

ECJ considers weight of conceptual differences in likelihood of confusion assessment **Examination/opposition International procedures**

European Union - PLMJ - Sociedade de Advogados

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In *Pêra-Grave - Sociedade Agrícola, Unipessoal Lda v Office for Harmonisation in the Internal Market* (OHIM) (Case C-249/14 P), the Court of Justice of the European Union (ECJ) has upheld the decision of the General Court.

On October 6 2008 Pêra-Grave - Sociedade Agrícola Unipessoal Lda filed an application for the registration of the following figurative sign as a Community trademark:



Registration was sought for "alcoholic beverages (except beers)" in Class 33 of the [Nice Classification](#).

Following the publication of the application, Fundação Eugénio de Almeida filed a notice of opposition, which was based in the following earlier marks:

1. the Portuguese figurative mark No 283 684, covering "white or red wines" in Class 33:



2. the Portuguese figurative mark No 308 864, covering "white wines" in Class 33:



3. the Portuguese figurative mark No 405 797, covering "alcoholic beverages (except beers)" in Class 33:



Fundação Eugénio de Almeida claimed that Pêra-Grave's mark was likely to be confused with its previous marks due to the similarity between the signs, as set out in Article 8(1)(b) of the [Community Trademark Regulation](#) (40/94). The opponent also argued that its trademarks had a reputation in Portugal and that Pêra-Grave would take unfair advantage of the repute of its trademarks (as forbidden by Article 8(5) of the regulation).

However, the Opposition Division of OHIM rejected the opposition, arguing that Fundação Eugénio de Almeida had not established that the earlier marks had a 'reputation' within the meaning of Article 8(5). It also stated that, although the marks covered the same goods, the very low degree of similarity between the signs was sufficient to avoid any likelihood of confusion between them.

Fundação Eugénio de Almeida appealed to the Second Board of Appeal of OHIM, which overturned the decision of the Opposition Division and rejected the registration of Pêra-Grave's mark.

The Board of Appeal found that a likelihood of confusion could not be excluded by the low degree of similarity between the signs at issue. It claimed that the only element common to the signs at issue - 'pêra-manca' or 'peramanca' - was the most important element in the public's perception of those signs. The Board of Appeal considered that the figurative elements were not capable of prevailing in the memory of the relevant public. Furthermore, the signs also had relevant conceptual similarities, as the elements 'pêra-manca' and 'peramanca' could be perceived as referring to the same place name.

As for the reputation of the earlier trademarks, the Board of Appeal stated that there was no need to take the corresponding evidence into account, since that argument was submitted too late.

Pêra-Grave appealed to the General Court. However, the court upheld the arguments regarding the conceptual and phonetic similarities raised by Board of Appeal, declaring that a likelihood of confusion could not be ruled out.

Pêra-Grave appealed to the ECJ, putting forward a single ground of appeal alleging infringement of Article 8 (1)(b) of the regulation, which was divided into three parts.

First, it claimed that the General Court had failed to demonstrate the existence of a likelihood of confusion between the signs. In addition, the court had allegedly reversed the burden of proof by forcing Pêra-Grave to prove a negative fact - that there was no likelihood of confusion - by using expressions such as "is not capable of being ruled out" or "cannot be ruled out".

The ECJ rejected this argument. It found that those expressions, although ambiguous, should be interpreted in the context of the other findings of the General Court. Consequently, the ECJ considered that the General Court had carried out an adequate assessment of the likelihood of confusion between the signs in order to validate its findings.

The second argument raised by Pêra-Grave was that the General Court had not taken into account the impact of the conceptual dissimilarities between the signs in the global assessment of the likelihood of confusion, following the case law arising from *T.I.M.E. ART v OHIM* (C-171/06 P) (in which the court had established that the conceptual differences between two marks may be able to outweigh the visual and phonetic similarities, if at least one of the signs has a clear and specific meaning that the relevant public is capable of grasping immediately).

Pêra-Grave claimed that the General Court should have ruled out the existence of a likelihood of confusion, since it had assumed that the relevant public would perceive the expression 'Qta. São José da Peramanca' as a conceptual whole referring to an estate.

However, the ECJ found that the expression 'peramanca' would not be understood as an estate. In contrast, it stated that the General Court had emphasised the inconsistency of the arguments used to explain the meaning of the expression 'peramanca'. Furthermore, the ECJ considered that none of the trademarks at issue had a clear and specific meaning which could be grasped immediately by the relevant public.

Therefore, the ECJ found that the General Court had proceeded correctly, thus dismissing Pêra-Grave's second argument.

Finally, Pêra-Grave claimed that the General Court had not examined whether it was reasonable to assume that the relevant consumers might make a link between the geographical name 'peramanca' and the goods at issue.

However, the ECJ found that this third part of the ground of appeal should be rejected, as Pêra-Grave had not disputed, in its appeal, the General Court's accusations of inconsistency of the arguments relating to the meaning of the word 'peramanca'.

Consequently, the ECJ rejected the appeal, and upheld the previous decisions rejecting the registration of Pêra-Grave's trademark.

This case clearly portrays the divergences between the courts and the EU authorities in the assessment of the likelihood of confusion.

As the relative importance of each element - figurative, conceptual and phonetic - in the analysis of the likelihood of confusion between the signs is not legally prescribed, the different courts and authorities often diverge in the evaluation of the various elements.

In this case, the EU authorities had initially found that the figurative elements of the marks were sufficiently different to avoid any confusion. However, the ECJ reaffirmed that the most relevant elements in the assessment of the likelihood of confusion between two signs are those by which the consumer identifies the marks - ie, the elements that last in the public's mind. Therefore, the similarities between graphic and phonetic elements usually prevail.

Nonetheless, other elements of the marks can have a greater relevance, but only when those elements leave a stronger impression in the consumers' mind than the graphic and phonetic elements, which tends to be unusual (eg, in *T.I.M.E. ART*, the court found that the conceptual meaning of the mark prevailed over the graphic or figurative elements).

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