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JUDGMENT OF THE COURT OF FIRST INSTANCE (First Chamber)

23 November 2005 (*)

(Community trade mark – Opposition proceedings – Application for Community figurative mark containing the verbal element 'NICKY' – Earlier national figurative marks containing the verbal element 'NOKY' – Rejection of opposition for absence of likelihood of confusion – Annulled by the Board of Appeal – Remittal to the Opposition Division to examine whether the goods are similar and the proof of use – Article 8(1)(b) of Regulation (EC) No 40/94)

In Case T-396/04,

Soffass SpA, established in Porcari (Italy), represented by V. Bilardo and C. Bacchini, lawyers,

applicant,

v

Office for Harmonisation in the Internal Market (Trade marks and Designs) (OHIM), represented by M. Capostagno, acting as Agent,

defendant,

the other party to the proceedings before the OHIM Board of Appeal, and intervener before the Court of First Instance, being

Sodipan, SCA, established in Saint-Étienne-du-Rouvray (France), represented by N. Boespflug, lawyer,

ACTION brought against the decision of the First Board of Appeal of OHIM of 16 July 2004 (Case R 699/2003-1), relating to opposition proceedings between Soffass SpA and Sodipan SCA,

THE COURT OF FIRST INSTANCE
OF THE EUROPEAN COMMUNITIES (First Chamber),

composed of J.D. Cooke, President, I. Labucka and V. Trstenjak, Judges,

Registrar: J. Palacio González, Principal Administrator,

having regard to the application lodged at the Registry of the Court of First Instance on 4 October 2004,

having regard to the response lodged at the Registry of the Court on 21 January 2005,

having regard to the response of the intervener lodged at the Registry of the Court on 9 February 2005,

having regard to measure of organisation of procedure of 24 June 2005,

further to the hearing on 13 September 2005,

gives the following

Judgment

Background to the dispute

1 On 20 September 1999, Soffass SpA filed an application for a Community trade mark at the Office for Harmonisation in the Internal Market (Trade marks and Designs) ('OHIM') under Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark (OJ 1994 L 11, p. 1), as amended.

2 The trade mark in respect of which registration was sought is the figurative mark reproduced below:

NICKY

3 The goods in respect of which registration was sought fall within Class 16 of the Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Trade Marks of 15 June 1957, as revised and amended, and correspond to the following description: 'Articles made of paper and/or cellulose for household and cleaning purposes, such as handkerchiefs, face cloths, hand towels, napkins, kitchen towels on rolls or spools, toilet paper'.

4 On 10 April 2000 that application was published in *Community TradeMarks Bulletin* No 29/2000.

5 On 10 July 2000, Sodipan SCA brought opposition proceedings against registration of the mark sought on the basis of Article 8(1)(b) of Regulation No 40/94.

6 The opposition was based on the following earlier national registrations:

- French registration No 1 400 192, in force from 6 April 1967, for 'paper, cardboard and goods made from those materials and not covered by other classes', included in Class 16, of the figurative mark reproduced below:

noky

- French registration No 1 346 586, in force from 14 March 1986, for 'products made from paper for household and cleaning purposes, such as toilet paper, handkerchiefs, kitchen paper, serviettes, tablecloths, table mats, sets of table mats, paper plates and cups and other single use products (or disposable products)', included in Class 16, of the figurative mark reproduced below:



7 By decision of 24 November 2003 the Opposition Division of OHIM dismissed the opposition. Essentially, it held that the signs were visually, phonetically and conceptually dissimilar. It stated, in that regard, that 'the signs are clearly dissimilar, in their overall impression, [in] all respects'. Since the overall impression produced by the signs was clearly different, the Opposition Division held that it was unnecessary to make a comparison of the goods. For the same reason, it did not examine the proof of use of the earlier marks adduced by the intervener in accordance with Article 43 of Regulation No 40/94.

8 On 4 December 2003 the intervener brought an appeal against the Opposition Division's decision.

9 By decision of 16 July 2004 ('the contested decision') the First Board of Appeal, finding that the marks presented an appreciable degree of similarity, annulled the Opposition Division's decision and remitted the case to the latter in order to make a comparison of the goods concerned and to examine the proof of use of the earlier marks.

Forms of order sought

10 The applicant claims that the Court should:

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

11 OHIM contends that the Court should:

- dismiss the action;
- order the applicant to pay the costs.

12 The intervener contends that the Court should:

- dismiss the action;
- declare that, given the likelihood of confusion between the marks, increased by the fact that the goods concerned are identical, the opposition brought by the intervener against the application for registration of a Community mark is well founded
- order the applicant to pay the costs.

Law

13 The applicant puts forward a single plea, alleging infringement of Article 8(1)(b) of Regulation No 40/94 inasmuch as the Board of Appeal erred in finding that there were similarities between the marks.

Arguments of the parties

14 The applicant observes that, contrary to the findings of the Board of Appeal, the marks are not likely to be confused on account of their clear phonetic, visual and conceptual differences. The Board of Appeal misinterpreted the notion of likelihood of confusion as interpreted by the Community case-law (Case C-251/95 *SABEL* [1997] ECR I-6191, paragraph 22, and Case C-39/97 *Canon* [1998] ECR I-5507, paragraph 29).

15 As regards the phonetic aspect, the applicant contests the Board of Appeal's finding that the resemblance between the final syllables 'ky' and 'cky' outweighs the phonetic difference resulting from the vowels 'o' and 'i'. The applicant maintains that that clear difference, even more marked in French on account of the different pronunciation of the syllables 'ni' and 'no', must predominate, since, as a matter of fact, it is the sound of the first part of a word which is remembered by the consumer (decision of the First Board of Appeal in Case R-120/2000-1 *Manfield/PENFIELD*, paragraph 23).

16 As regards the visual aspect, the applicant challenges the statement in the contested decision that the marks are similar because they are characterised by the same initial and final letters and consist of two short names resembling English words. It states that the marks have considerable differences. The number of their letters is different (five for NICKY and four for NOKY). In the first NOKY mark the letters 'n' and 'y' are arranged on an oblique line and converge at the top. Furthermore, the letter 'o' of NOKY is shaped like a triangle with rounded angles. Also, the vertical line which forms the letter 'k' of NOKY is much taller than the oblique line of the same letter. The second NOKY mark is clearly characterised by an image representing a bear with a heart imprinted on its chest. In addition, its initial and final letters are larger than the others. Finally, unlike the mark applied for, the two earlier marks are composed of letters with rounded ends.

17 As regards the conceptual aspect, the applicant challenges the Board of Appeal's statement that it has failed to prove that the word 'Nicky' is known in France as a diminutive.

- 18 The applicant maintains that it is well known and widely accepted, without any need for it to be proved, that the word 'Nicky' is perceived by the French-speaking and European Community public in general as the diminutive of French first names such as Nicole, Nicolas or Nicolette, or as the equivalent of those first names in a foreign language. It relies, in that respect, on the racing driver Niki Lauda, a 1970s film entitled 'Mikey and Nicky' and a cartoon whose title is 'Nicky Larson'. On the other hand, the word 'noky' is a Czech word which is the equivalent of the Italian word 'gnocchi'. The applicant expresses doubt, however, as to whether the French-speaking public understands that meaning. That word might rather suggest to the French-speaking public NOKIA, a well-known distinctive sign in the mobile telephone sector.
- 19 The applicant argues that it is sufficient, in order to exclude any likelihood of confusion, that the French-speaking public immediately perceives the word 'Nicky' as a diminutive or short form of proper names. According to the case-law, it is sufficient if one of the marks has a clear and specific meaning for the relevant public for the visual and phonetic similarities between them to be counteracted to a large extent (Case T-292/01 *Phillips-Van Heusen v OHIM – Pash Textilvertrieb und Einzelhandel (BASS)* [2003] ECR II-4335, paragraph 54, and Case T-185/02 *Ruiz-Picasso and Others v OHIM – DaimlerChrysler (PICARO)* [2004] ECR I-0000, paragraphs 55 and 56).
- 20 OHIM submits that the Board of Appeal made a proper comparison of the Community mark applied for and the earlier marks, highlighting the observable likenesses which give rise to a high degree of similarity.
- 21 Referring to the applicant's detailed examination of the characteristics of the signs (see paragraph 16 above), OHIM states that it concerns elements which are clearly marginal to the overall perception of those marks. In spite of the presence of the stylised image of the bear in the second of the earlier marks, the word 'noky' is indisputably the dominant element of the two French marks.
- 22 In particular, as regards the conceptual analysis of the marks, OHIM claims that the evidence put forward by the applicant in support of its assertion that NICKY has a clear and precise meaning, which is the diminutive of a proper name, is not really capable of supporting such an argument. The judgments in *BASS* and *PICARO*, referred to in paragraph 19 above, cannot be applied in this case as there is no 'clear and precise' meaning for one of the contested signs which is capable of excluding any possible association between them. Furthermore, in accordance with Article 135(4) of the Rules of Procedure of the Court of First Instance, OHIM raises a plea of inadmissibility in respect of any fresh plea submitted to the Court for the first time, since documents 13 to 21 annexed to the application may be defined as such. Those documents are entirely new and cannot therefore be admitted at this stage of the proceedings (Case T-129/01 *Alejandro v OHIM – Anheuser-Busch (BUDMEN)* [2003] ECR II-2251, paragraph 67).
- 23 The intervener submits that since the similarities between the signs are obvious, the Board of Appeal was right to annul the Opposition Division's decision.
- 24 It argues, inter alia, that conceptually the mark NICKY, used for goods such as articles made of paper, handkerchiefs and serviettes, will not be perceived by French consumers as alluding to the name of a person, since there is nothing to induce consumers to make a connection between those products and a person called 'NICKY', especially as the use of such a diminutive is extremely rare.

Findings of the Court

- 25 Article 8(1)(b) of Regulation No 40/94 provides that, upon opposition by the proprietor of an earlier trade mark, the trade mark applied for is not to be registered if, because of its identity with or similarity to the earlier trade mark and the identity or similarity of the goods or services covered by the trade marks, there exists a likelihood of confusion on the part of the public in the territory in which the earlier trade mark is protected.
- 26 It is clear from that provision that the likelihood of confusion presupposes both that the mark applied for and the earlier mark are identical or similar, and that the goods or services covered by the application for registration are identical or similar to those in respect of which the earlier mark is registered. Those conditions are cumulative (Case C-106/03 P *Vedial v OHIM* [2004] ECR I-9573, paragraph 51).
- 27 Therefore, if the signs are completely different it is possible in principle, without examining the goods in question, to take the view that there is no likelihood of confusion.

- 28 It should be added that, according to settled case-law, the risk that the public might believe that the goods or services in question come from the same undertaking or, as the case may be, from economically linked undertakings constitutes a likelihood of confusion.
- 29 The same case-law also states that the likelihood of confusion must be assessed globally, according to the perception by the relevant public of the signs and the goods or services in question, and taking into account all factors relevant to the circumstances of the case, in particular the interdependence between similarity of the signs and similarity of the goods or services designated (see Case T-162/01 *Laboratorios RTB v OHIM – Giorgio Beverly Hills (GIORGIO BEVERLY HILLS)* [2003] ECR II-2821, paragraphs 31 to 33 and the case-law cited).
- 30 In the light of that interdependence, even a lesser degree of similarity between the marks may be offset by a higher degree of similarity between the designated goods or services and vice versa (see, by analogy, *Canon*, paragraph 17, and Case C-342/97 *Lloyd SchuhfabrikMeyer* [1999] ECR I-3819, paragraph 19).
- 31 Therefore, if there is even a slight similarity between the two signs the likelihood of confusion must be assessed globally, taking account of all the relevant factors.
- 32 It is also clear from the settled case-law that the global assessment of the likelihood of confusion, as far as concerns the visual, phonetic or conceptual similarity of the marks, must be based on the overall impression given by them, bearing in mind, inter alia, their distinctive and dominant components (see *BASS*, paragraph 47, and the case-law cited).
- 33 In this case it is common ground that the relevant public for the purposes of such an assessment is the French public.
- 34 As regards the visual aspect, it must be held that there is a certain similarity between the marks at issue. Three of the four letters of the mark NOKY are found in the same place in NICKY. The marks have the first letter 'n' and the ending 'ky' in common. Since that ending is not usual in the French language it may be regarded as the dominant element in the two marks which draws the attention of French consumers.
- 35 As regards the phonetic aspect, there is a further similarity between the marks concerned as the last syllable 'ky', which is identical in the two marks at issue, draws the attention of French consumers. Therefore, the first syllables of those signs, which differ from each other, have less impact phonetically.
- 36 In that regard, it must be recalled that according to the case-law, the degree of aural similarity between the two marks is of less importance in the case of goods which are marketed in such a way that, when making a purchase, the relevant public usually perceives visually the mark designating those goods (*BASS*, paragraph 55).
- 37 Likewise, conceptually, it is possible, as the applicant observed (see paragraphs 18 and 19 above), that the word 'Nicky' may be perceived by French consumers as a diminutive of the first names Nicolas or Nicole. The importance of that argument is, in part, influenced by the nature of the goods concerned and the circumstances in which they are marketed. Accordingly, the assessment of that argument cannot be separated from the other factors which may be relevant.
- 38 It must be held that the similarities between the marks, identified in paragraphs 34 and 35 above, are such that the Board of Appeal was right to hold that a comparison of the goods should be carried out in order to make an overall assessment of the likelihood of confusion in this case. That is particularly the case where the marks have similar components, even if only slightly similar, which may be offset in an overall assessment by other factors, such as the nature of the goods and the circumstances in which they are marketed.
- 39 Where the marks are not clearly dissimilar, but have a number of similar factors together with certain components capable of distinguishing them, the assessment of the respective importance of those components must not be carried out in isolation, but in an overall assessment of the likelihood of confusion, taking account of all the relevant factors (see paragraph 29 above).
- 40 It is clear from the foregoing that the single plea in law alleging infringement of Article 8(1)(b) of Regulation No 40/94 must be rejected.

- 41 As regards documents 13 to 21 annexed to the application (see paragraph 22 above), they cannot be taken into consideration because the purpose of actions before the Court of First Instance is to obtain a review of the legality of decisions of the Boards of Appeal of OHIM for the purposes of Article 63 of Regulation No 40/94. It is not the Court's function to review the facts in the light of documents adduced for the first time before it. Moreover, to allow that evidence would be contrary to Article 135(4) of the Rules of Procedure, according to which the parties' submissions may not alter the subject-matter of the proceedings before the Board of Appeal. Accordingly, that evidence must be excluded, without its being necessary to assess its probative value (*BUDMEN*, paragraph 67).
- 42 In the light of all of the foregoing, the applicant's claim for annulment must be rejected.
- 43 As regards the intervener's application for a declaration that the opposition brought against the registration of the Community mark is well founded, it is clear from a combined reading of subparagraphs (2) and (3) of Article 63 of Regulation No 40/94 that decisions of the Boards of Appeal may be altered only where they contain a substantive or procedural irregularity (Case T-247/01 *eCopy v OHIM (ECOPY)* [2002] ECR II-5301, paragraph 46). It is sufficient to state, in that regard, that the contested decision does not contain such an irregularity and that it is appropriate to make an overall assessment of the likelihood of confusion in this case, taking account of all the relevant factors.
- 44 The intervener's application to overturn the decision must therefore be dismissed.

Costs

- 45 Under Article 87(2) of the Rules of Procedure, the unsuccessful party is to be ordered to pay the costs if they have been applied for in the successful party's pleadings. Since the applicant has been unsuccessful and OHIM and the intervener have applied for costs, the applicant must be ordered to pay the costs.

On those grounds,

THE COURT OF FIRST INSTANCE (First Chamber)

hereby:

- 1. Dismisses the application;**
- 2. Orders the applicant to pay the costs.**

Cooke
Delivered in open court in Luxembourg on 23 November 2005.

Labucka

Trstenjak

Registrar
E. Coulon

President
J.D. Cooke