

Review

Intellectual Property



Austria is a ‘substantial part’ of the EC for CTM infringement

The ECJ has made a preliminary ruling that PAGO International GmbH's Community trade mark can benefit from the protection afforded by Article 9(1)(c) of Council Regulation (EC) No 40/94 as the trade mark is known by a significant part of the relevant public in a substantial part of the EU.

Background

Since 2001, PAGO International GmbH (“PAGO”) has owned a Community trade mark for a device of a green glass bottle with a distinctive lid and label. It sells under the PAGO trade mark a fruit juice which is widely known in Austria.

Tirolmilch registrierte Genossenschaft mbH (“Tirolmilch”), also based in Austria, market a fruit drink called ‘Lattella’, initially sold in cartons but now packaged in glass bottles. Two bottles used to sell Tirolmilch’s products resemble in several respects, the PAGO CTM registration.

PAGO initiated interlocutory proceedings before the Commercial Court in Vienna to prevent Tirolmilch using the bottle designs at issue. The application was granted, however on appeal by Tirolmilch, the Higher Regional Court in Vienna dismissed PAGO’s application.

PAGO then lodged an appeal on a point of law with the Austrian Supreme Court, who found there was no likelihood of confusion for the public between the products sold by PAGO and Tirolmilch. However, the Court sought clarity on two issues and referred the following questions to the ECJ for a preliminary ruling:

1. is a Community trade mark protected in the whole Community as a “trade mark with a reputation” for the purposes of Article 9(1)(c) if it has a “reputation” only in one Member State?
2. if the answer to the above is negative, is the mark protected in that Member State under Article 9(1)(c) so that a prohibition limited to that Member State may be issued?

The trade mark must be known by a significant part of the public in a substantial part of the EC

Preliminary ruling

The ECJ commented that in the main proceedings it was not clear if the Austrian Court had assessed whether the goods at issue were similar or not for the purposes of Article 9(1)(c) and it would therefore clarify this point. The ECJ stated that Article 9(1)(c) of the regulation benefits a Community trade mark in respect of goods or services which are not similar to those of the registered mark. Therefore, the protection accorded to Community trade marks, where a sign is used for identical goods or services, cannot be less than that accorded for non-similar goods or services.

Reputation in the Community

The ECJ considered the reputation of the PAGO mark in the Community, commenting that the concept of 'reputation' assumes a certain degree of knowledge amongst the relevant public. However, the ECJ stated this was not to be measured as knowledge in a given percentage of the public, rather when the Community trade mark is known by a significant part of the public concerned by the products or services covered by the trade mark.

The ECJ commented that the Austrian court must consider all relevant facts when considering a Community trade mark's reputation, including the market share held by the trade mark, geographical extent, duration and intensity of its use and the size of the investment made by the owner of the mark in promoting it. The ECJ went on to say that territorially, the condition as to reputation must be considered to be fulfilled when the Community trade mark has a reputation in a substantial part of the territory of the Community.

The ECJ concluded that for PAGO's mark to benefit from the protection accorded by the regulation, it must be known by a significant part of the public concerned by the products or services covered by the trade mark in a substantial part of the territory of the Community. The ECJ stated that Austria alone did constitute a substantial part of the territory of the Community and that therefore PAGO's Community trade mark benefited from the protection of Article 9(1)(c) of the regulation.

In view of the answer to the first question, the ECJ did not need to reply to the second question.

Comment

The preliminary ruling defines further the scope of what the ECJ considers a substantial part of the Community, with a single member state, here Austria, held as being sufficiently substantial to benefit from the protection accorded by Article 9(1)(c) of the regulation. What is unclear is whether this decision was made due to the size of Austria or whether any of the Member States will be able to use this decision for future Community trade mark disputes.

FURTHER INFORMATION

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