

JUDGMENT OF THE GENERAL COURT (Tenth Chamber)

10 June 2020 (*)

(EU trade mark — Invalidity proceedings — International registration designating the European Union — Figurative mark representing a chequerboard pattern — Absolute grounds for refusal — No distinctive character — Well-known facts — Distinctive character acquired through use — Overall assessment of the evidence of the distinctive character acquired through use — Article 7(1)(b) and (3) of Regulation (EU) 2017/1001 — Article 59(1) and (2) of Regulation 2017/1001)

In Case T-105/19,

Louis Vuitton Malletier, established in Paris (France), represented by P. Roncaglia, G. Lazzeretti, F. Rossi, N. Parrotta and P.-Y. Gautier, lawyers,

applicant,

v

European Union Intellectual Property Office (EUIPO), represented by V. Ruzek and H. O'Neill, acting as Agents,

defendant,

the other party to the proceedings before the Board of Appeal of EUIPO being

Norbert Wisniewski, residing in Warsaw (Poland),

ACTION brought against the decision of the Second Board of Appeal of EUIPO of 22 November 2018 (Case R 274/2017-2) relating to invalidity proceedings between Mr Wisniewski and Louis Vuitton Malletier.

THE GENERAL COURT (Tenth Chamber),

composed of A. Kornezov (Rapporteur), President, E. Buttigieg and K. Kowalik-Bańczyk, Judges,

Registrar: R. Ukelyte, Administrator,

having regard to the application lodged at the Court Registry on 20 February 2019,

having regard to the response lodged at the Court Registry on 14 May 2019,

having regard to the order of 12 July 2019 refusing to grant Mr Wisniewski the status of intervener,

having regard to the reassignment of the case to the Tenth Chamber,

further to the hearing on 22 January 2020,

gives the following

Judgment

Background to the dispute

- 1 On 4 November 2008, the applicant, Louis Vuitton Malletier, obtained, from the International Bureau of the World Intellectual Property Organisation (WIPO), international registration No 986207 designating, in particular, the European Union ('the international registration').
- 2 The mark in respect of which the international registration was granted was the following figurative sign:



- 3 The goods in respect of which registration was sought are in Class 18 within the meaning 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: 'Boxes of leather or imitation leather, trunks, suitcases, traveling sets (leatherware), traveling bags, luggage, garment bags for travel, hat boxes of leather, vanity cases (not fitted), toiletry bags (empty), backpacks, satchels, handbags, beach bags, shopping bags, shoulder-strap bags, carrier bags, shoulder bags, waist bags, purses, attaché cases, briefcases (leatherware), school bags, document holders, clutch bags, wallets, change purses, key cases, card cases (wallets), umbrellas, sunshades'.
- 4 The international registration was received at the European Union Intellectual Property Office (EUIPO) on 18 December 2008, was published in *Community Trade Marks Bulletin* No 51/2008 of 22 December 2008 and was recognised as having the same protection as that granted to a European Union trade mark on 13 November 2009 (*Community Trade Marks Bulletin* No 45/2009 of 23 November 2009).
- 5 On 25 June 2015, Mr Norbert Wisniewski ('the applicant for a declaration of invalidity') filed an application with EUIPO for a declaration of invalidity of the effects of the international registration, pursuant to Council Regulation (EC) No 207/2009 of 26 February 2009 on the European Union trade mark (OJ 2009 L 78, p. 1), as amended (replaced by 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)), in particular Article 158(2) thereof, read in conjunction with Article 52(1)(a) and Article 7(1)(b),

(c) and (e) thereof (now, respectively, Article 198(2), Article 59(1)(a) and Article 7(1)(b), (c) and (e) of Regulation 2017/1001).

6 By decision of 14 December 2016, pursuant to Article 52(1)(a) of Regulation No 207/2009, in conjunction with Article 7(1)(b) of Regulation No 207/2009, the Cancellation Division upheld the application for a declaration of invalidity in respect of all the goods covered by the international registration ('the Cancellation Division's decision'). The Cancellation Division considered that there was no need to examine the absolute grounds for refusal set out in Article 7(1)(c) and (e) of Regulation No 207/2009 and concluded that Article 52(2) of Regulation No 207/2009 (now Article 59(2) of Regulation 2017/1001) was not applicable to the present case.

7 On 3 February 2017, the applicant filed a notice of appeal with EUIPO, pursuant to Articles 58 to 64 of Regulation No 207/2009 (now Articles 66 to 71 of Regulation 2017/1001), against the Cancellation Division's decision, requesting that it be annulled.

8 By decision of 22 November 2018 in Case R 274/2017-2, the Second Board of Appeal of EUIPO dismissed the appeal ('the contested decision').

Forms of order sought

9 The applicant claims that the Court should:

- annul the contested decision;
- order EUIPO and the applicant for a declaration of invalidity to pay the costs which it has incurred.

10 EUIPO contends that the Court should:

- dismiss the action in its entirety;
- order the applicant to pay the costs incurred by EUIPO.

Law

11 The applicant relies on two pleas in law, the first alleging an incorrect assessment by the Board of Appeal of the inherent distinctive character of the mark at issue and the second alleging an error in the assessment of the distinctive character acquired through use of the mark at issue.

The first plea in law

12 In support of its first plea, alleging an incorrect assessment by the Board of Appeal of the inherent distinctive character of the mark at issue, the applicant essentially puts forward, two complaints. The applicant argues that the contested decision is contrary first, to the rules concerning the burden of proof in invalidity proceedings and, second, to the principle of equality of arms, to the right to a fair trial and to the applicant's rights of defence.

The alleged infringement of the rules on the burden of proof in invalidity proceedings

13 The applicant notes that, according to settled case-law, the mark at issue enjoys a presumption of validity from the time it was registered. Therefore, in the context of invalidity proceedings, it is for the applicant for a declaration of invalidity to provide strong and conclusive evidence that calls into question the validity of the mark at issue, and it is for the Board of Appeal to examine whether the mark at issue lacked inherent distinctive character in the light of the evidence presented by that applicant for a declaration of invalidity.

14 However, according to the applicant, the evidence provided by the applicant for a declaration of invalidity was sparse and lacked probative value. The Board of Appeal compensated for the lack of

adequate evidence provided by the applicant for a declaration of invalidity by basing its decision on allegedly well-known facts, which, moreover, have not been established. Therefore, since the Board of Appeal, in essence, proceeded to carry out a fresh assessment of its own motion of the inherent distinctive character of the mark at issue, it infringed the rules on the burden of proof in invalidity proceedings.

15 EUIPO disputes the applicant's arguments.

16 In the present case, the Board of Appeal noted, in paragraph 66 of the contested decision, that the mark at issue consisted of a pattern intended to be placed on part of the goods at issue or to cover the whole of their surface area and thus corresponded to the outward appearance of the goods. To assess the inherent distinctive character of such a mark, the Board of Appeal relied on the principles applicable to three-dimensional marks, in accordance with the case-law (see, to that effect, judgments of 13 September 2018, *Birkenstock Sales v EUIPO*, C-26/17 P, EU:C:2018:714, paragraph 34; of 21 April 2015, *Louis Vuitton Malletier v OHIM — Nanu-Nana (Representation of a grey chequerboard pattern)*, T-360/12, not published, EU:T:2015:214, paragraphs 24, 25 and 31; and of 21 April 2015, *Louis Vuitton Malletier v OHMI — Nanu-Nana (Representation of a brown and beige chequerboard pattern)*, T-359/12, EU:T:2015:215, paragraphs 24, 25 and 31), which is moreover not disputed by the parties.

17 According to those principles, only a mark which departs significantly from the norm or customs of the sector of the goods and services at issue and thereby fulfils its essential function of indicating origin is not devoid of any distinctive character for the purposes of Article 7(1)(b) of Regulation 2017/1001 (see, to that effect, judgments of 13 September 2018, *Birkenstock Sales v EUIPO*, C-26/17 P, EU:C:2018:714, paragraph 33; of 21 April 2015, *Representation of a grey chequerboard pattern*, T-360/12, not published, EU:T:2015:214, paragraph 23 and the case-law cited; and of 21 April 2015, *Representation of a brown and beige chequerboard pattern*, T-359/12, EU:T:2015:215, paragraph 23 and the case-law cited).

18 In the contested decision, the Board of Appeal began by recalling, in paragraph 69, that, in its assessment of the inherent distinctive character of the mark at issue, nothing prevented it from relying on well-known facts. It then noted, in paragraphs 70, 73 and 75 to 78 of the contested decision, with reference to the judgments of 21 April 2015, *Representation of a grey chequerboard pattern* (T-360/12, not published, EU:T:2015:214), and of 21 April 2015, *Representation of a brown and beige chequerboard pattern* (T-359/12, EU:T:2015:215) that, first, it was a well-known fact that the chequerboard pattern had always existed and had been used in the decorative arts sector, and that it was a basic and commonplace figurative pattern that did not contain any notable variation in relation to the conventional representation of chequerboards and was therefore the same as the traditional form of such a pattern, with the result that, even when applied to goods such as those in Class 18, that pattern did not differ from the norm or customs of the sector, secondly, the weft and warp pattern that appears on the inside of each of the chequerboard squares created the visual effect of interlacing two different fabrics, which is customary as regards goods in Class 18 and, thirdly, the juxtaposition of the chequerboard pattern and the weft and warp pattern, when applied to the goods at issue in Class 18, resulted in a commonplace and everyday pattern that did not diverge from the norms or customs of the sector concerned. On those grounds, the Board found that the mark at issue did not depart significantly from the norm or customs of the sector concerned.

19 It is thus apparent from the contested decision that the Board of Appeal based its assessment regarding the lack of inherent distinctive character of the mark at issue, in particular, on well-known facts.

20 It is therefore necessary to examine, in the first place, whether the Board of Appeal was entitled to base its assessment regarding the lack of inherent distinctive character of the mark at issue on well-known facts and, in the second place, whether the fact that the mark at issue was a basic and commonplace pattern that did not depart significantly from the norm or customs of the sector concerned could be regarded as a well-known fact.

21 In the first place, as regards the question whether the Board of Appeal was entitled to base its decision on well-known facts in the context of invalidity proceedings, it must be recalled that, in accordance

with settled case-law, pursuant to Article 95(1) of Regulation 2017/1001, when examining absolute grounds for refusal, such as that concerning a lack of inherent distinctive character, EUIPO examiners and, on appeal, the Boards of Appeal of EUIPO are required to examine the facts of their own motion in order to determine whether the mark for which registration is sought comes within one of the absolute grounds for refusal set out in Article 7 of that regulation. It follows that the competent bodies of EUIPO may be led to base their decisions on facts which have not been invoked by the applicant (see, to that effect, judgment of 29 March 2019, *All Star v EUIPO — Carrefour Hypermarchés (Shape of a shoe sole)*, T-611/17, not published, EU:T:2019:210, paragraph 43 and the case-law cited).

22 In invalidity proceedings, however, the Board of Appeal cannot be required to carry out afresh the examination conducted at the time of registration by the competent EUIPO bodies, of their own motion, of the relevant facts. It follows from the provisions of Articles 59 and 62 of Regulation 2017/1001 that the EU trade mark is regarded as valid until it has been declared invalid by EUIPO following invalidity proceedings. It therefore enjoys a presumption of validity, which is the logical consequence of the review carried out by EUIPO in the examination of an application for registration (see, to that effect, judgment of 29 March 2019, *Shape of a shoe sole*, T-611/17, not published, EU:T:2019:210, paragraph 44 and the case-law cited).

23 By virtue of that presumption of validity, EUIPO's obligation, under Article 95(1) of Regulation 2017/1001, to examine of its own motion the relevant facts which may lead it to apply absolute grounds for refusal, is restricted to the examination of the application for an EU trade mark carried out by the examiners and, on appeal, by the Boards of Appeal during the procedure for registration of that mark. In invalidity proceedings, as the registered EU trade mark is presumed to be valid, it is for the person who has filed the application for a declaration of invalidity to invoke before EUIPO the specific facts which call the validity of that trade mark into question (see, to that effect, judgment of 29 March 2019, *Shape of a shoe sole*, T-611/17, not published, EU:T:2019:210, paragraph 45 and the case-law cited). Thus, pursuant to the last sentence of Article 95(1) of Regulation 2017/1001, which consolidates the Court's previous case-law (see judgment of 24 October 2019, *Rubik's Brand v EUIPO — Simba Toys (Shape of a cube with surfaces having a grid structure)*, T-601/17, under appeal, not published, EU:T:2019:765, paragraph 82), in the context of invalidity proceedings under Article 59 of that regulation, EUIPO is to limit its examination to the grounds and arguments submitted by the parties.

24 However, while the presumption of validity of the registration restricts EUIPO's obligation to an examination of the relevant facts, it does not preclude it, in particular in view of the elements put forward by the party challenging the validity of the mark at issue, from relying, not only on those arguments and any evidence produced by that party in its application for a declaration of invalidity, but also on well-known facts observed by EUIPO in the context of the invalidity proceedings (see, to that effect, judgment of 29 March 2019, *Shape of a shoe sole*, T-611/17, not published, EU:T:2019:210, paragraph 46 and the case-law cited).

25 Thus, where a party contests the validity of a registered mark relying on evidence in support of its application for a declaration of invalidity, the Board of Appeal is required to examine that evidence and to take into account the existence of well-known facts that the examiner might have omitted to take into consideration in the registration procedure (see judgment of 3 May 2018, *Raise Conseil v EUIPO — Raizers (RAISE)*, T-463/17, not published, EU:T:2018:249, paragraph 28 and the case-law cited).

26 In the present case, while assessing the inherent distinctive character of the mark at issue, the Board of Appeal took into account, in accordance with the case-law, the arguments and evidence invoked by the applicant for a declaration of invalidity in support of his invalidity request (see, in that regard, paragraph 70 of the contested decision) and the well-known facts that the examiner might have omitted to take into consideration in his analysis of the international registration in 2008.

27 In particular, in his application for a declaration of invalidity and his observations before the Cancellation Division, the applicant for a declaration of invalidity had claimed that the mark at issue was a simple, basic and commonplace pattern that did not differ from the norm or customs of the sector because it was one of the oldest and most common patterns, in particular in respect of textile goods,

bags and the like, including the goods in Class 18. Moreover, the applicant for a declaration of invalidity had provided evidence in that regard, namely photos of goods bearing the chequerboard design, in his application for a declaration of invalidity and in Annex 2 to his observations before the Cancellation Division, and images of patterns registered as Community designs, in Annex 1 to his observations before the Cancellation Division. Lastly, the applicant for a declaration of invalidity had referred to the judgments of 21 April 2015, *Representation of a grey chequerboard pattern* (T-360/12, not published, EU:T:2015:214), and of 21 April 2015, *Representation of a brown and beige chequerboard pattern* (T-359/12, EU:T:2015:215).

28 Thus, the Board of Appeal assessed whether the mark at issue was basic and commonplace in view of the arguments and evidence invoked by the applicant for a declaration of invalidity. Contrary to the applicant's claims, the Board of Appeal did not carry out a fresh assessment of its own motion; rather it merely examined the arguments and evidence invoked by the applicant for a declaration of invalidity and found these to be substantiated by well-known facts.

29 Hence, the fact that, in addition to the arguments and evidence invoked by the applicant for a declaration of invalidity, the Board of Appeal took into account a well-known fact when finding that the mark at issue lacked inherent distinctive character, is in no way contrary to the rules on the burden of proof (see, to that effect, judgments of 21 April 2015, *Representation of a grey chequerboard pattern*, T-360/12, not published, EU:T:2015:214, paragraphs 64 and 65, and of 21 April 2015, *Representation of a brown and beige chequerboard pattern*, T-359/12, EU:T:2015:215, paragraphs 64 and 65).

30 In the second place, as regards the question whether it is a well-known fact that the mark at issue is basic and commonplace, it should be recalled that, according to settled case-law, well-known facts are defined as facts that are likely to be known by anyone or may be learnt from generally accessible sources (see, to that effect, judgment of 24 October 2018, *Bayer v EUIPO — Uni-Pharma (SALOSPIR)*, T-261/17, not published, EU:T:2018:710, paragraph 42 and the case-law cited). Where bodies of EUIPO decide to take account of well-known facts, they are not required to establish in their decisions the accuracy of such facts (see, to that effect, judgment of 21 September 2017, *Novartis v EUIPO — Meda (Zimara)*, T-238/15, not published, EU:T:2017:636, paragraph 123 and the case-law cited). However, an applicant is entitled to produce documents before the Court as evidence of the accuracy — or inaccuracy — of a matter of common knowledge (see judgment of 15 January 2013, *Gigabyte Technology v OHIM — Haskins (Gigabyte)*, T-451/11, not published, EU:T:2013:13, paragraph 22 and the case-law cited).

31 In the present case, the mark at issue consists, on the one hand, of a regular pattern of squares in two alternating colours, namely blue and beige, as confirmed by the parties during the hearing, which is reminiscent of a chequerboard pattern and, on the other hand, of a weft and warp structure, which constitutes a pattern within a pattern and appears on the inside of the squares in the manner of a weaving method shown by two interlacing threads.

32 As the Board of Appeal correctly stated in paragraph 73 of the contested decision, the chequerboard pattern is a basic and commonplace figurative pattern, since it is composed of a regular succession of squares of the same size which are differentiated by alternating different colours, one light and one dark, namely blue and beige. The pattern thus does not contain any notable variation in relation to the conventional representation of chequerboards and is the same as the traditional form of such a pattern. Even applied to goods such as those falling within Class 18, the pattern in question does not significantly differ from the norm or customs of the sector inasmuch as such goods are generally covered with fabrics of different kinds, and the chequerboard pattern, due to its great simplicity, might constitute precisely one of those patterns. In that regard, as the Board of Appeal rightly pointed out in paragraph 70 of the contested decision, the chequerboard pattern is one that has always existed and has been used in decorative arts, which have an indisputable link with goods in Class 18 (see, to that effect, judgments of 21 April 2015, *Representation of a grey chequerboard pattern*, T-360/12, not published, EU:T:2015:214, paragraphs 37 and 38, and of 21 April 2015, *Representation of a brown and beige chequerboard pattern*, T-359/12, EU:T:2015:215, paragraphs 37 and 38).

- 33 As the Board of Appeal also correctly noted, in paragraph 75 of the contested decision, the weft and warp pattern that appears on the inside of each of the chequerboard squares corresponds with the desired visual effect of interlacing two different fabrics, of whatever type they may be (wool, silk, leather, etc.), which is thus customary as regards goods such as those within Class 18 (see, to that effect, judgments of 21 April 2015, *Representation of a grey chequerboard pattern*, T-360/12, not published, EU:T:2015:214, paragraph 39, and of 21 April 2015, *Representation of a brown and beige chequerboard pattern*, T-359/12, EU:T:2015:215, paragraph 39).
- 34 The Board of Appeal was correct in concluding therefrom, in paragraph 76 of the contested decision, that, when applied to the goods in Class 18 at issue in the present case, the representation of a chequerboard in the alternating colours of blue and beige and the impression of interlacing threads did not, from a graphic point of view, contain any notable variation in relation to the conventional presentation of such goods, so that the relevant public would in fact perceive only a commonplace and everyday pattern (see, to that effect, judgments of 21 April 2015, *Representation of a grey chequerboard pattern*, T-360/12, not published, EU:T:2015:214, paragraph 40, and of 21 April 2015, *Representation of a brown and beige chequerboard pattern*, T-359/12, EU:T:2015:215, paragraph 40).
- 35 The Board of Appeal also rightly noted, in paragraph 77 of the contested decision, that the juxtaposition of two elements that were not in themselves distinctive could not alter the perception of the relevant public as to the absence of distinctive character, *ab initio*, of the mark at issue as a whole. The juxtaposition of a chequerboard and of a weft and warp pattern does not give rise to any element that significantly diverges from the norm or customs of the sector concerned (see, to that effect, judgments of 21 April 2015, *Representation of a grey chequerboard pattern*, T-360/12, not published, EU:T:2015:214, paragraph 41, and of 21 April 2015, *Representation of a brown and beige chequerboard pattern*, T-359/12, EU:T:2015:215, paragraph 41).
- 36 In these circumstances, the Board of Appeal was correct in finding that, contrary to the applicant's claims, the fact that the mark at issue was a basic and commonplace pattern that did not depart significantly from the norm or customs of the sector concerned was a well-known fact within the meaning of the case-law cited in paragraph 30 above.
- 37 Lastly, the applicant has not adduced any evidence before the Court to contest the accuracy of this well-known fact, even though, as is apparent from the case-law cited in paragraph 30 above, it was open to it to do so.
- 38 It follows that the Board of Appeal did not infringe the rules on the burden of proof in invalidity proceedings.
- 39 That conclusion cannot be called in question by the applicant's arguments.
- 40 First, the applicant claims that the fact that the examiner had registered the mark at issue in 2008 proved that, at that time, it was not a well-known fact that it did not depart significantly from the norm or customs of the sector. That argument must be rejected. In accordance with the case-law cited in paragraph 25 above, the Board of Appeal is required to take into consideration the existence of well-known facts that the examiner might have omitted to take into consideration in the registration procedure. In addition, the double examination by EUIPO is specifically intended to mitigate the risk of error and, therefore, in accordance with settled case-law, the Boards of Appeal are not bound by the assessments contained in the decisions of the examiners or the Cancellation Divisions (see, to that effect, judgment of 1 February 2017, *Gómez Echevarría v EUIPO — M and M Direct (wax by Yuli's)*, T-19/15, not published, EU:T:2017:46, paragraphs 17 to 21).
- 41 Secondly, the applicant claims that the Board of Appeal was not entitled to rely, in paragraph 70 of the contested decision, when finding that the chequerboard pattern had always existed and had been used in the decorative arts sector, on the observations submitted before the Board by the applicant for a declaration of invalidity on 25 July 2017, on the ground that they were out of time and therefore inadmissible, nor on the judgments of 21 April 2015, *Representation of a grey chequerboard pattern* (T-360/12, not published, EU:T:2015:214), and of 21 April 2015, *Representation of a brown and beige chequerboard pattern* (T-359/12, EU:T:2015:215), on the ground that those judgments did not become final because the applications for a declaration of invalidity which gave rise to those judgments were

withdrawn following the delivery thereof, and that the presumption of validity of EU trade marks and the rules on the burden of proof preclude the Board of Appeal from relying on a factual finding made in those judgments. However, the Board's finding in the second sentence of paragraph 70 of the contested decision was based on a well-known fact that was the subject of the judgments of 21 April 2015, *Representation of a grey chequerboard pattern* (T-360/12, not published, EU:T:2015:214), and of 21 April 2015, *Representation of a brown and beige chequerboard pattern* (T-359/12, EU:T:2015:215), as is apparent from the wording of that sentence itself, and not on the arguments submitted by the applicant for a declaration of invalidity in its observations of 25 July 2017, which the Board of Appeal did not take into account since they were submitted out of time (paragraphs 19 to 23 of the contested decision). Furthermore, the fact that the applications for a declaration of invalidity that gave rise to those judgments were withdrawn following the delivery thereof does not affect the finality of those judgments. Thus, the Board of Appeal was entitled, or even obliged, applying the case-law cited in paragraph 25 above and the judgment of 28 June 2018, *EUIPO v Puma* (C-564/16 P, EU:C:2018:509, paragraphs 60, 61, 66 and 76 and the case-law cited) to take those judgments into account, especially since they concerned two marks which were almost identical to the mark at issue and the applicant for a declaration of invalidity had referred to those cases both in his application for a declaration of invalidity and in his observations before the Cancellation Division.

42 In the judgments of 21 April 2015, *Representation of a grey chequerboard pattern* (T-360/12, not published, EU:T:2015:214), and of 21 April 2015, *Representation of a brown and beige chequerboard pattern* (T-359/12, EU:T:2015:215), the two marks at issue consisted, just like the mark at issue in the present case, of a regular pattern of squares in two alternating colours in a chequerboard pattern and of a weft and warp structure inside those squares. As the applicant confirmed at the hearing, the only discernible difference between the two marks at issue in those judgments and the mark at issue in the present case is the colours used: while the marks at issue in those judgments alternated, respectively, brown and beige (judgment of 21 April 2015, *Representation of a brown and beige chequerboard pattern*, T-359/12, EU:T:2015:215) and light grey and dark grey (judgment of 21 April 2015, *Representation of a grey chequerboard pattern*, T-360/12, not published, EU:T:2015:214), the mark at issue, referred to as 'Damier Azur', alternates blue and beige. However, that difference alone is not such as to render the abovementioned judgments irrelevant in the present case. First, the applicant does not identify any difference between the relevant marks other than the colours. Secondly, in any event, all the marks concerned consist of a combination of two alternating colours, one light and one dark, which is the very nature of a chequerboard pattern. Furthermore, as noted by the Cancellation Division, as regards the visual aspect, the combination of colours in the mark at issue is not particularly striking. Lastly, the trade marks at issue in those judgments referred to goods in Class 18 which are very similar to those covered by the mark at issue. Therefore, the applicant cannot criticise the Board of Appeal for having made reference to those judgments in the contested decision.

43 Thirdly, the applicant's argument that the Board of Appeal failed to assess the inherent distinctive character of the mark at issue at the time the application for registration was filed, in 2008, must also be rejected. As noted in paragraph 18 above, the Board of Appeal found, in the contested decision, that it was a well-known fact that the chequerboard pattern had 'always' existed, and that the mark at issue coincided with the 'traditional' design of such a pattern (see paragraphs 70 and 73 of the contested decision).

44 Lastly, the applicant argues that the definition of a 'well-known fact' used in the case-law, as referred to in paragraph 30 above, is too broad. According to the applicant, at least in invalidity proceedings, that concept should cover only facts that are likely to be known by anyone, and not those which may be learnt from 'generally accessible sources'. In that regard, and without it being necessary to take a position on the merits of that argument, it is sufficient to state that the applicant merely relies on it in an abstract manner without detailing its impact on the legality of the contested decision.

45 It follows that the first complaint of the first ground of appeal must be rejected as unfounded.

The alleged infringement of the principle of equality of arms, the right to a fair trial and the applicant's rights of defence

- 46 In its second complaint, the applicant claims that, by relying on purported well-known facts instead of restricting itself to examining the evidence provided by the applicant for a declaration of invalidity, the Board of Appeal breached the principle of equality of arms.
- 47 In particular, the Board of Appeal infringed that principle, along with the right to a fair hearing and the applicant's rights of defence, by relying, in paragraph 70 of the contested decision, on the observations, which were out of time and inadmissible, filed by the applicant for a declaration of invalidity before the Board of Appeal on 25 July 2017 and the judgments of 21 April 2015, *Representation of a grey chequerboard pattern* (T-360/12, not published, EU:T:2015:214), and of 21 April 2015, *Representation of a brown and beige chequerboard pattern* (T-359/12, EU:T:2015:215) when finding that the chequerboard pattern had always existed and had been used in the decorative arts sector.
- 48 EUIPO disputes the applicant's arguments.
- 49 First, the applicant's claim that the Board of Appeal relied on the observations of 25 July 2017, when the Board actually rejected them because they were out of time, has no factual basis. As stated in paragraph 41 above, the Board of Appeal's finding in the second sentence of paragraph 70 of the contested decision was based on a well-known fact that is the subject of the judgments of 21 April 2015, *Representation of a grey chequerboard pattern* (T-360/12, not published, EU:T:2015:214), and of 21 April 2015, *Representation of a brown and beige chequerboard pattern* (T-359/12, EU:T:2015:215), and not on the arguments submitted by the applicant for a declaration of invalidity in his observations of 25 July 2017.
- 50 Secondly, the applicant's argument that the Board of Appeal was not entitled to rely, in paragraph 70 of the contested decision, on the judgments of 21 April 2015, *Representation of a grey chequerboard pattern* (T-360/12, not published, EU:T:2015:214), and of 21 April 2015, *Representation of a brown and beige chequerboard pattern* (T-359/12, EU:T:2015:215), must also be rejected for the reasons set out in paragraphs 41 and 42 above. Furthermore, in accordance with the case-law, the Board of Appeal may raise, for the first time, well-known facts, without that being contrary to the principle of equality of arms (see, to that effect, judgment of 3 May 2018, *RAISE*, T-463/17, not published, EU:T:2018:249, paragraphs 21 and 30).
- 51 For the rest, the arguments of the applicant overlap, in essence, with those already rejected under the first complaint of the first plea in law. Thus, for the reasons already set out in paragraphs 21 to 29 above, the applicant cannot claim that the Board of Appeal infringed the principle of equality of arms merely because it took into account well-known facts.
- 52 Consequently, the second complaint of the first plea in law must also be dismissed as unfounded, without there being any need to rule on the matter, which was raised by the applicant, as to whether Article 6 of the Convention for the Protection of Human Rights and Fundamental Freedoms signed in Rome on 4 November 1950 and Article 47 of the Charter of Fundamental Rights of the European Union apply to invalidity proceedings before EUIPO.
- 53 Accordingly, the first plea in law must be rejected in its entirety.

The second plea in law

- 54 In support of its second plea, alleging that the Board of Appeal erred in its assessment of the distinctive character acquired through use of the mark at issue, the applicant puts forward, in essence, two complaints, claiming that the contested decision is contrary, first, to Article 59(2) of Regulation 2017/1001, read in conjunction with Article 7(3) of that regulation, and to the judgment of 25 July 2018, *Société des produits Nestlé and Others v Mondelez UK Holdings & Services* (C-84/17 P, C-85/17 P and C-95/17 P, EU:C:2018:596), and, secondly, to the rules on the burden of proof, the principle of equality of arms and the right to a fair trial.
- 55 First, it is necessary to examine the first complaint of the second plea in law.
- 56 The applicant argues, in essence, that in accordance with the judgment of 25 July 2018, *Société des produits Nestlé and Others v Mondelez UK Holdings & Services* (C-84/17 P, C-85/17 P and C-95/17 P,

EU:C:2018:596), the Board of Appeal was required to conduct an overall assessment of all the evidence submitted by the applicant in order to determine whether that evidence, taken as a whole, could establish that the mark at issue had acquired distinctive character through use throughout the European Union. Despite the fact that the applicant submitted extensive evidence before EUIPO during the administrative proceedings, covering the whole European Union and each of the Member States that were members of the European Union in 2008, the Board of Appeal wrongly limited its analysis to a restricted set of the evidence submitted, excluding other pieces of evidence, and thus found a lack of distinctive character acquired through use of the mark at issue based only on part of the evidence submitted.

- 57 In particular, the applicant submits that, in the contested decision, the Board of Appeal, first of all, divided the EU Member States into three groups. Next, the Board of Appeal wrongly limited its analysis to certain evidence specifically concerning the Member States of group 3 and concluded that that evidence did not, individually or as a whole, demonstrate that a significant part of the relevant public, in those Member States, identified the goods at issue as originating from a particular undertaking because of the mark at issue. Lastly, the Board of Appeal found that since the mark at issue had not acquired distinctive character through use in the Member States in group 3, there was no need to pursue the examination with regard to Member States in group 1 and those in group 2.
- 58 EUIPO disputes the applicant's arguments. It states, in essence, that the Board of Appeal was entitled to limit its analysis to certain evidence specifically relating to Member States in group 3, without it being necessary to examine the other pieces of evidence provided by the applicant. Since, in the proceedings before EUIPO, the applicant had based its assertion that the mark at issue had acquired distinctive character through use in the Member States in group 3 on an extrapolation, the Board of Appeal correctly verified in the contested decision whether the evidence submitted in respect of those Member States could serve as a basis for such an extrapolation. In any event, the conditions for such an extrapolation were not met in the present case because the evidence presented by the applicant in relation to Member States in group 3 did not allow any conclusions to be drawn on the perception of the mark at issue by the relevant public in those Member States.
- 59 As a preliminary point, it should be recalled, first of all, that, according to Article 59(2) of Regulation 2017/1001, where an EU trade mark has been registered in breach of, inter alia, Article 7(1)(b) of that regulation, which provides that trade marks which are devoid of any inherent distinctive character are not to be registered, it may nevertheless not be declared invalid if, in consequence of the use which has been made of it, it has after registration acquired a distinctive character in relation to the goods or services for which it is registered. Under Article 7(3) of Regulation 2017/1001, Article 7(1)(b) thereof does not apply if the trade mark has become distinctive in relation to the goods or services for which registration is requested in consequence of the use which has been made of it.
- 60 Thus, Article 59(2) of Regulation 2017/1001 covers marks whose registration was contrary to, inter alia, Article 7(1)(b) of Regulation 2017/1001 and which, in the absence of such a provision, would have been declared invalid pursuant to Article 59(1) of Regulation 2017/1001. The precise purpose of Article 59(2) of Regulation 2017/1001 is to maintain the registration of such of those marks which, because of the use that has been made of them, have in the meantime — that is to say, after their registration — acquired distinctive character for the goods or services for which they were registered, in spite of the fact that, when it took place, such registration was contrary to Article 7 of Regulation 2017/1001 (see, to that effect, judgments of 21 April 2015, *Representation of a grey chequerboard pattern*, T-360/12, not published, EU:T:2015:214, paragraph 82 and the case-law cited, and of 21 April 2015, *Representation of a brown and beige chequerboard pattern*, T-359/12, EU:T:2015:215, paragraph 82 and the case-law cited).
- 61 Next, it must be pointed out that the burden of proof concerning the distinctive character acquired through use pursuant to Article 59(2) of Regulation 2017/1001 and Article 7(3) of that regulation is on the proprietor of the mark at issue (see, to that effect, judgment of 4 April 2019, *Stada Arzneimittel v EUIPO (Representation of two opposing arches)*, T-804/17, not published, EU:T:2019:218, paragraph 49 and the case-law cited).

- 62 According to the case-law, in order to determine whether a mark has acquired distinctive character through the use made of it, the competent authority must carry out an examination by reference to the actual situation and make an overall assessment of the evidence that the mark has come to identify the goods or services concerned as originating from a particular undertaking (see judgment of 19 June 2014, *Oberbank and Others*, C-217/13 and C-218/13, EU:C:2014:2012, paragraph 40 and the case-law cited).
- 63 In that regard, account must be taken, inter alia, of the market share held by the mark, how intensive, geographically widespread and long-standing use of the mark has been, the amount invested by the undertaking in promoting the mark, the proportion of the relevant class of persons who, because of the mark, identify the product as originating from a particular undertaking, statements from chambers of commerce and industry or other professional associations as well as opinion polls (see, to that effect, judgments of 21 April 2015, *Representation of a grey chequerboard pattern*, T-360/12, not published, EU:T:2015:214, paragraph 90 and the case-law cited, and of 21 April 2015, *Representation of a brown and beige chequerboard pattern*, T-359/12, EU:T:2015:215, paragraph 90 and the case-law cited).
- 64 Furthermore, the acquisition of the distinctive character of a mark may be as a result of its use in conjunction with another registered trade mark or as part thereof. It should also be recalled that Article 59(2) of Regulation 2017/1001 and Article 7(3) of that regulation do not make any distinctions according to the nature of the signs in question and the colours or combinations of colours may in themselves acquire, in respect of the goods or services for which registration is sought, a distinctive character in consequence of the use which has been made of them (see judgment of 28 October 2009, *BCS v OHIM — Deere (Combination of the colours green and yellow)*, T-137/08, EU:T:2009:417, paragraphs 27 and 28 and the case-law cited).
- 65 Lastly, as regards the geographical scope of the evidence which must be provided to establish that a mark has acquired distinctive character through use, it must be recalled that pursuant to Article 1(2) of Regulation 2017/1001 the EU trade mark is to have a unitary character and have equal effect throughout the European Union. It follows from the unitary character of the EU trade mark that, in order to be accepted for registration, a sign must have distinctive character, inherent or acquired through use, throughout the European Union (see, to that effect, judgment of 25 July 2018, *Société des produits Nestlé and Others v Mondelez UK Holdings & Services*, C-84/17 P, C-85/17 P and C-95/17 P, EU:C:2018:596, paragraph 68).
- 66 Thus a sign may be registered as a European Union trade mark under Article 7(3) of Regulation 2017/1001 only if evidence is provided that it has acquired, through the use which has been made of it, distinctive character in the part of the European Union in which it did not, *ab initio*, have such character for the purposes of Article 7(1)(b). It follows that, with regard to a mark that is, *ab initio*, devoid of distinctive character across all Member States, such a mark can be registered pursuant to that provision only if it is proved that it has acquired distinctive character through use throughout the territory of the European Union (see, to that effect, judgment of 25 July 2018, *Société des produits Nestlé and Others v Mondelez UK Holdings & Services*, C-84/17 P, C-85/17 P and C-95/17 P, EU:C:2018:596, paragraphs 75 and 76 and the case-law cited).
- 67 In that regard, the Court of Justice has held that, even though it is the case that the acquisition by a mark of distinctive character through use must be established for the part of the European Union in which that mark did not, *ab initio*, have such character, it would be unreasonable to require proof of such acquisition for each individual Member State (judgment of 24 May 2012, *Chocoladefabriken Lindt & Sprüngli v OHIM*, C-98/11 P, EU:C:2012:307, paragraph 62).
- 68 In that context, the Court of Justice has pointed out that there is a distinction between, first, the facts to be proved, namely the acquisition of distinctive character through use by a sign that is devoid of inherent distinctive character, and, second, the means of proving such facts. No provision of Regulation 2017/1001 requires that the acquisition of distinctive character through use be established by separate evidence in each individual Member State (see, to that effect, judgment of 25 July 2018, *Société des produits Nestlé and Others v Mondelez UK Holdings & Services*, C-84/17 P, C-85/17 P and C-95/17 P, EU:C:2018:596, paragraphs 79 and 80).

- 69 Therefore, it is possible that the evidence provided to establish that a particular sign has acquired distinctive character through use is relevant with regard to several Member States, or even to the whole of the European Union. In particular, it is possible that, for certain goods or services, the economic operators have grouped several Member States together in the same distribution network and have treated those Member States, especially for marketing strategy purposes, as if they were one and the same national market. In such circumstances, the evidence for the use of a sign within such a cross-border market is likely to be relevant for all of the Member States concerned. The same is true when, due to a geographic, cultural or linguistic proximity between two Member States, the relevant public of the first has a sufficient knowledge of the products and services that are present on the national market of the second (see, to that effect, judgment of 25 July 2018, *Société des produits Nestlé and Others v Mondelez UK Holdings & Services*, C-84/17 P, C-85/17 P and C-95/17 P, EU:C:2018:596, paragraphs 80 to 82).
- 70 In that context, the Court of Justice has held that, although it is not necessary, for the purposes of registering, on the basis of Article 7(3) of Regulation 2017/1001, a mark that is, *ab initio*, devoid of distinctive character throughout all the Member States of the European Union, that evidence be submitted, in respect of each individual Member State, of the acquisition by that mark of distinctive character through use, the evidence submitted must be capable of establishing such acquisition throughout the Member States of the European Union. In the case of a mark that does not have inherent distinctive character throughout the European Union, the distinctive character acquired through use of that mark must be shown throughout that territory, and not only in a substantial part or the majority of the territory of the European Union, and consequently, although such proof may be produced globally for all the Member States concerned or separately for different Member States or groups of Member States, it is not, however, sufficient that the party with the burden of providing such evidence merely produces evidence of such acquisition that does not cover part of the European Union, even a part consisting of only one Member State (see, to that effect, judgment of 25 July 2018, *Société des produits Nestlé and Others v Mondelez UK Holdings & Services*, C-84/17 P, C-85/17 P and C-95/17 P, EU:C:2018:596, paragraphs 83 and 87).
- 71 The Courts of the European Union have also stated that, although it must be proved that the mark at issue has acquired distinctive character throughout the European Union, the same types of evidence do not have to be provided in respect of each Member State (see judgment of 28 October 2009, *Combination of the colours green and yellow*, T-137/08, EU:T:2009:417, paragraph 39 and the case-law cited).
- 72 It must also be stated that, under Article 209(1) and (4) of Regulation 2017/1001, evidence of distinctive character acquired through use must be produced only for the States that were members of the European Union at the time of filing the application for registration of the mark at issue (see, to that effect, judgments of 21 April 2015, *Representation of a grey chequerboard pattern*, T-360/12, not published, EU:T:2015:214, paragraph 81, and of 21 April 2015, *Representation of a brown and beige chequerboard pattern*, T-359/12, EU:T:2015:215, paragraph 81).
- 73 It is in the light of those considerations that the arguments put forward by the applicant must be examined.
- 74 In that regard, it should be noted that the applicant filed extensive evidence before EUIPO during the administrative proceedings. In that context, it argued that the evidence taken as a whole demonstrated that the mark at issue had acquired distinctive character through use throughout the European Union, including the Member States in group 3, and that the Cancellation Division had committed errors in the individual assessment and overall assessment of that evidence. The 68 exhibits relating to distinctive character acquired through use submitted before EUIPO were the following:
- Exhibits Nos 1 to 4 ('the first group of exhibits'): extracts of rankings from BrandZ, Interbrand and Eurobrand of the brands that have the greatest value and dynamism, with global and European data, and market shares of bags and travelling bags (goods in Class 18), with data for western Europe and eastern Europe. As the applicant explained in its statement setting out the grounds of appeal against the Cancellation Division's decision, those documents were intended to demonstrate that it was one of the most well-known luxury goods businesses in the world and

one of the most important actors in the leather industry in the EU market. Moreover, the applicant claimed that the Board should analyse those exhibits as a whole together with all the other evidence it had presented.

- Exhibits Nos 5 to 46 ('the second group of exhibits'): those documents include, inter alia, sales figures and a selection of invoices for goods in Class 18 bearing the mark at issue; extracts from catalogues and brochures of the applicant showing goods in Class 18 bearing the mark at issue; information relating to advertising campaigns for goods in Class 18 bearing the mark at issue and published, inter alia, in well-known fashion magazines such as *Marie-Claire*, *Madame Figaro*, *Vanity Fair*, *Glamour*, *Harper's Bazaar*, *Elle*, *GQ*, *Uomo Vogue*, *Hola!* and *Vogue*, and on the internet; press cuttings showing images of goods in Class 18 bearing the mark at issue; reports from LexisNexis and Sprinklr relating to the number of references made to the 'Damier Azur' keyword on social media such as Twitter and Instagram; and photos of celebrities such as Paris Hilton, Victoria Beckham, Rihanna, Eva Mendes, Cameron Diaz, Reese Witherspoon, Kanye West and Akon, carrying goods in Class 18 bearing the mark at issue. As the applicant explained in its statement setting out the grounds of appeal against the Cancellation Division's decision, those documents were intended to demonstrate the extensive, geographically widespread and long-standing use of the mark at issue in the European Union and the substantial investment made in promoting the mark. The applicant further argued that those exhibits proved that the relevant public had been exposed to the mark at issue to a high degree with regard to goods in Class 18 and make it possible to infer that the mark at issue was widely recognised throughout the European Union as one of its trade marks. Lastly, the applicant argued that those exhibits were corroborated by the other evidence submitted to the file, in particular exhibits Nos 47 to 59 and 62 to 65.
- Exhibits Nos 47 to 59, 61 to 65, 68 and 69: those documents include, inter alia, statements from independent organisations of experts on intellectual property and fashion, competitors and public authorities, from various Member States, surveys intended to determine whether the relevant public associates the mark at issue with the applicant, relating to a number of Member States, and information relating to a number of seizures of counterfeit goods bearing the mark at issue in several Member States. As the applicant explained in its statement setting out the grounds of appeal against the Cancellation Division's decision, those documents were intended to demonstrate that the relevant public associated the applicant with the mark at issue. The applicant argued that those documents demonstrated that the mark at issue had acquired distinctive character through use and had 'great corroborative value' in the overall assessment of the evidence submitted by the applicant.
- Exhibits No 60 and No 66: those documents include data from the Statistical Office of the European Union (Eurostat) relating to the population of the European Union and statistics on passenger traffic at Heathrow airport (United Kingdom). As the applicant explained in its statement setting out the grounds of appeal against the Cancellation Division's decision, those documents were intended to demonstrate that a large part of the population in the European Union may have been exposed to the mark at issue. The applicant noted that those exhibits were of great importance in relation to the overall assessment of the evidence it had submitted.

75 In the contested decision, the Board of Appeal divided the Member States into three groups as follows: group 1 included Germany, Spain, France, Hungary, Italy, the Netherlands, Poland, Romania, the United Kingdom and Sweden, in respect of which the applicant had submitted, in particular, opinion polls showing, according to the applicant, that the mark at issue had acquired distinctive character through use; group 2 included Austria, Belgium, Cyprus, Denmark, Finland, Greece, Ireland, Luxembourg, Portugal and the Czech Republic, in respect of which, in the view of the applicant, the same conclusion could be drawn on the basis of an extrapolation of the results of the abovementioned polls; and group 3 included Bulgaria, Estonia, Latvia, Lithuania, Malta, Slovenia and Slovakia, representing only 4% of the EU population and in which the applicant did not have any shops but in respect of which it was reasonable to assume that a significant part of the relevant public would identify the goods in question bearing the mark at issue as originating from the applicant.

76 Next, having recalled that where evidence of acquisition of distinctive character through use does not cover part of the European Union, even a part consisting of only one Member State, it cannot be considered sufficient for the purposes of Article 7(3) of Regulation 2017/1001, the Board of Appeal decided to assess only certain pieces of evidence specifically referring to the Member States in group 3. Without explaining the reasons why it considered all the other evidence irrelevant for the evaluation, the Board of Appeal limited itself to analysing some of the evidence contained in only 8 out of the 68 exhibits described in paragraph 74 above. In particular, it examined, in this order, the following evidence:

- exhibit No 50: two letters from an independent Estonian organisation of intellectual property experts (namely the Estonian Intellectual Property and Technology Transfer Centre) and from an Estonian magazine (namely *Cosmopolitan Estonia*) concerning the perception of the mark at issue by the relevant public in Estonia (paragraphs 108 to 115 of the contested decision);
- exhibit No 7: a selection of invoices for goods in Class 18 bearing the mark at issue, corresponding to sales to customers with addresses in Bulgaria, Estonia, Latvia, Lithuania, Malta, Slovenia and Slovakia (paragraphs 116 to 119 of the contested decision);
- exhibit No 66: statistics on passenger traffic at Heathrow airport between the years 2005 and 2015 (paragraphs 120 and 121 of the contested decision);
- exhibit No 41: statements from legal representatives of magazines relating to distribution in Bulgaria, Estonia, Latvia, Lithuania, Malta, Slovenia and Slovakia, of magazines containing advertisements of goods in Class 18 bearing the mark at issue (paragraphs 122 and 123 of the contested decision);
- exhibit No 42: statistics on the percentage of people using the internet worldwide, including in Member States in group 3 (paragraph 124 of the contested decision);
- exhibit No 44: a report prepared by LexisNexis on the use of the expression ‘Damier Azur’ on social media, such as Twitter, stating that it was not easy to identify how many references related to Bulgaria, Malta and Slovakia and making no mention of any other Member States in group 3 (paragraph 125 of the contested decision);
- exhibit No 46: photographs of celebrities carrying goods in Class 18 bearing the mark at issue (paragraph 126 of the contested decision);
- exhibit No 61: a statement issued by the applicant’s intellectual property lawyer relating to counterfeit goods seized in a number of Member States, in particular Bulgaria and Slovenia (paragraphs 127 and 128 of the contested decision).

77 Taking the view that none of that evidence, individually or jointly, was capable of demonstrating that a significant part of the relevant public, in the Member States in group 3, identified the relevant goods in Class 18 as originating from a particular undertaking on account of the presence of the mark at issue on those goods, the Board of Appeal concluded that the mark at issue had not acquired distinctive character through use.

78 In those circumstances, it is necessary to examine whether, in taking that approach, the Board of Appeal complied with the case-law cited in paragraphs 59 to 72 above.

79 As a preliminary point, it should be noted that, since the Board of Appeal had correctly concluded that the mark at issue was devoid of inherent distinctive character throughout the European Union, it was for the applicant to demonstrate that the mark at issue had acquired distinctive character through use in all Member States of the European Union, as is required under the case-law cited in paragraphs 59 to 72 above.

80 Accordingly, the Board of Appeal was able, for reasons of procedural economy, to limit its analysis to the Member States in group 3, given that, if it were to find that the evidence submitted by the applicant, considered as a whole, was insufficient to prove that distinctive character had been acquired through

use in those Member States, it was entitled to conclude that the mark at issue had not acquired distinctive character through use within the meaning of Article 59(2) of Regulation 2017/1001 and Article 7(3) of that regulation, without any need to assess whether the mark at issue had acquired such distinctive character in the other EU Member States.

- 81 However, by choosing to examine only a small part of the evidence submitted by the applicant and to disregard the other numerous pieces of evidence, without providing any explanation for that choice, the Board of Appeal erred in law by making a partial assessment of the evidence in the file before it.
- 82 It can be inferred from the contested decision that the Board of Appeal selected the pieces of evidence which expressly referred to Member States in group 3 and examined that evidence only, thus excluding all the other evidence without any assessment thereof. However, as recalled in paragraphs 69 and 70 above, evidence of distinctive character acquired through use may relate globally to all the Member States or to a group of Member States. Certain evidence may therefore be relevant as regards a number of Member States or even the entire European Union (see, to that effect, judgment of 25 July 2018, *Société des produits Nestlé and Others v Mondelez UK Holdings & Services*, C-84/17 P, C-85/17 P and C-95/17 P, EU:C:2018:596, paragraphs 80 and 87).
- 83 In that regard, the Court of Justice has already pointed out that no provision of Regulation 2017/1001 requires that the acquisition of distinctive character through use be established by separate evidence in each individual Member State and that it would be unreasonable to require proof of such acquisition for each Member State separately (see the case-law cited in paragraphs 67 and 68 above).
- 84 It follows that the Board of Appeal was required, in view of the applicant's arguments, to carry out a global assessment of all the relevant evidence submitted by the applicant, whether they referred to the European Union as a whole, to groups of Member States in group 3, or more specifically to a specific Member State in group 3.
- 85 In the present case, as the applicant correctly notes, some of the evidence in the exhibits which the Board of Appeal did not take into account in the contested decision was potentially relevant for the purposes of assessing whether the mark at issue had acquired distinctive character through use, including in Member States in group 3.
- 86 Thus, first, for example, the Board of Appeal did not analyse any of the evidence in the first group of exhibits, which, as noted by the applicant before the Board of Appeal, were intended to demonstrate that it was one of the most well-known luxury goods businesses in the world and one of the most important actors in the leather industry in the EU market. It is clear from exhibit No 4, for example, that between the years 2008 and 2014, the applicant was the top seller of bags and travelling bags (goods in class 18) in western Europe and the second top seller in eastern Europe.
- 87 Secondly, neither did the Board of Appeal consider most of the evidence in the second group of exhibits, which, as noted by the applicant before the Board of Appeal, were intended to demonstrate the extensive, geographically widespread and long-standing use of the mark at issue in the European Union and the substantial investment made in promoting the mark. Thus, for example, the Board did not examine exhibits Nos 11 to 13 and 16 to 22, which contain, in particular, extracts from catalogues, brochures and advertisements of the applicant showing goods in Class 18 bearing the mark at issue. Nor did it examine exhibit No 40, which contains extracts from Slovak websites in Slovakian, showing advertisements for goods bearing the mark at issue, bearing in mind that Slovakia is a Member State in group 3, or exhibit No 43, which contains the results of a Google search using the keyword 'Damier Azur'. The Board of Appeal also failed to examine exhibit No 45, which contains a report prepared by Sprinkl'r on the use of the expression 'Damier Azur' on social media such as Instagram. As the applicant noted before the Board of Appeal, that report shows, in particular, that the images that most often accompany the expression 'Damier Azur' on Instagram are images of its goods and that that expression is most often used by sellers of relevant goods that are fake or second-hand.
- 88 Thirdly, the grouping of Member States of group 3 in a single category was due solely to the fact that the applicant did not have any shops in those Member States. As the applicant explained before the Board of Appeal, it did not have shops in each of the EU Member States because its marketing strategy was based on having shops in places that offered high visibility, such as the most central and tourist

areas of major cities and airports, on the brand being positioned within the luxury segment and on the exposure of the relevant public to the mark at issue through other means, such as advertising in well-known fashion magazines or, more generally, promotion by world-famous or locally based celebrities or influencers. At the hearing, the applicant stated that it thus had a selective distribution strategy. In those circumstances, and bearing in mind that the marketing strategy of the undertaking in question is a relevant criterion under the case-law cited in paragraph 69 above, it was for the Board of Appeal to examine all the evidence relating to the use of the mark at issue, in particular on the internet, carefully and as a whole. Nowadays, the fact that there is no physical shop in a particular Member State does not necessarily prevent the relevant public in that Member State from becoming familiar with and recognising the mark in question as originating from the proprietor of that mark by seeing it, as the applicant noted before the Board of Appeal, on websites and on social media which are generally accessible throughout the European Union, in electronic catalogues or brochures, through online advertising by globally or locally known celebrities or influencers, or in shops in the most central and most popular tourist areas of major cities and airports.

89 The Board of Appeal limited itself, in paragraphs 124 to 126 of the contested decision, to criticising three pieces of evidence regarding the use of the mark at issue on the internet, examined alone and without regard to the other evidence that might have served to further corroborate the image attained by the mark at issue on generally accessible websites. Thus, it not only disregarded other evidence concerning the use of the mark at issue on the internet, such as, for example, exhibits No 43 and No 45 regarding popular sites such as Google and Instagram, but also failed to examine such evidence as a whole, in relation to each other, and in relation to all the other evidence concerning the use of the mark at issue, for example in fashion magazines such as *Marie-Claire*, *Vanity Fair*, *Glamour*, *Harper's Bazaar*, *Elle* and *Vogue*.

90 Fourthly, the applicant has submitted several pieces of evidence regarding counterfeit goods seized or marketed in a number of Member States, including Bulgaria, Slovenia, Hungary, France, Denmark, the Czech Republic, the United Kingdom and Italy. In that regard, the Board of Appeal merely stated, in paragraph 128 of the contested decision, that these pieces of evidence did 'not only show the contested mark but concern a complete imitation of the [international registration] holder's goods' and were therefore not 'not capable of demonstrating that a significant proportion of the relevant public within Bulgaria and Slovenia or any of the other group 3 Member States identifie[d] the Class 18 products as originating from a particular undertaking because of the contested mark itself'.

91 However, it must be noted, as the applicant submits, that the Board of Appeal could not deny the relevance of that evidence on the basis of such a finding, given that, first, that evidence contains, in particular, statements by public authorities concerning seizures of counterfeit goods bearing the mark at issue and legal proceedings in which individuals have been convicted for having unlawfully used the mark at issue (see, for example, exhibits Nos 62 to 65), and, secondly, that, as follows from the case-law cited in paragraph 64 above, the acquisition of the distinctive character of a mark may be as a result of its use in conjunction with another registered trade mark, with the Board of Appeal having stated, in paragraph 107 of the contested decision, that it would examine the evidence submitted by the applicant without differentiating between the evidence referring to the mark at issue in isolation or in combination with another mark of the applicant.

92 Furthermore, it is admittedly not certain, as noted by the Board of Appeal, that counterfeit goods seized in one Member State would be put on the market in that Member State. However, the same applies to the goods seized in Member States other than those belonging to group 3, such as, for example, the counterfeit goods mentioned in exhibit No 61 and those mentioned in exhibits Nos 63 to 65 and 68 which could accordingly be placed on the market in Member States in group 3. This fact further corroborates the need for an overall assessment of the evidence presented by the applicant.

93 Lastly, the fact that the Board of Appeal merely assessed, in isolation, the evidence explicitly mentioning Member States in group 3 is illustrated by the manner in which the Board examined the evidence concerning Estonia. In that respect, the Board of Appeal assessed only the evidence that made express reference to that Member State, namely exhibits No 7 (selection of invoices for goods in Class 18 bearing the mark at issue, corresponding to sales to customers with addresses in Estonia), No 41 (statements by legal representatives of magazines such as *Marie-Claire* and *Vogue* concerning the

distribution in Estonia of magazines containing advertisements for goods in Class 18 bearing the mark at issue, including, for example, 13 000 copies of an issue of *Marie-Claire* magazine in December 2008) and No 50 (letters from an independent Estonian organisation of intellectual property experts, namely the Estonian Intellectual Property and Technology Transfer Centre, and from an Estonian magazine, namely *Cosmopolitan Estonia*, stating that, in their view, the Estonian public perceived the mark at issue as an indication of the commercial origin of the goods).

94 Even if none of that evidence, taken in isolation, would be sufficient to prove that the mark at issue had acquired distinctive character through use in Estonia, the fact remains that the Board of Appeal did not at any time assess the entirety of the evidence specifically relating to Estonia, together with the evidence relating to the European Union as a whole or to a region of the European Union (for example eastern Europe) which may also be relevant to Estonia.

95 It follows from all the foregoing that, by failing to carry out an overall assessment of the relevant evidence submitted by the applicant, the Board of Appeal failed to comply with Article 59(2) of Regulation 2017/1001 and the case-law referred to in paragraphs 59 to 72 above.

96 Consequently, the first complaint of the second plea in law must be upheld as well founded and the contested decision must be annulled, without it being necessary to examine the second complaint of the applicant's second plea in law.

Costs

97 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.

98 Since EUIPO has been unsuccessful, it must be ordered to pay the costs, in accordance with the form of order sought by the applicant.

On those grounds,

THE GENERAL COURT (Tenth Chamber)

hereby:

- 1. Annuls the decision of the Second Board of Appeal of the European Union Intellectual Property Office (EUIPO) of 22 November 2018 (Case R 274/2017-2);**
- 2. Orders EUIPO to bear the costs.**

Kornezov

Buttigieg

Kowalik-Bańczyk

Delivered in open court in Luxembourg on 10 June 2020.

E. Coulon

M. van der Woude

Registrar

President

* Language of the case: English.