



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

The Boards of Appeal

**DECISION
of the Fourth Board of Appeal
of 22 October 2010**

In Case R 463/2009-4

Deutsche Telekom AG
Friedrich-Ebert-Allee 140
D-53113 Bonn
Germany

Appellant/ Community trade mark proprietor

represented by Hogan Lovells, Avenida Maisonnave, 22, E-03003 Alicante, Spain

v

TeliaSonera Denmark A/S
Holmbladsgade 139
DK-2300 København S
Denmark

Respondent/ Applicant for declaration of invalidity

represented by Gorrissen Federspiel, H.C. Andersens Boulevard 12, DK-1553
København V, Denmark

APPEAL relating to Cancellation Proceedings No 2 180 C (Community trade mark
No 212 787)

THE FOURTH BOARD OF APPEAL

composed of D. Schennen (Chairperson and Rapporteur), F. López de Rego (Member)
and E. Fink (Member)

Registrar: C. Bartos

gives the following

Decision

Summary of the facts

- 1 On 3 August 2000 the Office registered the Community trade mark (CTM) No 212 787



as a colour mark for services in Class 38 and 42 on the basis of acquired distinctiveness (Article 7 (3) CTMR).

- 2 On 5 November 2007, at the CTM proprietor's request, the Office published the indication of the colour code 'RAL 4010 Telemagenta'. The present respondent filed an appeal as regards this addition of a colour code but later withdrew that appeal (also). The Board closed the case by decision of 12 August 2008, R 475/2008-4.
- 3 The subject-matter of the present appeal is a request for declaration of invalidity based on absolute grounds filed by the respondent on 16 April 2007, on the grounds that the CTM was registered in breach of the requirements of a graphic representation of the mark under Article 4 CTMR and in spite of an absence of acquired distinctiveness, i.e. in breach of Article 7 (3) CTMR, pursuant to Article 52 (1) CTMR (in Council Regulation No 40/94: Article 51 (1) CTMR).
- 4 On 6 June 2008 the respondent withdrew the request for declaration of invalidity, as well as all other oppositions and appeals with regard to Community trade mark No 212 787.
- 5 The appellant objected to the withdrawal. In a further writ of 19 August 2008, it requested the Cancellation Division not to accept the unilateral withdrawal, to continue the cancellation proceedings, and in the alternative to state that this is with prejudice.
- 6 Both parties filed ample evidence such as expert opinions on the law of the Member States regarding withdrawals.
- 7 By its decision of 20 February 2009, the Cancellation Division closed the case and ordered the applicant for invalidity to bear the costs of the proceedings.

- 8 The Cancellation Division considered the withdrawal valid. The case had to be closed without decision on its merits. A withdrawal of e.g. a request for declaration of invalidity was permitted by the Regulations. Also according to the decision of the Grand Board R 331/2006 G 'OPTIMA' and standing case-law of the Office and the Court of First Instance, withdrawals were possible without more. For Article 83 (ex Article 79 CTMR) there was no scope and a recourse to generally accepted principles of procedural law of the Member States was not possible, as the matter was regulated by the relevant Community legislation and case-law. There was no legitimate interest for the CTM proprietor to have the examination of the invalidity request continued after it was withdrawn. As for the request to make a 'with prejudice' order, the Cancellation Division referred to the fundamental difference between absolute grounds of invalidity, which had to remain open in the public interest, and relative grounds for invalidity, for which the CTMR provided for an estoppel on *res iudicata* .
- 9 On 20 April 2009, the CTM proprietor filed an appeal against this decision and requested
- not to accept the unilateral withdrawal of the invalidity request;
 - to continue with the invalidity proceedings, and
 - if the Board considers that the action (sic) was validly withdrawn, to state that this is with prejudice.
- 10 The appellant repeated its allegations before the Cancellation Division. As for the background to the dispute, it explained that it sued the present respondent before the competent Danish CTM court for infringement and the judge stayed those proceedings until the termination of the present invalidity proceedings. The appellant wished to preclude the respondent from filing another invalidity request before the Office or a counterclaim before a CTM court on the same grounds. The appellant argued that this gave rise to a legitimate interest to continue proceedings.
- 11 The appellant argued that the Cancellation Division was incorrect in its interpretation of Article 83 CTMR and to hold that withdrawals are always possible. It insisted that Article 83 CTMR was applicable.
- 12 As to the request for a 'with prejudice' order, it explained that it requests that the Board state that it would not be possible for the respondent to apply again for a declaration of invalidity based on the same grounds. It argued that Article 53 (4) CTMR applied also to invalidity requests based on absolute grounds and in situations where the first invalidity request was disposed of without a decision on the merits but on account of a withdrawal, as the wording of that provision only required that the applicant 'has previously applied for a declaration that the CTM is invalid'.
- 13 The respondent endorsed the contested decision.
- 14 Both parties made extensive pleadings on the relevant provisions of the Regulations and the law and practice in the Member States.

Reasons

- 15 The appeal is to be rejected as inadmissible.
- 16 The contested decision closed the case, with the effect that the CTM remains on the Register of Community Trade Marks. It also ordered the applicant for invalidity (respondent) to bear the costs of the cancellation proceedings.
- 17 It is common ground and not even contested by the appellant that the declaration of withdrawal filed by the respondent on 6 June 2008 was as such unobjectionable, i.e. it was declared in writing and valid as a procedural declaration of the party who was entitled to make such declaration. It is also common ground that there is nothing in the Regulations that *per se* prohibits withdrawals or makes them subject to other procedural requirements such as fees. Under the circumstances, the appellant's request must be construed as meaning that the respondent's withdrawal required the appellant's consent in order to be valid. The consequence of that would be that the Office would continue the invalidity proceedings against the appellant's own mark, as is expressly sought by the second head of claim of the appellant.
- 18 The contested act is the decision of the Cancellation Division to close the case. The appellant's appeal against this order is inadmissible, as it does not aggrieve the CTM proprietor. The CTM remains on the Register and more than this the appellant (the responding party in the cancellation proceedings) cannot expect or claim. The CTM proprietor obtained registration of a CTM as applied for by it and the contested decision did not adjudicate to it less than requested, which would be required under the notion of 'adversely affected' pursuant to Article 59, 1st sentence, CTMR (Order of the Court of 11 May 2006 in Case T-194/05, 'Teletech International', paragraph 22).
- 19 Reversing the contested decision would imply continuation of the examination of the invalidity request as to its merits. Technically, the appellant's theory that the withdrawal required its consent is the means to achieve such a continuation against the declared will of the respondent. The issue is therefore not whether a declaration of will of the respondent, namely to withdraw the invalidity request, was valid, but whether the appellant can claim that the invalidity proceedings continue in spite of such a declaration having been made. The first and the second head of claim both mean this.
- 20 The appellant's allegations are not clear as to the desired consequence of a continuation of proceedings. If this meant that the Office as a result of such continuation and in taking a decision on the merits should allow the invalidity request, that would be manifestly inadmissible. Article 56 (1) CTMR defines the scope of persons who may apply for a declaration of invalidity of a Community trade mark and this does not comprise the CTM proprietor. If that consideration was ever necessary, this also follows from Article 57 CTMR which requires two parties to the proceedings, and does not allow for proceedings against oneself. If this meant that the Office should dismiss the

invalidity request, this is equally inadmissible, because the legal consequence would then be no better for the CTM proprietor than the finding reached under the contested decision, namely that the CTM is registered and valid.

- 21 In a nutshell, the appellant (CTM proprietor) is not negatively affected by the outcome of the contested decision, the consequence of which is that the invalidity request is disposed of with no negative consequences on the status of the challenged CTM on the Register. The appeal does not fulfil the requirements under Article 59, 1st sentence, CTMR.
- 22 The CTM proprietor can thus not claim to have proceedings against its own mark and is not adversely affected by the decision of the Cancellation Division to close such proceedings on whatever grounds.
- 23 The subject-matter of cancellation proceedings based on absolute grounds for invalidity is whether or not the challenged CTM shall be declared invalid and hence removed from the Register, eventually for some of the registered goods and services only, and with *ex tunc* effect (Article 55 (2) and 57 (5) CTMR, Rule 84 (3) (o) CTMIR).
- 24 The subject-matter of the cancellation proceedings is defined by the applicant for declaration of invalidity, not by the CTM proprietor. The examination of the request for revocation or declaration of invalidity is limited to the grounds invoked by the applicant, and limited to the contested goods and services of the CTM (cf. Rule 37 (a) (iii), (b) CTMIR). On that account already, it is not admissible for the CTM proprietor and present appellant to make separate requests such as to declare a withdrawal of the other party without effect, unless in the context of a main claim to dismiss said request. The appellant's primary request before the Cancellation Division to reject the application for declaration of invalidity has become moot to the extent that the Office considers that the request is no longer pending. Hence it needs not be dismissed (Judgment of the Court of 16 September 2004 in Case T-342/02, 'Moser Grupo Media/MGM', paragraph 45).
- 25 The appellant unsuccessfully argues that it has a legitimate interest to continue proceedings in spite of the applicant's declaration of withdrawal. While it is correct as a starting point that the presence of such a legitimate interest would render the appeal admissible, as it would be the only procedural means to bring about such a continuation which was denied by the contested decision, there is no such legitimate interest in the case at hand.
- 26 Indeed, there is no legitimate interest to attack one's own mark, nor to continue a case against the other party's declared will, nor to force the other party (on the basis of the allegation that the other party's declarations regarding the proceedings would require one's own consent) to continue challenging one's own mark. A legitimate interest to continue proceedings for a declaratory purpose could only be conceived from the outset where the closure of the proceedings did not uphold the initial request of the respective party. For example, when a Community mark is requested to be declared invalid but the proprietor surrenders the CTM, the applicant for invalidity will

not obtain the desired finding that the mark is (or was) invalid. Yet, in the present case, the appellant has not requested anything except the dismissal of the request for declaration of invalidity.

- 27 As correctly observed by the Cancellation Division, it is in this reverse situation that the Cancellation Division has affirmed a legitimate interest to continue proceedings on the request of the applicant for invalidity following a surrender of the challenged CTM, on the grounds that the surrender of the challenged CTM has only *ex nunc* effect whereas the requested declaration of invalidity would lead to it being expunged from the Register with *ex tunc* effect (Decision of the Cancellation Division of 3 May 2001 in Case C-670042/1, 'AROMATONIC'). In this procedural situation the legitimate interest of the cancellation applicant rests in the interest of obtaining a finding that the CTM had no effect in the interval.
- 28 The third head of claim, to make a 'with prejudice' order, is also inadmissible. There is no basis in the Regulations for an order with such a wording or effect. In the statement of grounds, the appellant explained that this request meant to make a statement about the *res iudicata* effect of the withdrawal. This is equally inadmissible. The issue of *res iudicata*, that is, whether or not the termination of the present proceedings would prevent the present applicant for invalidity from filing another request for declaration of invalidity on the same grounds, or a counterclaim on those grounds before a CTM court (Article 100 (2) CTMR), arises in those second proceedings, if any, but not in the present proceedings. To the extent the CTMR provides that under certain conditions a request for a declaration of invalidity or a counterclaim before a CTM court is inadmissible (Articles 56 (3), 100 (2) CTMR, cf. also Article 104 CTMR), this is a condition for the admissibility of the second request or action and has to be dealt with by the body competent for deciding on that second request or action. Requesting in the present proceedings that any such second request would be inadmissible under the principle of *res iudicata* thus amounts to an inadmissible request to deal with a future and hypothetical situation (Judgment of the Court of 16 September 2004 in Case T-342/02, 'Moser Grupo Media/MGM', paragraph 44).
- 29 The same is true for the appellant's references to the dispute between the parties before the Danish CTM court. Whatever the exact scope of that dispute is and whatever possibilities exist in those proceedings for the competent Danish judge to stay proceedings or to deal with requests of the present respondent against the validity of the CTM, cannot make the present appeal admissible. Only for the sake of completeness, the Board rejects any suggestion of using the present proceedings for the purposes of giving instructions, so to say, to the Danish CTM court.
- 30 To sum up, the appeal is inadmissible as it does not comply with Article 59, 1st sentence, CTMR.
- 31 Only for the sake of completeness and as an *obiter dictum*, we observe that there is not the slightest authority in the Regulations or in the case-law for the appellant's theories. Articles 43 (1) and 85 (2) CTMR ('terminates the

proceedings by withdrawing the application for declaration of invalidity', i.e. the withdrawal of the request automatically terminates proceedings) and Rule 18 CTMIR, notably its paragraph 3, 2nd sentence, are clear in that regard. In thousands of decisions, culminating in the decision of the Grand Board R 331/2006-G 'OPTIMA' (with the sole contentious issue there being whether such withdrawals are possible even after the issue of the decision), the Office has confirmed withdrawals without more and without ever making an argument about the competing interests of the other party to the proceedings. Likewise, before the Court, a withdrawal of the action, a withdrawal of the opposition (by way of examples: Order of the Court of 13 September 2005 in Case T-75/05, 'Ngenius / Genius', paragraph 3; Order of the Court of 14 July 2010 in Case T-165/10, Grupo Osborne OAMI, paragraph 3) or a withdrawal of the cancellation request (Order of the Court of 14 July 2010 in joined Cases T-467/08 and T-153/09, ISDIN SA / OAMI, paragraph 4) render the action devoid of purpose and lead to an order of 'no need to adjudicate' without more.

- 32 Again only for the sake of completeness and as an *obiter dictum*, we add that the reference to German law, namely § 269 of the German BGB (Civil Code), adduced by the appellant under the theory of Article 83 CTMR being applicable (*quod non*), yields the opposite of what the appellant expected. That provision, apart from dealing with monetary claims (fulfilment of contractual payment obligations, unjust enrichment, damages for torts, etc.) rather than with administrative or registry decisions, allows for the withdrawal of the action without the consent of the defendant until the oral hearing and it is clear that the Office did not hold an oral hearing. Rather, it is useful to point out that unlike under German Trade Mark Law, there is no *ex officio* cancellation proceedings before the Office under the CTMR, and an interesting parallel lies in the provisions of the European Patent Convention about opposition proceedings, where it is also generally recognized that the patent owner may not initiate such proceedings against itself but where Rule 75 allows an opposition after the surrender of the European patent and Rule 84 (1) of the Regulations under the Implementing Regulations under the European Patent Convention permits the continuation of the opposition proceedings after withdrawal of the opposition and where Rule 84 (2) permits the continuation of the opposition proceedings *ex officio* after a withdrawal of the opposition, each time, however, only on the request of the opponent (*nota bene*: and not of the patent owner) (cf. Singer / Stauder / Günzel, Commentary to the European Patent Convention, 5th edition, Article 99 paragraphs 6 and 40 and Article 101 paragraph 70). Since such or similar provisions are absent in the CTMR or CTMIR, *a contrario* there is no basis whatsoever to pursue cancellation proceedings where the corresponding request is missing or was later withdrawn.

Costs

- 33 As regards the order on costs, the appeal against the decision in its entirety automatically covers the cost part, without the need for an express request from the appellant to reverse also the order on costs.

- 34 Also to this extent the appellant is not aggrieved by the contested decision. In its reply to the request for a declaration of invalidity filed on 8 April 2008, the appellant expressly requested that the applicant for invalidity be ordered to bear the costs. This is what the Cancellation Division did. No further arguments regarding the costs are brought forward in the statement of grounds of appeal. To this extent also, the appeal does not comply with Article 59, 1st sentence, CTMR.
- 35 The contested decision becomes final, also to the extent it ruled that the costs of the cancellation proceedings have to be borne by the applicant for invalidity, pursuant to Article 85 (3) CTMR.
- 36 The situation is different for the costs of the appeal proceedings. As the appeal is rejected as inadmissible, the CTM proprietor (appellant) is the losing party in the appeal proceedings and shall bear the costs of the appeal proceedings, pursuant to Article 85 (1) CTMR.

Fixing of costs

- 37 Pursuant to Article 85 (6) CTMR in conjunction with Rule 94 (3) CTMIR, the decision of the Board of Appeal shall, where applicable, fix the amount of the costs to be paid by the losing party. Neither party can claim reimbursement of the appeal fee or of the fee for the request for declaration of invalidity under Rule 94 (6) CTMIR. The amount of the representation costs to be paid by the respondent as the losing party of the cancellation proceedings to the appellant amount at the standard rate of EUR 450 pursuant to Rule 94 (7) (d) (iii) CTMIR. The amount of the representation costs to be paid by the appellant as the losing party in the appeal proceedings to the respondent amount at the standard rate of EUR 550 pursuant to Rule 94 (7) (d) (vi) CTMIR. The difference of these amounts, EUR 100, is to be fixed in favour of the respondent.

Order

On those grounds,

THE BOARD

hereby:

- 1. Dismisses the appeal as inadmissible;**
- 2. Orders the appellant to bear the costs of the appeal proceedings;**
- 3. Fixes the total amount of costs to be paid by the appellant to the respondent for the cancellation and appeal proceedings at EUR 100.**

D. Schennen

F. López de Rego

E. Fink

Registrar:

C. Bartos