

## JUDGMENT OF THE GENERAL COURT (First Chamber)

12 June 2024 (\*)

(EU trade mark – Invalidity proceedings – EU word mark FOOTWARE – Absolute ground for invalidity – Descriptiveness – Article 7(1)(c) of Regulation (EU) 2017/1001 – Admissibility of new evidence – Article 95(1) and (2) of Regulation 2017/1001 – Article 27(4) of Delegated Regulation (EU) 2018/625)

In Case T-130/23,

**Nike Innovate CV**, established in Beaverton, Oregon (United States), represented by K. Sandberg, lawyer,

applicant

v

**European Union Intellectual Property Office (EUIPO)**, represented by D. Stoyanova-Valchanova, T. Klee and V. Ruzek, acting as Agents,

defendant

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

**Puma SE**, established in Herzogenaurach (Germany), represented by M. Schunke and L. Goller, lawyers,

THE GENERAL COURT (First Chamber),

composed of D. Spielmann, President, M. Brkan and I. Gâlea (Rapporteur), Judges,

Registrar: G. Mitrev, Administrator,

having regard to the written part of the procedure,

further to the hearing on 13 March 2024,

gives the following

### Judgment

1 By its action under Article 263 TFEU, the applicant, Nike Innovate CV, seeks the annulment and the alteration of the decision of the Fifth Board of Appeal of the European Union Intellectual Property Office (EUIPO) of 9 January 2023 (Case R [2173/2021-5](#)) ('the contested decision').

#### Background to the dispute

2 On 18 March 2020, the intervener, Puma SE, filed an application for a declaration of invalidity with EUIPO in respect of the EU word mark FOOTWARE, which had been registered following an application filed by the applicant on 14 March 2019.

3 The goods and services covered by the contested mark in respect of which a declaration of invalidity was sought were in Classes 9, 38 and 41 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 corresponded, for each of those classes, to the following description:

- Class 9: 'Computer hardware modules for receiving, processing, and transmitting data in Internet of things electronic devices; electronic devices and computer software that allow users to remotely interact with other smart devices for monitoring and controlling automated systems; computer software and firmware used to allow electronic devices to share data and communicate with each other; software drivers for electronic devices that allow computer hardware and electronic devices to communicate with each other; computer software for network and device security; computer software for network and device security, namely, software that ensures secure receipt, processing, transmission and storage of data in the internet of things; computer software for use and interoperability of application program interfaces that are used by electronic devices, systems, and interchanges that exchange data via communications networks and the internet and that connect with private and public computer networks for data storage and exchange services';

connect with private and public computer networks for data storage and exchange services ;

- Class 38: ‘Telecommunications services; telecommunications services, namely, transmission of data by means of telecommunication networks, wireless communications networks and the Internet’;
- Class 42: ‘Application service provider featuring application programming interface (API) software for integration of third-party applications to allow an interactive user experience; cloud computing featuring software for connecting, operating and managing networked devices via wireless or wired networks; cloud computing featuring software for connecting, operating and managing networked devices in the internet of things; cloud computing featuring software for use in the collection, management, monitoring, storage and analysis of data; cloud computing featuring software for managing machine-to-machine applications and machine-to-machine networks providing temporary use of non-downloadable cloud-based software for connecting, operating, and managing networked payment terminals, entertainment devices, smartphones, lighting systems, HVAC systems, in the internet of things (IoT)’.

4 The grounds relied on in support of the application for a declaration of invalidity were those set out in Article 59(1)(a) of Regulation (EU) 2017/1001 of the European Parliament and of the Council of 14 June 2017 on the European Union trade mark (OJ 2017 L 154, p. 1), read in conjunction with Article 7(1)(b) to (d) of that regulation.

5 On 28 October 2021, the Cancellation Division rejected the application for a declaration of invalidity.

6 On 20 December 2021, the intervener filed a notice of appeal with EUIPO against the Cancellation Division’s decision.

7 By the contested decision, the Board of Appeal upheld the appeal on the ground that the contested mark was descriptive with regard to the goods and services at issue. It found that the relevant public consisted of average consumers and the professional public and that its level of attention could vary from average to high. It therefore based its assessment on the English-speaking public which had an understanding of basic English and which would perceive the sign FOOTWARE as meaning ‘footwear’. Having analysed the evidence submitted in the course of the proceedings before EUIPO, which described, inter alia, the interaction between the footwear and the goods and services covered by the contested mark, the Board of Appeal concluded that, at the relevant date, the relevant English-speaking public could perceive the sign FOOTWARE as a specific and direct reference to the kind or intended purpose of the goods and services covered by the contested mark, namely that they were broadly adapted for use for footwear.

#### **Forms of order sought**

8 The applicant claims that the Court should:

- annul the contested decision;
- uphold the decision of the Cancellation Division and maintain the registration in its entirety;
- order EUIPO to pay the costs incurred by the applicant.

9 EUIPO contends that the Court should:

- dismiss the action;
- order the applicant to pay the costs incurred by EUIPO in the event that a hearing is convened.

10 The intervener contends that the Court should:

- dismiss the action;
- order the applicant to pay the costs, including those incurred by the intervener.

#### **Law**

11 The applicant relies, in essence, on three pleas in law, alleging, first, infringement of Article 59(1)(a) of Regulation 2017/1001, read in conjunction with Article 7(1)(c) of that regulation; secondly, infringement of Article 95(2) of Regulation 2017/1001 and of Article 27(4) of Commission Delegated Regulation (EU) 2018/625 of 5 March 2018 supplementing Regulation 2017/1001 (OJ 2018 L 104, p. 1), and, thirdly, infringement of Article 95(1) of Regulation 2017/1001.

12 The Court considers it appropriate to examine the second plea first.

#### ***The second plea, alleging infringement of Article 95(2) of Regulation 2017/1001 and of Article 27(4) of Delegated Regulation 2018/625***

13 The applicant criticises the Board of Appeal for having allowed the additional evidence which the intervener had submitted for the first time before it.

14 First, it submits that that evidence was not relevant and added nothing new, since it consisted of examples of footwear with embedded technology, although the case file already contained such examples. In that regard, it observes that the quantity of examples available makes no difference to the application of Article 7(1)(c) of Regulation 2017/1001. In addition, it contends that, by accepting additional evidence which sought to show that the contested mark is a term which is commonly used in relation to the goods and services at issue, the Board of Appeal admitted that it was carrying out an analysis under Article 7(1)(d) of that regulation, although that provision had not been relied on in the context of the proceedings.

15 Secondly, the applicant submits that the evidence which the intervener submitted before the Board of Appeal did not show clear usage of the term ‘footwear’, but merely provided further examples of goods which were known under names including the suffix ‘ware’. It argues that the sign FOOTWARE is a special case because of the play on words which it contains and that the only relevant evidence in that regard would be examples which incorporate similar plays on words.

16 Thirdly, it submits that Annex B41 to the statement of grounds for the appeal before the Board of Appeal, which consists of a list of trade marks registered in respect of Class 38 which contain the suffix ‘ware’, is also not relevant because the intervener submitted it in order to contest a finding in the Cancellation Division’s decision which the intervener had misunderstood.

17 Fourthly, the applicant states that the relevant date to be taken into account for the purposes of the assessment of the distinctive character of the contested mark is the date of the application for registration, namely 14 March 2019. In that regard, it states that it is very difficult to attribute a date to the additional evidence which was allowed. It submits that, although the Board of Appeal’s reasoning is based on the fact that there is a growing industry around the Internet of Things, the information provided by the intervener does not serve to establish that this was the case as at the relevant date.

18 EUIPO and the intervener dispute the applicant’s arguments.

19 Article 95(2) of Regulation 2017/1001 provides that EUIPO ‘may disregard facts or evidence which are not submitted in due time by the parties concerned’.

20 It follows from the wording of that article that, as a general rule and unless otherwise specified, the submission of evidence by the parties remains possible after the expiry of the time limits to which such submission is subject under the provisions of Regulation 2017/1001, and that EUIPO is in no way prohibited from taking account of facts and evidence which are submitted or produced late (judgments of 13 March 2007, *OHIM v Kaul*, C-29/05 P, EU:C:2007:162, paragraph 42; of 19 April 2018, *EUIPO v Group*, C-478/16 P, not published, EU:C:2018:268, paragraph 34; and of 2 June 2021, *Franz Schröder v EUIPO – RDS Design (MONTANA)*, T-854/19, EU:T:2021:309, paragraph 24).

21 In stating that EUIPO ‘may’ decide to disregard such evidence, that provision grants EUIPO a broad discretion to decide, while giving reasons for its decision in that regard, whether or not to take it into account (see, to that effect, judgments of 13 March 2007, *OHIM v Kaul*, C-29/05 P, EU:C:2007:162, paragraph 43; of 24 January 2018, *EUIPO v European Food*, C-634/16 P, EU:C:2018:30, paragraph 56; and of 2 June 2021, *MONTANA*, T-854/19, EU:T:2021:309, paragraph 25).

22 As regards the discretion conferred on the Board of Appeal, Article 27(4) of Regulation 2018/625 provides:

‘In accordance with Article 95(2) of Regulation ... 2017/1001, the Board of Appeal may accept facts or evidence submitted for the first time before it only where those facts or evidence meet the following requirements:

- (a) they are, on the face of it, likely to be relevant for the outcome of the case; and
- (b) they have not been produced in due time for valid reasons, in particular where they are merely supplementing relevant facts and evidence which had already been submitted in due time, or are filed to contest findings made or examined by the first instance of its own motion in the decision subject to appeal.’

23 In the present case, the Board of Appeal found that some of the additional documents filed by the intervener merely supplemented relevant facts and evidence which had already been submitted in due time and had been filed in order to contest the findings made by the Cancellation Division. The Board of Appeal observed that they were clearly relevant to the outcome of the present case, as they were aimed precisely at proving the descriptiveness of the contested mark in relation to the goods and services at issue. It therefore found that it was reasonable to exercise its discretion pursuant to Article 95(2) of Regulation 2017/1001 and Article 27(4) of Regulation 2018/625 and to allow that part of the evidence filed for the first time at the stage of the appeal before it.

24 In that regard, in the first place, it must be pointed out that the items of evidence at issue, which were submitted by the intervener as annexes to its statement of grounds for the appeal before the Board of Appeal, namely Annexes B4 to B6, B16 to B20 and B37, contain examples of footwear articles with embedded software or hardware, whereas Annexes B27 to B40 concern the meaning of the contested mark or its components and Annexes B41, B42 and B48 represent extracts regarding certain EU trade marks which were registered shortly before the contested decision was adopted, a list of trade marks containing the suffix ‘ware’ and a list containing the term ‘footwear’.

25 First, it must be held, as the Board of Appeal found, that that evidence is relevant, since its purpose is to prove that there is a link between the goods and services at issue and the contested mark, with the result that it was likely to be useful with a view to examining whether the sign constituting that mark was descriptive for the purposes of the application of Article 7(1)(c) of Regulation 2017/1001.

26 Secondly, as regards the belated nature of the submission of that evidence, it must be stated, as the applicant, moreover, points out, that the evidence merely supplements the relevant facts and evidence which had already been submitted in due time before the Cancellation Division and does not contain any new arguments.

27 Consequently, the applicant's arguments that the Board of Appeal made an error of assessment in allowing the additional evidence submitted by the intervener must be rejected.

28 In the second place, the applicant submits that some of the evidence relates to a period subsequent to the date on which the application for registration of the contested mark was filed, namely 14 March 2019.

29 It is true that some of the documents which were allowed by the Board of Appeal post-date that date, namely the annexes to the statement of grounds for the appeal before the Board of Appeal bearing the references B20, B27 to B29, B31, B33, B34, B36, B38, B40 to B42 and B48.

30 However, a significant proportion of that evidence consists of articles about footwear products incorporating connected technology and about the meaning of the terms of which the contested mark consists. Consequently, since the intervener had already placed similar examples on the file, that evidence served merely to supplement and reinforce the arguments which had initially been submitted and to contest the Cancellation Division's assessments.

31 In view of all of the foregoing considerations, the second plea must be rejected.

***The first plea, alleging infringement of Article 59(1)(a) of Regulation 2017/1001, read in conjunction with Article 7(1)(c) of that regulation***

32 The first plea in law relied on by the applicant consists, in essence, of three parts, alleging, first, a misinterpretation of the term 'characteristic' within the meaning of Article 7(1)(c) of Regulation 2017/1001; secondly, that it was not possible for the Board of Appeal to rely on general reasoning; and, thirdly, an error of assessment relating to the relevant public's perception of the contested mark.

33 It is appropriate to begin by analysing the third part of the first plea.

*The third part of the first plea*

34 The applicant alleges that the Board of Appeal confined itself, in its assessment of whether the contested mark was descriptive, to an analysis which was carried out only from the point of view of the relevant public which would perceive the sign FOOTWARE as the equivalent of the word 'footwear'. According to the applicant, the Board of Appeal should have analysed the other possible meanings of the contested mark which would have led it to find that that mark was not descriptive.

35 EUIPO and the intervener dispute the applicant's arguments.

36 It must be stated at the outset that the Board of Appeal found that the relevant public was the English-speaking public in the European Union which consisted of average consumers and professionals, and that its level of attention could vary from average to high. The applicant has not called those findings into question.

37 Next, it must be borne in mind that, under Article 7(2) of Regulation 2017/1001, a trade mark is to be refused protection notwithstanding the grounds of non-registrability obtain in only part of the European Union.

38 Furthermore, according to the case-law, a sign must be refused registration if at least one of its possible meanings designates a characteristic of the goods or services concerned (judgment of 23 October 2003, *OHIM v Wrigley*, C-191/01 P, EU:C:2003:579, paragraph 32; see also judgment of 2 December 2020, *BSH Hausgeräte v EUIPO (Home Connect)*, T-152/20, not published, EU:T:2020:584, paragraph 22 and the case-law cited).

39 In the present case, the Board of Appeal found that there were three ways in which consumers could perceive the contested mark. It found that the public that could perceive the term 'footware' as 'footwear', either because it might perceive it as a misspelling of that term or because it might perceive it directly as 'footwear', represented a significant part of the relevant English-speaking public. It was on that part of the public that it decided to base its assessment of the link between the contested mark and the goods and services at issue.

40 In the light of the case-law cited in paragraph 38 above, a sign must be refused registration if at least one of its possible meanings designates a characteristic of the goods or services concerned. The Board of Appeal was therefore entitled to base its assessment solely on the part of the relevant English-speaking public which would perceive the sign as 'footwear'.

41 When questioned at the hearing, the applicant, moreover, confirmed that the Board of Appeal's assessment complied with the case-law cited in paragraph 38 above.

42 It follows that the applicant's argument that the Board of Appeal should also have analysed the issue of whether the contested mark was descriptive from the point of view of the public which would perceive that mark differently from 'footwear' cannot succeed and that the third part of the first plea must be rejected.

43 The applicant submits, in essence, that the Board of Appeal erred in finding that the term ‘footware’ was descriptive of the goods and services covered by the application for registration. It argues that the Board of Appeal did not correctly determine what constitutes a relevant characteristic of the specific goods and services at issue for the purposes of Article 7(1)(c) of Regulation 2017/1001.

44 EUIPO and the intervener dispute the applicant’s arguments.

45 Article 7(1)(c) of Regulation 2017/1001 provides that trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin or the time of production of the goods or of rendering of the service, or other characteristics of the goods or service must not be registered.

46 In that regard, it must be stated that, for a sign to be caught by the prohibition set out in Article 7(1)(c) of Regulation 2017/1001, there must be a sufficiently direct and specific relationship between the sign and the goods or services in question to enable the relevant public immediately to perceive, without further thought, a description of the goods and services in question or of one of their characteristics (see, to that effect, judgment of 19 December 2019, *Currency One v EUIPO – Cinkciarz.pl (CINKCIARZ)*, T-501/18, EU:T:2019:879, paragraph 14 and the case-law cited).

47 Whether a sign is descriptive can be assessed only, first, by reference to the goods or services concerned and, secondly, by reference to the understanding which the relevant public has of it (judgments of 25 October 2005, *Peek & Cloppenburg v OHIM (Cloppenburg)*, T-379/03, EU:T:2005:373, paragraph 37, and of 15 January 2015, *MEM v OHIM (MONACO)*, T-197/13, EU:T:2015:16, paragraph 50).

48 It was therefore for the Board of Appeal to determine whether, in the light of a given meaning of the contested mark, there was, as at the date of the application for registration, from the point of view of the relevant public, a sufficiently direct and specific relationship between that mark and the characteristics of the goods and services at issue, for the purposes of Article 7(1)(c) of Regulation 2017/1001 (see, by analogy, judgments of 2 December 2020, *Forex Bank v EUIPO – Coino UK (FOREX)*, T-26/20, not published, EU:T:2020:583, paragraph 31, and of 9 March 2022, *Telefónica Germany v EUIPO (LOOP)*, T-132/21, not published, EU:T:2022:124, paragraph 18).

49 The applicant’s arguments by which it calls into question the Board of Appeal’s assessments concerning the relevant public’s perception of the contested mark, the particulars which constitute a relevant characteristic of the goods and services at issue, and the perception of the contested mark in relation to the goods and services at issue must be examined in the light of those considerations.

50 In the present case, the Board of Appeal concluded that the relevant English-speaking public could perceive the sign ‘footware’ – read as ‘footwear’ – as a specific and direct reference to the kind or intended purpose of the goods and services in Classes 9, 38 and 42 covered by the contested mark, since those goods and services were broadly adapted for use for footwear.

51 In support of that finding, the Board of Appeal found that the evidence submitted by the intervener showed that, as at the date of the application for registration, namely 14 March 2019, footwear incorporating software or hardware constituted an established product on the growing market of the Internet of Things. It found that that evidence contained several references to ‘smart shoes’ produced mainly by various competitors in the sports footwear sector, which included, inter alia, ‘a computer inside a shoe’, wireless connectivity and embedded chips with tracking technology connected to a specific application.

52 First, the applicant submits the Board of Appeal’s assessment, set out in paragraph 90 of the contested decision, that the goods and services covered by the contested mark are ‘broadly adapted for use for footwear’ did not make it possible to identify which characteristic of those goods and services was relied upon in order to determine that the contested mark was descriptive. It argues that that assessment is too ‘vague and nebulous’ to constitute a characteristic within the meaning of the relevant case-law.

53 However, it must be stated that, in paragraph 90 of the contested decision, the Board of Appeal pointed out that the term ‘footware’ could be perceived by the relevant public as a specific and direct reference to the kind or intended purpose of the goods and services covered by the contested mark.

54 According to the case-law, by using, in Article 7(1)(c) of Regulation 2017/1001, the terms ‘the kind, quality, quantity, intended purpose, value, geographical origin or the time of production of the goods or of rendering of the service, or other characteristics of the goods or service’ (see paragraph 45 above), the EU legislature made it clear, first, that those terms must all be regarded as corresponding to characteristics of goods or services and, secondly, that that list is not exhaustive, since any other characteristics of goods or services may also be taken into account (judgment of 10 March 2011, *Agencja Wydawnicza Technopol v OHIM*, C-51/10 P, EU:C:2011:139, paragraph 49, see also, judgment of 7 March 2019, *Fissler v EUIPO (vita)*, T-423/18, EU:T:2019:291, paragraph 42 and the case-law cited).

55 It follows that the applicant’s argument by which it complains that the Board of Appeal did not define a characteristic which could be descriptive of the goods and services at issue cannot be accepted, since the Board of Appeal identified the kind and intended purpose of those goods and services as relevant characteristics to which the contested mark referred, for the purposes of Article 7(1)(c) of Regulation 2017/1001.

56 Secondly, the applicant submits that the use of the goods or services covered by the contested mark within a shoe cannot constitute a central, significant or relevant characteristic of those goods and services. It argues that even if a piece of ‘computer hardware for receiving, processing and transmitting data’, ‘computer software used to allow electronic devices to share data’ or a ‘telecommunications service’ or ‘cloud computing’ service could be used in a way that relates to a shoe, it would be impossible to regard that tenuous connection as constituting

computing service could be used in a way that relates to a shoe, it would be impossible to regard that tenuous connection as constituting an intrinsic, permanent or objective characteristic of those goods and services.

57 At the hearing, the applicant acknowledged that, as regards, at the very least, the computer hardware covered by the contested mark, use with shoe was one of the possible intended purposes, although the mark is not registered in respect of footwear containing a computer module, but in respect of the module itself.

58 Furthermore, it submits that the Board of Appeal did not take account of the proper nature of the goods and services at issue, and that, if the goods were actually products embedded in footwear, then those goods would be included in Class 25.

59 The intervener and EUIPO state that the terms ‘kind’ and ‘intended purpose’ are expressly referred to in Article 7(1)(c) of Regulation 2017/1001 and that, from the legislature’s point of view, they are, in themselves, objective and inherent to the nature of the product or service and also intrinsic and permanent.

60 It is true, first, that the fact that the EU legislature chose to use the word ‘characteristic’ highlights the fact that the signs referred to in Article 7(1)(c) of Regulation 2017/1001 are solely those which serve to designate a property, easily recognisable by the relevant public, of the goods or the services in respect of which registration is sought. Consequently, a sign can be refused registration on the basis of that provision only if it is reasonable to believe that it will actually be recognised by the relevant public as a description of one of those characteristics (see, to that effect, judgments of 10 March 2011, *Agencja Wydawnicza Technopol v OHIM*, C-51/10 P, EU:C:2011:139, paragraph 50, and of 3 July 2013, *Airbus v OHIM (NEO)*, T-236/12, EU:T:2013:343, paragraph 32).

61 Secondly, although it is irrelevant whether such a characteristic is commercially essential or ancillary, a characteristic, within the meaning of Article 7(1)(c) of Regulation 2017/1001, must nevertheless be objective and inherent to the nature of the product or service and intrinsic and permanent with regard to that product or service (see judgment of 7 May 2019, *vita*, T-423/18, EU:T:2019:291, paragraph 44 and the case-law cited).

62 However, it must be borne in mind that it is apparent from the case-law cited in paragraph 54 above that, by using, in Article 7(1)(c) of Regulation 2017/1001, the terms ‘the kind, quality, quantity, intended purpose, value, geographical origin or the time of production of the good or of rendering of the service, or other characteristics of the goods or service’, the EU legislature made it clear, first, that those terms must all be regarded as corresponding to characteristics of goods or services and, secondly, that that list is not exhaustive, since any other characteristics of goods or services may also be taken into account.

63 Consequently, it must be held that the case-law cited in paragraphs 60 and 61 above, which seeks to define the term ‘characteristic’, applies, in principle, only when what is at issue is ‘any other characteristic’, namely a characteristic which is not expressly referred to by Article 7(1)(c) of Regulation 2017/1001.

64 That was the case, in particular, in the cases relied on by the applicant, namely those which gave rise to the judgments of 7 May 2019, *vita* (T-423/18, EU:T:2019:291), and of 25 June 2020, *Off-White v EUIPO (OFF-WHITE)* (T-133/19, not published, EU:T:2020:293), in which what was at issue was whether the colour of a product was capable of constituting an ‘other characteristic’ within the meaning of Article 7(1)(c) of Regulation 2017/1001.

65 As regards the judgment of 6 December 2023, *bet365 Group v EUIPO (bet365)* (T-764/22, not published, EU:T:2023:783), which the applicant relied on at the hearing, it must also be stated that the circumstances which gave rise to that judgment are not capable of being applied to the present case, since the Board of Appeal did not succeed in establishing that gambling and betting constituted an ‘intrinsic’ characteristic which was ‘inherent to the nature’ of some of the goods and services concerned.

66 However, in the present case, the Board of Appeal found that the term ‘footwear’ was descriptive with regard to the goods and services covered by the contested mark on the ground that it referred, in particular, to their ‘intended purpose’, which is a characteristic which is expressly listed in Article 7(1)(c) of Regulation 2017/1001.

67 Furthermore, as regards the Board of Appeal’s assessment of the link between the contested mark and the goods and services at issue, it must be borne in mind that, for Article 7(1)(c) of Regulation 2017/1001 to apply, it is sufficient for the sign to be descriptive of one of the possible intended purposes of the goods and services at issue which the relevant public is liable to take into account when making a choice and which accordingly constitutes an essential characteristic thereof (see judgment of 8 June 2022, *Vitronic v EUIPO (Enforcement Trailer)*, T-433/21, not published, EU:T:2022:344, paragraph 50 and the case-law cited).

68 Consequently, in the present case, it is not a question of determining whether the link which exists between the contested mark and the goods and services covered by that mark constitutes an intrinsic, permanent or objective characteristic of those goods and services, as the applicant submits, since, in accordance with the case-law cited in paragraph 67 above, it is sufficient for the sign which constitutes that mark to be descriptive of one of the possible intended purposes of the goods and services at issue which the relevant public is liable to take into account when making a choice for it to be held that it constitutes an essential characteristic thereof.

69 The applicant does not dispute that the goods and services in Classes 9, 38 and 42 can be used with footwear or shoe components.

70 In that regard, it must be held that the term ‘footwear’, which will be understood as ‘footwear’, is descriptive of software and computer hardware intended for transmitting, receiving, processing, securing and storing data in relation to Internet of Things electronic devices.

hardware intended for transmitting, receiving, processing, securing and storing data in relation to Internet of Things electronic devices and automated systems in Class 9, since those goods are aimed at facilitating the interoperability, sharing of data, communication and interaction of devices, such as the sensors within a connected shoe, and a smartphone. As regards the data transmission services in Class 38, it is reasonable to consider that the relevant English-speaking public would consider that those services relate to footwear-based wearable sensors and systems. Lastly, as regards the services in Class 42, namely, essentially, computer or software services intended to facilitate the interoperability of devices, the collection, management, monitoring, storage and analysis of data, the smooth operation of the infrastructures allowing for the exchange of data and the connection to networks and the Internet of Things, those services are aimed at facilitating the interoperability, sharing of data, communication and interaction of devices such as sensors embedded in footwear and the applications or other devices processing and analysing those data.

71 The Board of Appeal was therefore right in finding that the term ‘footwear’ – read as ‘footwear’ – provided information regarding the intended purpose of the goods and services covered by the contested mark and that it was descriptive of those goods and services.

72 Consequently, the first part of the first plea must be rejected.

*The second part of the first plea*

73 The applicant complains, in essence, that the Board of Appeal did not state the reasons for its finding that the contested mark was descriptive of the various goods and services at issue. It submits that the Board of Appeal identified a general link between the goods and services covered and the sign constituting the contested mark, but did not substantiate it by means of an analysis explaining how that link was direct and specific in relation to each of the various categories of goods and services.

74 EUIPO and the intervener dispute the applicant’s arguments.

75 When examining the absolute grounds for refusal, the Board of Appeal is required to state, in its decision, the conclusion reached by it in respect of each of the goods and services specified in the application for registration (see, to that effect, judgments of 17 May 2017, *EUIPO v Deluxe Entertainment Services Group*, C-437/15 P, EU:C:2017:380, paragraph 29, and of 23 September 2015, *Reed Exhibitions v OHIM (INFOSECURITY)*, T-633/13, not published, EU:T:2015:674, paragraph 45).

76 However, although the decision must, as a rule, state the reasons in respect of each of the goods or services concerned, the competent authority may nonetheless use only general reasoning where the same ground for refusal is given for a category or group of goods or services which are interlinked in a sufficiently direct and specific way, to the point where they form a sufficiently homogeneous category or group of goods or services (see judgments of 17 May 2017, *EUIPO v Deluxe Entertainment Services Group*, C-437/15 P, EU:C:2017:380, paragraph 31 and the case-law cited, and of 23 September 2015, *INFOSECURITY*, T-633/13, not published, EU:T:2015:674, paragraph 46 and the case-law cited).

77 In the present case, it must be stated that the Board of Appeal examined the same ground for refusal with regard to all the goods and services in respect of which the contested mark had been registered, namely the descriptiveness of the sign constituting that mark in relation to the intended purpose of those goods and services.

78 Furthermore, the Board of Appeal found that the goods in Class 9 were essentially software and computer hardware for transmitting, receiving, processing, securing and storing data in relation to Internet of Things electronic devices and automated systems. As regards the services in Class 38, it found that they were telecommunications services, including the services of transmission of data by means of telecommunication networks, wireless communications networks and the internet. As regards the services in Class 42, it considered that they were, essentially, computer or software services intended to facilitate the interoperability of devices, the collection, management, monitoring, storage and analysis of data, the smooth operation of the infrastructures allowing for the exchange of data and the connection to networks and the Internet of Things.

79 The applicant does not, in essence, dispute the fact that there is, for the purposes of the case-law cited in paragraph 76 above, sufficient homogeneity between the goods and services at issue, as grouped together by the Board of Appeal.

80 When questioned at the hearing, the applicant referred to the Board of Appeal’s assessment in paragraphs 90 to 94 of the contested decision and stated that the Board of Appeal’s general reasoning was skewed by the presumption that the consumer would think of a connected shoe.

81 The applicant states that none of the goods and services covered by the contested mark has a direct link with footwear, since they are goods and services for the collection, storage and exchange of data and services for network management and the transmission of data. It thus complains that the Board of Appeal did not establish a sufficient link between the contested mark and those various goods and services and simply stated that there was a vague relationship with connected footwear.

82 It must be stated that that argument is not capable of calling into question the classification which the Board of Appeal made in order to group the goods and services at issue together into three categories.

83 That argument falls within the scope of the analysis of whether the contested mark is descriptive, which has been examined in the context of the first part of the first plea, and is not therefore capable of calling the Board of Appeal’s general reasoning into question.

84 Accordingly, it must be held that the Board of Appeal was entitled, after carrying out an overall examination covering all the goods and services concerned by the application for a declaration of invalidity, to formulate a single conclusion, based on the same ground for refusal relating to all those goods and services, without infringing its obligation to state reasons.

85 It follows that, contrary to what the applicant claims, the Board of Appeal did indeed carry out an examination of whether the contested mark was descriptive in relation to all of the goods and services concerned.

86 Consequently, the second part of the first plea, and therefore that plea in its entirety, must be rejected.

***The third plea, alleging infringement of Article 95(1) of Regulation 2017/1001***

87 The applicant criticises the Board of Appeal for stating, in paragraph 35 of the contested decision, that the issue of the customary character of the contested mark could be examined at a later stage, even though the appeal before it did not relate to that ground. The applicant states that the grounds relied on in support of the appeal which the intervener filed against the Cancellation Division's decision were confined to descriptiveness and non-distinctiveness. It submits that, accordingly, by stating that it could examine the customary character of the contested mark at a later stage, the Board of Appeal infringed Article 95(1) of Regulation 2017/1001.

88 EUIPO and the intervener dispute the applicant's arguments.

89 The Board of Appeal stated, in paragraph 35 of the contested decision, that the issue of the non-distinctive or customary character of the contested mark within the meaning of Article 7(1)(b) and (d) of Regulation 2017/1001 could be examined after the analysis of the possible descriptiveness of that mark. After finding that the contested mark was descriptive for the purposes of Article 7(1)(c) of Regulation 2017/1001, it ultimately found that there was no need to analyse any other grounds relied on by the intervener.

90 In that regard, it must be pointed out that Article 95(1) of Regulation 2017/1001 provides:

'In proceedings before it [EUIPO] shall examine the facts of its own motion; however, in proceedings relating to relative grounds for refusal of registration, [EUIPO] shall be restricted in this examination to the facts, evidence and arguments provided by the parties and the relief sought. In invalidity proceedings pursuant to Article 59, [EUIPO] shall limit its examination to the grounds and arguments submitted by the parties.'

91 In the present case, the intervener's grounds of appeal related to the grounds for refusal set out in Article 7(1)(b) and (c) of Regulation 2017/1001.

92 However, the Board of Appeal upheld the appeal solely on the basis of Article 7(1)(c) of Regulation 2017/1001, which makes it possible to hold that it did in fact limit its examination to the grounds and arguments submitted by the parties.

93 Consequently, the mere fact that it mentioned the possibility of carrying out an analysis from the perspective of Article 7(1)(d) of Regulation 2017/1001, even though the intervener did not rely on that ground for invalidity, cannot suffice to call into question the fact that the Board of Appeal did in fact limit its examination to the grounds and arguments submitted by the parties.

94 It must be pointed out that, since the Board of Appeal did not carry out an analysis of the contested mark from the perspective of Article 7(1)(c) of Regulation 2017/1001, it could not err in law under Article 95(1) of that regulation and that the applicant's third plea must therefore be rejected.

95 In view of all of the foregoing considerations, since none of the pleas relied on by the applicant in support of the form of order which it seeks can be upheld, the applicant's first head of claim, seeking the annulment of the contested decision, and, in consequence, its second head of claim, for alteration of that decision, must be rejected.

**Costs**

96 Under Article 134(1) of the Rules of Procedure of the General Court, the unsuccessful party is to be ordered to pay the costs if they have been applied for in the successful party's pleadings.

97 Since the applicant has been unsuccessful and a hearing has taken place, it must be ordered to pay the costs, in accordance with the forms of order sought by EUIPO and the intervener.

On those grounds,

THE GENERAL COURT (First Chamber)

hereby:

- 1. Dismisses the action;**
- 2. Orders Nike Innovate CV to pay the costs.**



V. Di Bucci

S. Papasavva

Registrar

President

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\* Language of the case: English.