indicate token use. As regards Austria, the invoices submitted by the respondent refer to a single buyer, *i.e.* the company

‘Kolarik & Buben’ with an address in Vienna. No evidence has been submitted showing that anyone else has ever purchased the opponent’s beer or has even had the opportunity to purchase it. The documents do not prove the extent of use of the opposing mark in the jurisdictions concerned.

(c) Comparison between the signs

- The opponent has always claimed that BUDWEISER is a geographic term. The opponent’s line of argument is contradictory when it alleges that BUDWEISER is a geographical term and claims, at the same time, that it is the dominant and distinctive element of its registered trade mark. The Office should therefore take into account the additional matter contained in the opponent’s registration when comparing the signs at issue.

(d) Article 8(4) CTMR

(i) No protection of the claimed appellations of origin

- The Lisbon appellations of origin have been cancelled by final and binding court decisions in Italy and Portugal. The alleged appellations of origin are also null and void in France. In particular, they do not meet the requirements of Article 2(1) of the Lisbon Agreement since a) the term BUDWEISER is not a geographical indication and b) industrial products such as beer cannot be protected under the Lisbon Agreement.
- As far as Austria and Portugal are concerned, the opponent also relied on bilateral agreements between those countries and the former Czechoslovakian Republic. However, neither of those agreements protects the invoked appellations of origin, which are not even mentioned in the agreements. The respondent failed to demonstrate that the alleged protection enjoyed by the terms ‘Budějovické pivo’ and ‘Českobudějovický Budvar’ (in the case of the agreement with Portugal) and ‘Budějovické pivo’, ‘Budějovické pivo-Budvar’ and ‘Budějovický Budvar’ (in the case of the agreement with Austria) could be extended to the terms claimed in the present opposition.
- As a consequence of the accession of the Czech Republic to the European Union, any protection for the said terms under bilateral treaties or the Lisbon Agreement has become obsolete. The Accession Treaty provides for the protection of designations for beer from České Budějovice (Českobudějovické pivo, Budějovické pivo, Budějovický měšťanský var) under the EC system for the protection of geographical indications for agricultural products and foodstuffs. Under Article 5(6) of Regulation No 510/2006 (formerly Article 5(5) of Regulation No 2081/92), once a decision on the registration of a geographical indication at Community level is taken, national protection ceases. A corresponding rule specifically

for geographical indications from the new Member States is contained in Article 1(2) of Regulation No 918/2004. In view of the provisions on the protection of designations for beer from České Budějovice under the Accession Treaty, any protection that may previously have been available for such designations under international treaties is no longer applicable.

(ii) *No use in the course of trade*

- The opponent's time limit for proving use of the earlier rights in the course of trade expired on 26 February 2002. Since the brief faxed by the opponent on 26 February 2002 reached the Office on 27 February 2002, the evidence of use submitted with that brief must be disregarded. The material submitted on 27 February 2002 was, in any event, not sufficient to prove use in the course of trade of the signs in question, let alone use of more than mere local significance.

(iii) *No right to prohibit use of the contested mark under national law*

- The opponent has failed to demonstrate that its appellations of origin entitle it under the relevant national law of Portugal, France or Austria to prohibit the use of the contested CTM. The burden of proof is on the opponent to show the scope of protection of the invoked rights under the relevant national law.
- The opponent hardly filed any evidence at all which would indicate the scope of protection enjoyed by the appellations of origin in the relevant territories.
- As far as Portugal is concerned, the opponent quoted Article 251 of the Portuguese Industrial Property Code, which allegedly prohibits the use of the contested mark owing to the earlier appellations of origin. The opponent did not demonstrate that the quoted provision existed at all. The opponent did not demonstrate that the conditions listed in Article 251 of the Portuguese Industrial Property Code are met. The opponent did not provide the Office with any relevant case law or literature. Since no interpretation of the law was given, it is impossible to evaluate the scope of protection of the appellations of origin under the quoted provision.
- As regards France, the opponent confined itself to briefly mentioning Article L. 711-4 paragraph (d) of the Intellectual Property Code and Article L. 641-2 of the Rural Code. The opponent failed to provide any documentation, such as literature on the cited provisions, precedents referring to similar cases or at least a copy of the relevant legislation in French which would indicate the scope of protection of the cited French provisions. Without any additional documentation, it is impossible to evaluate whether or not the opponent is entitled to prohibit the use of the contested mark on the basis of those French provisions.

- The opponent did not quote any Austrian law at all.

16 The opponent requests the Board to reject the contested CTM application in its entirety and order the applicant to bear the costs. Its arguments may be summarized as follows:

(a) The documents submitted on 26/27 February 2002

- The observations filed on 26 February 2002 by the opponent must be taken into account by the Office, which expressly recognized that the observations reached the Office prior to the expiry of the deadline.

(b) International trade mark registration No R 238 203

- The Office wrongly refused to take into account International Registration No R 238 203 on the ground that it was not ‘adequately substantiated’. This trade mark was in force on the filing date of the opposition, *i.e.* 28 September 1999. The opposition proceedings were then suspended on 25 May 2000, while the trade mark was due to expire on 5 December 2000. In its letter of 26 November 2001 informing the opponent of the resumption of the proceedings, the Office did not request proof of renewal of the trade mark. Although the mark’s renewal certificate was not attached to the opponent’s observations of 26 February 2002, on 10 September 2002 the Office expressly asked the opponent to provide evidence of use of the mark, thereby recognizing that it was in force. On 8 November 2002, the opponent replied to this request by submitting additional proof of use of the trade mark in Austria and Germany.
- The opponent produced in an annex to its observations of 21 January 2004 an extract delivered by WIPO attesting that the trade mark had been duly renewed on 5 December 2000.
- In other words, on 22 December 2005, the Office had in its possession proof not only of this mark’s validity, but also of its use in two EU countries. As such, the opponent sees no reason why it should renounce that earlier right.
- The contested CTM identically reproduces the mark protected by International Registration No 238 203 and consists in the imitation of the mark protected by International Registration No 614 536.
- International Registration No 238 203 is valid in Austria and in Germany. It covers ‘beer of any kind’, a product that is identical to the ‘beer, ale, porter, malted alcoholic and non-alcoholic beverages’ designated by the contested CTM application. Under Article 8(1)(a) CTMR, the application must therefore be refused registration without its being necessary to demonstrate the existence of a likelihood of confusion.

(c) International trade mark registration No 614 536

- International Registration No 614 536 is in force in Austria, France, Germany and Italy. The applicant wrongly claims that this mark was cancelled in Italy, despite the fact that the Milan Civil Court decision does not mention that mark amongst those listed as being cancelled. A recent extract from the online WIPO database attests that this trade mark was only cancelled in China, Portugal, Spain and Switzerland.
- The opponent has proved that this mark had been genuinely used in Austria, France, Germany and Italy in the period of 28 June 1994 to 28 June 1999.
- This registration designates ‘beer’, *i.e.* goods which are identical to those designated by the contested CTM application.
- The distinctive and dominant element of the prior trade mark is the term BUDWEISER.
- The signs in conflict have strong visual, aural and conceptual similarities.

(d) The opponent’s appellations of origin

- The opposition was lodged on 28 September 1999, *i.e.* several years before the entry into force of Regulations No 510/2006 of 20 March 2006 and No 918/2004 of 29 April 2004. The opponent’s appellations of origin did not become obsolete as a result of those regulations. On the contrary, the principle of legal certainty commands that the infringing of the opponent’s appellations of origin must be assessed at the time when the infringing sign is filed, or at least at the time when the opposition is lodged.

(i) *Protection of the appellations of origin in France*

- The International Registrations of appellations of origin
 - BUDWEISER BIER No 49;
 - BUDWEISER BIER – BUDVAR No. 50;
 - BUDWEISER BUDVAR No 51, and
 - BUDWEISER BIER No 52

extend their full effects to France, where they have never been questioned by the applicant or anyone else.

- In its notice of opposition the opponent reproduced the provisions of Article L. 711-4 paragraph d) of the Intellectual Property Code, as well as those of Article L. 641-2 paragraph 4 of the Rural Code, which ensure the protection, in internal law, of appellations of origin against later infringing trade marks.

- The prohibition laid by Article L. 641-2 paragraph 4 of the Rural Code to use a geographical name constituting an appellation of origin, or any other mention evoking an appellation of origin, to designate goods that are identical or similar to the goods covered by the appellation, is absolute. It is subject to no exceptions (see the consultation given by Professor Bonet and the extracts from the work entitled ‘Industrial Property Law’).
- So long as it designates ‘beer’ and reproduces the geographical name BUDWEISER, there can be no doubt that the contested CTM application No 24 646 falls under the above-mentioned absolute prohibition.

(ii) *Protection of the appellations of origin in Portugal*

- The two Czech appellations of origin ČESKOBUDĚJOVICKÉ PIVO and BUDĚJOVICKÝ BUDVAR, taken in their respective German translations BUDWEISER BIER and BUDWEISER BUDVAR, are protected in Portugal according to a bilateral Agreement signed on 10 January 1986 between that country and the former Czechoslovakia, the validity of which was recognized by the Portuguese Supreme Court through a decision issued on 23 January 2001. That decision confirmed the cancellation of the Portuguese trade mark BUDWEISER registered in favour of the applicant to designate ‘beer’ in Class 32. The applicant’s appeal lodged before the European Court of Human Rights against this decision was rejected (see ECHR decision of 11 October 2005 in *Anheuser-Busch, Inc. v Portugal*). Article 7 of the above-mentioned bilateral Agreement provides that the Agreement may be invoked before the courts of each of the contracting countries not only by natural or legal persons, but also by associations or groups of producers domiciled in one of the countries. As held by the Supreme Court, the use in Portugal of the trade mark BUDWEISER by the applicant necessarily implies a likelihood of confusion in the mind of the local public as to the geographical origin of the beer it designates.

(iii) *Protection of the appellations of origin in Austria*

- The Czech appellations of origin ČESKOBUDĚJOVICKÉ PIVO and BUDĚJOVICKÝ BUDVAR are protected in Austria in their German translation, *i.e.* respectively BUDWEISER BIER, BUDWEISER BIER-BUDVAR and BUDWEISER BUDVAR, according to a bilateral Agreement signed on 11 June 1976 between that country and the former Czechoslovakia. In a decision issued on 18 November 2003, the European Court of Justice recognized that such a bilateral Agreement was not contrary to Council Regulation No 2081/92, on the one hand, and that it superseded possible conflicting Community law provisions since it had been concluded before Austria became a Member State of the European Union (see Case C-216/01 *Budějovický Budvar, národní podnik v Rudolf Ammersin GmbH*).

- The use in Austria of the contested CTM application BUDWEISER to designate ‘beer’ and goods identical to beer would constitute a clear violation of the Agreement.
 - In accordance with Article 9 of the Agreement, any legal person, such as Budějovický Budvar, is entitled to act directly before the Austrian Courts to ensure the respect of said Agreement.
- 17 The applicant submitted a reply on 10 October 2006, arguing, in particular, as follows:
- The additional documents submitted by the opponent on 8 November 2002 do not show use of the mark covered by International Registration No 614 536. In particular, the extent of use of the mark has not been proven. The opponent failed to submit documents relating to the sales figures, brand awareness, market share, advertising expenditure or any other document proving actual sales of the opponent’s product to the end consumers in the relevant countries.
 - It is true that the Italian section of International Registration No 614536 was not cancelled by the Milan Civil Court for the simple reason that the court proceedings were initiated long before International Registration No 614536 was filed. Yet the rationale of the decision applies to the International Registration at hand and any ‘rights’ deriving therefrom in Italy only exist on paper. The courts, including the Italian Supreme Court, clearly ruled that the applicant owns prior rights to BUDWEISER in Italy and invalidated numerous registrations owned by the opponent including this term. It is also a fact that the Italian section of International Registration No 614536 has been cancelled by a judgment of the Court of Rome of 7 April 2005.
 - The judgment of the Portuguese Supreme Court of 23 January 2001 was submitted long after the opponent’s deadline for substantiating its earlier right under national law and therefore must not be taken into consideration. In any case, this judgment was wrong and fell short of Portugal’s obligations under the TRIPS Agreement and the European Convention on Human Rights. The opponent inaccurately alleges that the applicant’s appeal against this decision of the European Court of Human Rights was rejected. Indeed, following the judgment of 11 October 2005 delivered by the Second Section, the case was admitted for reconsideration by the Grand Chamber. Accordingly, it is still pending before the European Court of Human Rights.
- 18 The opponent submitted a rejoinder on 18 December 2006, arguing, in particular, as follows:
- The judgment of the Court of Rome of 7 April 2005 cannot be relied on to prove the absence of protection in Italy because it is under appeal.
 - The applicant has not produced any documents to prove that the decision of the European Court of Human Rights of 11 October 2005 is under appeal.

Reasons

- 19 The appeal complies with Articles 57, 58 and 59 CTMR and Rule 48 of Commission Regulation (EC) No 2868/95 of 13 December 1995 implementing Council Regulation (EC) No 40/94 on the Community trade mark ('IR') (OJ EC 1995 No L 303, p. 1; OJ OHIM 2-3/95, p. 258). It is therefore admissible.
- 20 The issue to be decided is whether the application to register BUDWEISER as a CTM for "beer, ale, porter, malted alcoholic and non-alcoholic beverages" in Class 32 should be refused on any of the relative grounds invoked by the opponent.
- 21 In the contested decision the Opposition Division upheld the opposition on the basis of the opponent's ownership of International Registration No 614 536. The Opposition Division did not take into account International Registration No 238 203 (hereafter "IR 238 203") on the ground that the opponent failed to prove its renewal. In its response to the applicant's grounds of appeal, the opponent submits that the Opposition Division was wrong to take no account of IR 238 203 (see paragraph 17(b) above). In its reply the applicant did not challenge any of the statements made by the opponent concerning IR 238 203. The applicant must be deemed to concede, therefore, that IR 238 203 is still valid and has effect in Germany and Austria.
- 22 The Board agrees with the opponent that the Opposition Division was wrong to hold that IR 238 203 could not be taken into account. The opponent produced, in an annex to observations submitted to the Opposition Division on 21 January 2004, an extract issued by WIPO certifying that the registration had been renewed on 5 December 2000. The Opposition Division therefore had proof of the continued validity of IR 238 203 at the time of the contested decision.
- 23 The Board is also satisfied that the opponent produced sufficient evidence that its BUDWEISER word mark was put to genuine use in Austria and Germany in the five years before 28 June 1999, as required by Article 43(2) and (3) CTMR. The concept of 'genuine use' was considered in the judgment of the Court of Justice of 11 March 2003 in Case C-40/01 *Ansul BV v Ajax Brandbeveiliging BV* ('Minimax') [2003] ECR I-2439, at paragraph 37, where the Court stated:

'.... Genuine use of the mark entails use of the mark on the market for the goods or services protected by that mark and not just internal use by the undertaking concerned. The protection the mark confers and the consequences of registering it in terms of enforceability vis-à-vis third parties cannot continue to operate if the mark loses its commercial *raison d'être*, which is to create or preserve an outlet for the goods or services that bear the sign of which it is composed, as distinct from the goods or services of other undertakings. Use of the mark must therefore relate to goods or services already marketed or about to be marketed and for which preparations by the undertaking to secure customers are under way, particularly in the form of advertising campaigns. Such use may be either by the trade mark proprietor or, as envisaged in Article 10(3) of the Directive, by a third party with authority to use the mark.'

24 The applicant objects that the evidence of use submitted by the opponent on 8 November 2002 was insufficient and that the evidence submitted on 26 or 27 February 2002 must be disregarded because it (or part of it) arrived 44 minutes after the expiry of the time limit laid down by the Office (see paragraph 16(a) above). Under Article 74(2) CTMR the Office may disregard evidence which has not been submitted in due time by the parties concerned. The Court of Justice had occasion to interpret that provision in its judgment of 13 March 2007 in Case C-29/05P *OHIM v Kaul GmbH* ('ARCOL/CAPOL'), publication pending. The Court stated as follows:

'42 ... it results from [the wording of Article 74(2)] that, as a general rule and unless otherwise specified, the submission of facts and evidence by the parties remains possible after the expiry of the time-limits to which such submission is subject under the provisions of Regulation No 40/94 and that OHIM is in no way prohibited from taking account of facts and evidence which are submitted or produced late.

43 However, it is equally apparent from that wording that a party has no unconditional right to have facts and evidence submitted out of time taken into consideration by OHIM. In stating that the latter "may", in such a case, decide to disregard facts and evidence, Article 74(2) of Regulation No 40/94 grants OHIM a wide discretion to decide, while giving reasons for its decision in that regard, whether or not to take such information into account."

44 Where OHIM is called upon to give judgment in the context of opposition proceedings, taking such facts or evidence into account is particularly likely to be justified where OHIM considers, first, that the material which has been produced late is, on the face of it, likely to be relevant to the outcome of the opposition brought before it and, second, that the stage of the proceedings at which that late submission takes place and the circumstances surrounding it do not argue against such matters being taken into account.'

25 In the light of the Court's judgment in *OHIM v Kaul* it is obviously appropriate for the Office, including the Board of Appeal, to exercise its discretion in favour of admitting the evidence in question. The reasons for this are as follows:

- The fax transmission commenced before the expiry of the time limit.
- Although part of the evidence arrived in the Office's fax machine after midnight on the final day of the time limit, the fax transmission was completed a mere 44 minutes after the deadline had technically expired. The delay is insignificant, especially since it is unlikely that anyone was present in the Office at midnight on 26 February 2002.
- The evidence is likely to be relevant.
- The evidence was received 35 months before the contested decision was issued. The Opposition Decision thus had ample opportunity to consider the

evidence when it was examining the substance of the opposition and the applicant was able to comment on the relevance of the evidence.

- 26 The evidence was clearly sufficient for the purpose of proving genuine use, bearing in mind the relatively low standard of proof established in the *Ansul* case. The opponent produced numerous copies of advertisements published in magazines in Austria and Germany. These advertisements show pictures of the opponent's beer with the trade marks BUDWEISER and BUDWEISER BUDVAR. The opponent also produced copies of invoices to customers in Austria and Germany. The advertisements and invoices fall within the relevant period. The relevance of the invoices cannot be denied in the light of the ruling of the Court of Justice in Case C-259/02 *La Mer Technology, Inc. v Laboratoires Goemar SA* [2004] ECR I-1159. In that case the Court stated that even minimal use by a single importer in the Member State concerned may be sufficient if the use serves a real commercial purpose.
- 27 The mark applied for is identical to the mark protected by IR 238 203 for 'beer of any kind' in Class 32. The opposition must therefore succeed, under Article 8(1)(a) CTMR, as regards 'beer, ale, porter, malted alcoholic ... beverages', it being a question of identical marks and identical goods. As regards the remaining goods ('non-alcoholic beverages'), the opposition must succeed under Article 8(1)(b) CTMR. In view of the identity of the marks and the obvious similarities of the goods, there is a likelihood of confusion in the relevant territory; consumers in Austria and Germany would inevitably assume that non-alcoholic beverages sold under the trade mark BUDWEISER came from the same source as beer sold under the trade mark BUDWEISER.
- 28 In the light of the above findings it is not necessary to consider the other relative grounds invoked by the opponent.

Costs

- 29 The applicant, as the losing party, must bear the costs of the opponent in the opposition and appeal proceedings in accordance with Article 81(2) CTMR. The applicant must bear the opposition fee of €350 and the opponent's representation costs before the Opposition Division (€300) and the Board of Appeal (€550) in accordance with Article 81(6) CTMR and Rule 94(3) and (7)(d) IR.

Order

On those grounds,

THE BOARD

hereby:

- 1. Dismisses the appeal;**
- 2. Orders the applicant to bear the fees and costs incurred by the opponent and fixes the amount thereof at €1,200.**

T. de las Heras

D.T. Keeling

H. Salmi

Registrar:

E. Gastinel