

JUDGMENT OF THE GENERAL COURT (Third Chamber)

16 June 2015 (*)

(Community trade mark — Invalidity proceedings — Three-dimensional Community trade mark — Shape of a toy figure — Absolute grounds for refusal — Sign consisting exclusively of the shape which results from the nature of the goods themselves — Sign consisting exclusively of the shape of goods which is necessary to obtain a technical result — Article 7(1)(e)(i) and (ii) of Regulation (EC) No 207/2009 — Bad faith — Article 52(1)(b) of Regulation No 207/2009)

In Case T-395/14,

Best-Lock (Europe) Ltd, established in Colne (United Kingdom), represented by J. Becker, lawyer,

applicant,

v

Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM), represented by D. Hanf and A. Folliard-Monguiral, acting as Agents,

defendant,

the other party to the proceedings before the Board of Appeal of OHIM, intervener before the General Court, being

Lego Juris A/S, established in Billund (Denmark), represented by V. von Bomhard, lawyer,

ACTION brought against the decision of the Fourth Board of Appeal of OHIM of 26 March 2014 (Case R 1695/2013-4), concerning invalidity proceedings between Best-Lock (Europe) Ltd and Lego Juris A/S,

THE GENERAL COURT (Third Chamber),

composed of S. Papasavvas (Rapporteur), President, N.J. Forwood and E. Bieliūnas, Judges,

Registrar: E. Coulon,

having regard to the application lodged at the Court Registry on 28 May 2014,

having regard to the response of OHIM lodged at the Court Registry on 3 December 2014,

having regard to the response of the intervener lodged at the Court Registry on 26 November 2014,

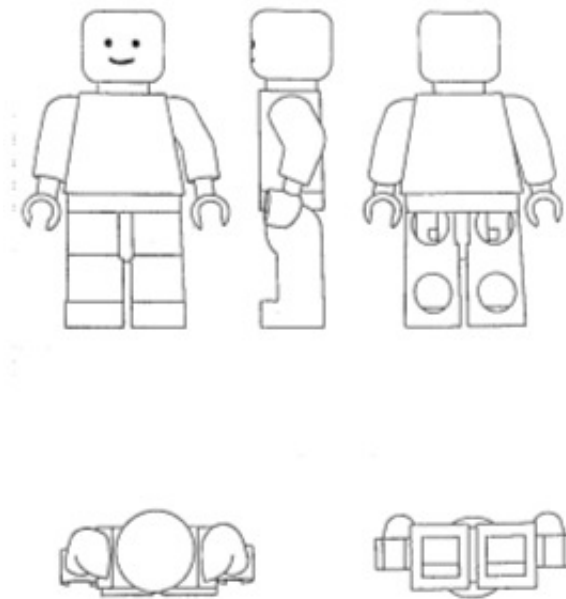
having regard to the fact that no application for a hearing was submitted by the parties within the period of one month from notification of closure of the written procedure and having therefore decided, acting upon a report of the Judge-Rapporteur, to give a ruling without an oral procedure, pursuant to Article 135a of the Rules of Procedure of the General Court,

gives the following

Judgment

Background to the dispute

- 1 On 23 June 2000, the intervener, Lego Juris A/S, obtained registration of a Community trade mark with the Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM), pursuant to Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark (OJ 1994 L 11, p. 1), as amended (replaced by Council Regulation (EC) No 207/2009 of 26 February 2009 on the Community trade mark (OJ 2009 L 78, p. 1)).
- 2 The mark in respect of which registration was obtained under No 50 518 is the three-dimensional trade mark reproduced below:



- 3 The goods in respect of which registration was obtained are in, inter alia, Class 28 of the Nice Agreement concerning the International Classification of Goods and Services for the purposes of the Registration of Marks of 15 June 1957, as revised and amended, and correspond to the following description: ‘Games and playthings; decorations for Christmas trees’.
- 4 On 7 May 2012, the applicant, Best-Lock (Europe) Ltd, filed an application seeking a declaration of invalidity of the contested trade mark in respect of the goods referred to in paragraph 3 above on the basis of Article 52(1)(a) of Regulation No 207/2009, read in conjunction with Article 7(1)(e)(i) and (ii) thereof, and Article 52(1)(b) of that regulation.
- 5 On 27 June 2013, the Cancellation Division rejected the application for a declaration of invalidity.
- 6 On 27 August 2013, the applicant filed a notice of appeal with OHIM, pursuant to Articles 58 to 64 of Regulation No 207/2009, against the Cancellation Division’s decision.
- 7 By decision of 26 March 2014 (‘the contested decision’), the Fourth Board of Appeal of OHIM dismissed the appeal. In the first place, in response to the applicant’s complaint that the shape of the goods in question is determined by the nature of the goods themselves, namely, the possibility of joining them to other interlocking building blocks for play purposes, the Board of Appeal observed that Article 7(1)(e)(i) of Regulation No 207/2009 did not preclude goods consisting of shapes, but did prohibit the shape of goods being determined by the nature of those goods. It stated, however, that a toy could be manufactured in any form. In the second place, in

response to the applicant's complaint that the toy figure in question, both as a whole and in its particulars, provided technical solutions, the Board of Appeal observed that, in order for Article 7(1)(e)(ii) of Regulation No 207/2009 to apply, the mark in question had to consist exclusively of the shape of goods necessary to obtain a technical result, and that none of the conditions for applying that provision was met in the circumstances, the applicant having neglected, in particular, to mention what technical result a toy figure might be supposed to achieve. In the third place, in response to the complaint that the proprietor of the contested trade mark had acted in bad faith, the Board of Appeal began by observing that the events after 1 April 1996 mentioned by the applicant were irrelevant. Next, it stated that the only thing that could be inferred from the applicant's explanations was that it was claiming to have used figures without a protrusion on the head: no explanation was ever provided regarding what those figures were supposed to look like. Lastly, the Board of Appeal observed that the complaint that the proprietor of the trade mark in question had applied twice for registration of toy figures (once with a protrusion on the head and once without) and had asserted a protected right in the one case but not in the other did not satisfy the minimum requirements of an intelligible account.

Forms of order sought

- 8 The applicant claims that the Court should:
- annul the contested decision and declare the contested trade mark invalid in respect of the goods in Class 28;
 - order OHIM to pay the costs.
- 9 OHIM contends that the Court should:
- dismiss the action as inadmissible or, in the alternative, as unfounded;
 - order the applicant to pay the costs.
- 10 The intervener contends that the Court should:
- dismiss the action;
 - order the applicant to pay the costs.

Law

- 11 In support of its action, the applicant raises, in essence, a single plea in law alleging infringement of Article 52(1)(a) and (b) of Regulation No 207/2009, read in conjunction with Article 7(1)(b) and (e)(i) and (ii) of that regulation.
- 12 That plea essentially comprises three parts.
- First part: infringement of Article 52(1)(a) of Regulation No 207/2009, read in conjunction with Article 7(1)(e)(i) and (ii) of that regulation*
- 13 The applicant submits that the contested trade mark consists of a shape determined by the nature of the goods themselves and consists exclusively of the shape of goods necessary to obtain a technical result.
- 14 OHIM and the intervener contend, in essence, that that part of the plea is inadmissible and, in

any event, unfounded.

- 15 In that regard, it should be borne in mind that, under Article 52(1)(a) of Regulation No 207/2009, a Community trade mark is to be declared invalid on application to OHIM or on the basis of a counterclaim in infringement proceedings where the Community trade mark has been registered contrary to the provisions of Article 7 of that regulation.
- 16 It should also be borne in mind that signs are not to be registered if, pursuant to Article 7(1)(e) (i) of Regulation No 207/2009, they consist exclusively of the shape determined by the nature of the goods themselves or if, pursuant to Article 7(1)(e)(ii) of that regulation, they consist exclusively of the shape of goods necessary to obtain a technical result.
- 17 In the present case, it should, in the first place, be noted that the applicant states that it is seeking by the present action to ‘obtain [a] declaration of invalidity’ of the contested trade mark, relying on the arguments put forward in the course of the invalidity proceedings before OHIM and the annexes produced in support of those arguments.
- 18 In that regard, it must be emphasised that, by virtue of the first paragraph of Article 21 of the Statute of the Court of Justice of the European Union, applicable to proceedings before the General Court pursuant to the first paragraph of Article 53 of that Statute, and of Article 44(1) (c) of the Rules of Procedure of the General Court, an application must state, in particular, the subject-matter of the proceedings and a summary of the pleas in law on which the application is based. Those elements must be sufficiently clear and precise to enable the defendant to prepare its defence and the Court to rule on the application, where necessary, without further information. In order to guarantee legal certainty and sound administration of justice, it is necessary, for an action to be admissible, that the basic legal and factual particulars on which it is based be indicated, at least in summary form, coherently and intelligibly in the application itself. Whilst the body of the application may be supported and supplemented on specific points by references to extracts from documents annexed thereto, a general reference to other documents, even those annexed to the application, cannot make up for the absence of the essential arguments in law which, in accordance with the abovementioned provisions, must appear in the application (see order of 8 July 2010 in *Strålfors v OHIM (ID SOLUTIONS)*, T-211/10, EU:T:2010:301, paragraphs 5 and 6 and the case-law cited).
- 19 Consequently, to the extent that, by its action, the applicant is relying on the arguments put forward during the invalidity proceedings before OHIM and the documents produced in support of those arguments, making a general reference, without going into further detail, to annexes to the application which contain those arguments and documents, the action is inadmissible.
- 20 However, to the extent that, by its action, the applicant is repeating in its application the arguments submitted during the proceedings before OHIM, it must be held that the action cannot be declared inadmissible for that fact alone. The fact of repeating, wholly or in part, the arguments already invoked before OHIM and not simply referring to them does not amount to an infringement of Article 21 of the Statute of the Court of Justice or Article 44 of the Rules of Procedure. Provided an applicant contests the interpretation or application of EU law made by OHIM, the points of law examined by OHIM can be debated again in an action before the Court. This forms part of the review by the courts to which the decisions of OHIM are amenable under Article 65 of Regulation No 207/2009 (judgment of 27 September 2005 in *Cargo Partner v OHIM (CARGO PARTNER)*, T-123/04, ECR, EU:T:2005:340, paragraph 29).
- 21 In the second place, regarding the complaint relating to the absolute ground for refusal referred to in Article 7(1)(e)(i) of Regulation No 207/2009, the applicant merely asserts that the contested trade mark consists of a shape determined by the nature of the goods themselves. It does not put forward any argument in the application to support that assertion; nor does it

provide any reasoning to show that the Board of Appeal's findings in that regard were incorrect. Therefore, to the extent that it concerns that ground for refusal, the application does not satisfy the minimum requirements of Article 44(1)(c) of the Rules of Procedure. Accordingly, the complaint relating to the absolute ground for refusal referred to in Article 7(1)(e)(i) of Regulation No 207/2009 must, as OHIM and the intervener essentially contend, be rejected as inadmissible.

- 22 In the third place, regarding the complaint relating to the absolute ground for refusal referred to in Article 7(1)(e)(ii) of Regulation No 207/2009, the applicant claims that the contested trade mark consists exclusively of the shape of goods necessary to obtain a technical result.
- 23 In that regard, it should be borne in mind that, by restricting the ground for refusal set out in Article 7(1)(e)(ii) of Regulation No 207/2009 to signs which consist 'exclusively' of the shape of goods which is 'necessary' to obtain a technical result, the legislature duly took into account that any shape of goods is, to a certain extent, functional and that it would therefore be inappropriate to refuse to register a shape of goods as a trade mark solely on the ground that it has functional characteristics. By the terms 'exclusively' and 'necessary', that provision ensures that solely shapes of goods which only incorporate a technical solution, and whose registration as a trade mark would therefore actually impede the use of that technical solution by other undertakings, are not to be registered (judgment of 14 September 2010 in *Lego Juris v OHIM*, C-48/09 P, ECR, EU:C:2010:516, paragraph 48).
- 24 In the present case, the Board of Appeal observed that, in order for Article 7(1)(e)(ii) of Regulation No 207/2009 to apply, the mark in question had to consist exclusively of the shape of goods which was necessary to obtain a technical result, but that none of the conditions for applying that provision was met, as the applicant had, inter alia, neglected to mention what technical result a toy figure might be supposed to achieve. In particular, the Board emphasised that the toy figure represented by the contested trade mark was not modular, in so far as it could not be combined with as many other identical figures as desired, with the result that modularity was not a possible technical result. In addition, it observed that the fact that the figure in question 'represents a manikin' and may be used by a child in a play context was not a technical result. The Board of Appeal also noted that the mere fact that some parts of an object are moveable was not a technical result, so long as the movement itself did not enable a result to be achieved. It concluded that the applicant had not succeeded in highlighting any technical result which the object of the contested trade mark could achieve beyond that of simply being a figure. As regards the fact that, thanks to various coupling elements, such as the holes under its feet, the toy figure in question can be joined to Lego toy bricks, the Board of Appeal held that this was not a technical result, as the fact that objects may be joined to other objects is not a technical result of those objects or their shape. In addition, it stated that those coupling elements were not among the essential characteristics of the contested trade mark, as the overall impression given by that mark, which is determined by its configuration 'in the shape of a manikin' and has no function per se, is maintained even if the holes under its feet are disregarded.
- 25 It must be found that the applicant adduces no evidence in its application which would allow the Board of Appeal's findings in the contested decision to be specifically called into question.
- 26 In particular, the applicant claims, in essence, that it submitted detailed arguments during the invalidity proceedings before OHIM regarding the technical result of both the figure as a whole and the individual components of which it is formed. It thus states that, in the context of those invalidity proceedings, it argued in detail and showed, through the annexes produced, that all the characteristics of the figure's shape were necessary to obtain a particular technical result, namely, that figure being combined with other building blocks. However, apart from those general assertions, it does not put forward any argument in its application specifically contesting the detailed assessments on the basis of which the Board of Appeal concluded, in essence, that,

apart from the fact that the shape of the contested trade mark was a figure, the applicant had not shown that any technical result could be attributed to that shape. In particular, it does not put forward any evidence in its application to contest the finding that, in essence, the fact that the figure in question can be joined — thanks to the holes under its feet — to Lego toy bricks is neither a technical result nor an essential characteristic of the contested trade mark. The evidence provided in the application does not therefore permit a finding that the applicant is contesting the interpretation or application of EU law made by OHIM for the purposes of the case-law referred to in paragraph 20 above. Accordingly, that complaint must, as OHIM and the intervener essentially contend, be rejected as inadmissible.

- 27 It must, in any event, be rejected as unfounded.
- 28 There is nothing to permit a finding that the contested trade mark consists ‘exclusively’ of the shape of goods which is necessary to obtain a technical result for the purposes of Article 7(1)(e) (ii) of Regulation No 207/2009.
- 29 In that regard, it should be borne in mind that, as regards the fact that that ground for refusal covers any sign consisting ‘exclusively’ of the shape of goods which is necessary to obtain a technical result, that condition is fulfilled when all the essential characteristics of a shape perform a technical function, the presence of non-essential characteristics with no technical function being irrelevant in that context (see, to that effect, the judgment in *Lego Juris v OHIM*, cited in paragraph 23 above, EU:C:2010:516, paragraph 51).
- 30 It is therefore necessary, as a preliminary point, to determine the essential characteristics of the contested trade mark, which, according to case-law (see, to that effect, the judgment in *Lego Juris v OHIM*, cited in paragraph 23 above, EU:C:2010:516, paragraph 69), correspond to the most important elements of that mark.
- 31 In the present case, having regard to the graphical representation of the contested trade mark and the fact that it is in the shape of a figure having a human appearance, it must be held that the head, body, arms and legs which are necessary in order for the figure to have that appearance constitute the essential characteristics of the contested trade mark.
- 32 It must also be held that none of the evidence permits a finding that those particular elements of the shape in question serve any technical function as required by case-law for the application of Article 7(1)(e)(ii) of Regulation No 207/2009. Indeed, it appears that no technical result is connected to or entailed by the shape of those elements, which do not, in any event (contrary to what the applicant is essentially asserting), allow the figure to be joined to interlocking building blocks.
- 33 It should be noted that the graphical representation of the hands of the figure in question and the holes under its feet and inside the backs of its legs do not, per se and a priori, enable it to be known whether those elements have any technical function and, if so, what that function is. In any event, assuming that, as the applicant submits, the shape of those elements may have a technical function, that of enabling them to be joined to other elements, in particular interlocking building blocks, those elements cannot be held, either in view of the overall impression conveyed by the contested trade mark or as a result of the analysis of its constituent elements, to be the most important elements of that mark. They do not constitute an essential characteristic of the shape in question for the purposes of case-law. Furthermore, there is nothing to show that the essential functional characteristics of the shapes of those elements are attributable to the claimed technical result.
- 34 In those circumstances, the applicant’s argument that, in essence, every detail of the shape of the figure in question performs an exclusively technical function, that of enabling the figure to be joined to other components, must be rejected.

- 35 It must also be found that, contrary to what the applicant is implying, none of the evidence permits a finding that the shape of the figure in question is, as a whole, necessary to obtain a particular technical result. In particular, there is nothing to permit a finding that that shape is, as such and as a whole, necessary to enable the figure to be joined to interlocking building blocks. As the Board of Appeal essentially noted, the ‘result’ of that shape is simply to confer human traits on the figure in question, and the fact that the figure represents a character and may be used by a child in an appropriate play context is not a ‘technical result’.
- 36 The applicant’s argument that all the characteristics of the shape of the figure in question are necessary to obtain a particular technical result must therefore be rejected. It is also necessary to reject the line of argument asserting that none of the characteristics of the shape in question is the result of a creative design, since it is not substantiated and is, in any event, irrelevant in the context of applying Article 7(1)(e)(ii) of Regulation No 207/2009, which does not depend on whether the shape is the result of such a design.
- 37 Regarding the assertion that, in essence, the General Court held, in the context of the action giving rise to the judgment of 12 November 2008 in *Lego Juris v OHIM — Mega Brands (Red Lego brick)* (T-270/06, ECR, EU:T:2008:483) concerning invalidity procedure No 63 regarding a red Lego brick, that a shape of that kind could not be registered, it must be noted that, in the present case, the Board of Appeal exhaustively analysed both the mark at issue in those proceedings and the findings of the Cancellation Division, the General Court and the Court of Justice in that context. It concluded that the contested trade mark had nothing in common with the mark at issue in those proceedings except for the fact that it was a toy produced by the same company. The applicant adduces no evidence to call in question the Board of Appeal’s findings in connection with those proceedings, which must, moreover, be upheld.
- 38 Concerning the assertion that the intervener itself noted the technical qualities of the figure in question in a published report, it must be observed that the applicant does not even indicate in the application what report it is referring to; nor does it produce that report as an annex to that application. In any event, the fact that the figure has technical qualities has no influence in the context of applying Article 7(1)(e)(ii) of Regulation No 207/2009, which concerns the specific situation of marks consisting exclusively of the shape of goods which is necessary to obtain a technical result.
- 39 It follows from the foregoing that the first part of the plea must be rejected.

Second part: infringement of Article 52(1)(b) of Regulation No 207/2009

- 40 The applicant submits that the intervener acted in bad faith when filing the application for registration of the contested trade mark.
- 41 OHIM and the intervener contend, in essence, that that part of the plea is inadmissible and, in any event, unfounded.
- 42 In that regard, it should be borne in mind that, under Article 52(1)(b) of Regulation No 207/2009, a Community trade mark is to be declared invalid where the applicant for registration was acting in bad faith when he filed the application for that trade mark.
- 43 According to case-law, where the applicant for a declaration of invalidity seeks to rely on that ground, it is for that party to prove the circumstances which substantiate a finding that the Community trade mark proprietor was acting in bad faith when it filed the application for registration of that mark (see judgment of 13 December 2012 in *pelicantravel.com v OHIM — Pelikan (Pelikan)*, T-136/11, EU:T:2012:689, paragraph 21 and the case-law cited).

- 44 In the present case, the applicant claims that the applicant for registration of the contested trade mark acted in bad faith, given that the registration was intended to prevent the applicant from continuing to make use of its trade mark and to eliminate unwanted competition.
- 45 In that regard, it must be stated at the outset that the applicant claims to have stated, and that it is common ground, that it was already using the figure in the form in question before the registration of the contested trade mark, that the intervener was aware of that use, and that the intervener had never used that figure in a form lacking a protrusion on its head.
- 46 However, first, it must be stated that the applicant does not put forward any evidence in the application to substantiate its assertions, nor does it even refer, with the minimum level of detail required, to the evidence which it submitted in that regard during the proceedings before OHIM. In addition, it should be noted that the applicant has put forward no arguments to contest the specific findings, summarised in paragraph 7 above, made by OHIM in the context of its analysis of the ground for invalidity referred to in Article 52(1)(b) of Regulation No 207/2009.
- 47 The second part of the plea must therefore, as OHIM and the intervener essentially contend, be rejected as inadmissible.

Third part: infringement of Article 7(1)(b) of Regulation No 207/2009

- 48 In its account of the combined provisions which it claims the Board of Appeal infringed in dismissing its appeal, the applicant cites Article 7(1)(b) of Regulation No 207/2009.
- 49 In that regard, it is sufficient to state that the applicant merely asserts that there has been an infringement of Article 7(1)(b) of Regulation No 207/2009, read in conjunction with other provisions of that regulation, without putting forward any argument that could be specifically linked to that provision.
- 50 Moreover, the applicant did not invoke Article 7(1)(b) of Regulation No 207/2009 in support of its initial application for a declaration of invalidity or in its appeal before OHIM. Article 135(4) of the Rules of Procedure states that the parties' pleadings may not change the subject-matter of the proceedings before the Board of Appeal.
- 51 Accordingly, the third part of the plea must, as OHIM and the intervener essentially contend, be rejected as inadmissible.
- 52 It follows that the single plea in law must be rejected, and, consequently, the action must be dismissed in its entirety, without it being necessary to give a ruling on the admissibility of the head of claim asking the Court to declare the contested trade mark invalid.

Costs

- 53 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, it must be ordered to pay the costs, in accordance with the form of order sought by OHIM and the intervener.

On those grounds,

THE GENERAL COURT (Third Chamber)

hereby:

1. Dismisses the action;

2. Orders Best-Lock (Europe) Ltd to pay the costs.

Papasavvas

Forwood

Bieliūnas

Delivered in open court in Luxembourg on 16 June 2015.

[Signatures]

* Language of the case: English.