



Reports of Cases

JUDGMENT OF THE GENERAL COURT (Tenth Chamber)

13 October 2021 *

(EU trade mark – Opposition proceedings – Application for an EU figurative mark representing an arrow with wing – Earlier EU figurative mark representing an arrow with wing – Relative ground for refusal – Partial rejection of the opposition – Limited scope of the opposition in the context of the appeal before the Board of Appeal – Partial withdrawal of the opposition – Plea raised by the Board of Appeal of its own motion – Prohibition on ruling *ultra petita*)

In Case T-712/20,

Škoda Investment a.s., established in Plzeň (Czech Republic), represented by L. Lorenc, lawyer,
applicant,

v

European Union Intellectual Property Office (EUIPO), represented by D. Gája, acting as Agent,
defendant,

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

Škoda Auto a.s., established in Mladá Boleslav (Czech Republic), represented by J. Fesenmair, lawyer,

ACTION brought against the decision of the Fourth Board of Appeal of EUIPO of 6 October 2020 (Case R 284/2020-4), relating to opposition proceedings between Škoda Investment and Škoda Auto,

THE GENERAL COURT (Tenth Chamber),

composed of A. Kornezov, President, G. Hesse and D. Petrлік (Rapporteur), Judges,

Registrar: E. Coulon,

having regard to the application lodged at the Court Registry on 3 December 2020,

having regard to the EUIPO's response lodged at the Court Registry on 2 February 2021,

* Language of the case: English.

having regard to the response of the intervener lodged at the Court Registry on 10 February 2021,
gives the following

Judgment

Background to the dispute

- 1 On 26 November 2018, the intervener, Škoda Auto a.s., filed an application for registration of an EU trade mark with the European Union Intellectual Property Office (EUIPO) pursuant to 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), together with a claim of priority for a Lebanese trade mark application No 88468, itself filed on 30 May 2018 ('the Lebanese trade mark application').
- 2 Registration as a mark was sought for the following figurative sign



- 3 The goods and services in respect of which registration was sought are in Classes 9, 12 and 36 to 39 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 a wide range of goods and services.
- 4 The application for a Lebanese trade mark relates to a figurative sign identical to that set out in paragraph 2 above and covers goods and services in Classes 9, 12 and 36 to 39.
- 5 The trade mark application was published in the *European Union Trade Marks Bulletin* No 2019/031 of 14 February 2019.
- 6 On 13 May 2019, the applicant, Škoda Investment a.s., filed an opposition pursuant to Article 46 of Regulation 2017/1001 against the registration of the mark applied for in respect of the wide range of goods and services referred to in paragraph 3 above.
- 7 That opposition was based on an EU trade mark application filed on 27 August 2018 and accompanied by a claim of priority of a Czech trade mark application No 550086, which was itself filed on 24 August 2018, those applications covering goods and services in Classes 9, 12 and 36 to 39 and relating to the following figurative sign:



- 8 The grounds relied on in support of the opposition were those set out in Article 8(1)(a) and (b) of Regulation 2017/1001.
- 9 On 14 June 2019, EUIPO informed the applicant that it was apparent from the review of its opposition that it was inadmissible under Article 5(2) and (3) of Commission Delegated Regulation (EU) 2018/625 of 5 March 2018 supplementing Regulation 2017/1001 and repealing Delegated Regulation (EU) 2017/1430 (OJ 2018 L 104, p. 1).
- 10 After receiving the applicant's observations, the Opposition Division, by decision of 9 December 2019, rejected the opposition as inadmissible. First, it noted that the mark applied for was based on the claim of priority of the Lebanese trade mark application, which predated the applicant's claim of priority. Secondly, it found that all the conditions set out in Article 34 of Regulation 2017/1001 for a claim of priority of the Lebanese trade mark application were satisfied.
- 11 On 6 February 2020, the applicant filed a notice of appeal with EUIPO, under Articles 66 to 71 of Regulation 2017/1001, against the decision of the Opposition Division.
- 12 On 27 April 2020, the applicant filed a statement of grounds of appeal with EUIPO, in which it claimed that the decision of the Opposition Division was incorrect, since, contrary to Article 34(1) of Regulation 2017/1001, that division had failed to comply with the requirement that the goods and services covered by the EU trade mark application must be identical to those covered by the mark on which the right of priority is based. It acknowledged that a large number of goods and services covered by the mark applied for were either identical or included in the goods and services covered by the Lebanese trade mark application. By contrast, it considered that certain goods and services in Classes 9, 38 and 39 covered by the mark applied for, namely 'Information equipment; Navigation, control, monitoring, guidance and cartographic equipment; Navigation software' in Class 9, 'Electronic data transmission; Making available of electronic communication services' in Class 38 and 'Organising travel; The organisation of transport services' in Class 39, were neither identical to, nor included in, the goods and services covered by the Lebanese trade mark application. It therefore found that the mark applied for could not benefit from the priority claim for those goods and services in Classes 9, 38 and 39. Consequently, it concluded, in the same statement, that the decision of the Opposition Division should be annulled in part in so far as it concerned only those goods and services.
- 13 By decision of 6 October 2020 ('the contested decision'), the Fourth Board of Appeal of EUIPO partially annulled the decision of the Opposition Division in so far as it had rejected the opposition as inadmissible in respect of the goods and services in Classes 9, 38 and 39, referred to in paragraph 12 above, and referred the case back to the Opposition Division in order to continue the examination of those goods and services. It found that the notice of opposition satisfied all the requirements of admissibility set out in Article 2 of Delegated Regulation 2018/625, and therefore that the opposition was admissible.

Forms of order sought

- 14 The applicant claims that the Court should:
- annul the contested decision;
 - annul the decision of the Opposition Division;
 - refer the case back to the Opposition Division for further examination with respect to all goods and services applied for; and
 - order EUIPO to bear the costs of the proceedings.
- 15 EUIPO and the intervener contend that the Court should:
- dismiss the action;
 - order the applicant to pay the costs.

Law

- 16 In paragraph 15 of the contested decision, the Board of Appeal noted that, in the statement of grounds of appeal, the applicant had limited the scope of its appeal by requesting, on the one hand, the annulment of the decision of the Opposition Division in so far as it had rejected the opposition in respect of the goods and services in Classes 9, 38 and 39, mentioned in paragraph 12 above, and, on the other hand, that the opposition proceedings in respect of those goods and services be continued. It inferred from this that the applicant had withdrawn that appeal in respect of the other goods and services covered by the mark applied for. In paragraph 16 of that decision, it found that that partial withdrawal had the effect that the goods and services not mentioned in the statement of grounds of appeal no longer formed part of the opposition proceedings and that, as regards those goods and services, the rejection of the opposition had become final.
- 17 The applicant submits that the Board of Appeal erred in law in determining the legal effects of a procedural illegality vitiating the decision of the Opposition Division, namely the finding that the opposition is inadmissible. A procedural illegality of that kind constitutes, in its view, an infringement of essential procedural requirements, which must be raised by the authority taking the decision of its own motion, which should have led to the total annulment of that decision of its own motion, so that all the effects which it produced on the parties would be entirely removed from the legal order.
- 18 In addition, the applicant states that, when it defined the scope of the appeal before EUIPO, it had full confidence in the formal validity of the decision of the Opposition Division. It considers that it is thus entitled to invoke the principle of the protection of legitimate expectations in relation to the competence of that division to deal with the question of the validity of the priority claim of the mark applied for at the initial stage of the opposition proceedings. It submits that the statement of reasons for that decision created the impression that that decision was procedurally correct, since the illegality found by the Board of Appeal was not obvious from the case-law. It

adds that that is the reason it focused exclusively on the substantive part of the decision and, therefore, on the goods and services covered by that trade mark application which were neither identical nor included in the goods and services covered by the Lebanese trade mark application.

- 19 EUIPO and the intervener contend that the applicant's arguments should be rejected.
- 20 In that regard, it is, first of all, common ground that the applicant sought, in the statement of grounds of appeal, only a partial annulment of the decision of the Opposition Division in so far as it rejected the opposition in respect of the goods and services in Classes 9, 38 and 39 exclusively, referred to in paragraph 12 above.
- 21 Next, it should be noted that, in accordance with Article 95(1) of Regulation 2017/1001, the examination of the merits of the appeal by the Board of Appeal is to be restricted to the facts, evidence and arguments provided by the parties and the relief sought. Similarly, the first sentence of Article 47(5) of that regulation states that, if examination of the opposition reveals that the trade mark may not be registered in respect of some or all of the goods or services for which the EU trade mark application has been made, the application is to be refused in respect of those goods or services. In addition, Article 21(1)(e) of Delegated Regulation 2018/625 states that the notice of appeal filed in accordance with Article 68(1) of that regulation must contain, where the decision subject to appeal is only contested in part, a clear and unambiguous identification of the goods and services in respect of which the decision subject to appeal is brought is contested.
- 22 It is apparent from the provisions referred to in paragraph 21 above read in conjunction with the first sentence of Article 71(1) of Regulation 2017/1001 that the Board of Appeal, in the context of an appeal relating to a relative ground for refusal of registration of a mark and brought against a decision of the Opposition Division, cannot adjudicate beyond the subject matter of the appeal brought before it. That Board can thus only annul such a decision within the limits of the submissions made by an appellant in the appeal against the latter decision or, where applicable, by the respondent in its observations in reply (see, to that effect, judgments of 14 December 2006, *Gagliardi v OHIM – Norma Lebensmittelfilialbetrieb (MANŪ MANU MANU)*, T-392/04, not published, EU:T:2006:400, paragraph 45, and of 19 September 2018, *Eddy's Snack Company v EUIPO – Chocoladefabriken Lindt & Sprüngli (Eddy's Snackcompany)*, T-652/17, not published, EU:T:2018:564, paragraph 20).
- 23 Furthermore, according to the Court, under the system governing judicial review proceedings before the EU Courts, it is the parties that take the initiative in pursuing the case and delimiting its subject matter, inter alia by identifying in the form of order sought the act, or the part of the act, which they intend to submit for judicial review (judgment of 14 November 2017, *British Airways v Commission*, C-122/16 P, EU:C:2017:861, paragraph 87). The Court considers that those principles apply, *mutatis mutandis*, to actions brought before the Boards of Appeal in proceedings relating to relative grounds for refusal of registration of a trade mark. As is apparent from the provisions cited in paragraph 21 above and from the case-law referred to in paragraph 22 above, like the powers of the EU courts in the system of judicial review proceedings, those boards may, in opposition proceedings, annul the decision of the Opposition Division only within the limits of the form of order sought by an applicant in the appeal against that decision.

- 24 Lastly, it is true that, in *inter partes* proceedings, the Board of Appeal must, in accordance with Article 27(2) of Delegated Regulation 2018/625, examine of its own motion the pleas relating to issues of law which have not been raised by the parties, but which concern essential procedural requirements, given that such requirements include, in particular, the rules on the admissibility of an opposition to registration of an EU trade mark.
- 25 Nonetheless, such a power on the part of the Board of Appeal does not mean that it has the power to amend of its own motion the form of order sought by an appellant in the appeal brought before it, since such an approach would disregard the distinction between the pleas in law and the form of order sought in an action. While the pleas constitute the essential basis of the form of order sought in an application, they are, nonetheless, necessarily separate from the form of order sought which defines the limits of such a dispute (see, to that effect and by analogy, judgment of 14 November 2017, *British Airways v Commission*, C-122/16 P, EU:C:2017:861, paragraph 89).
- 26 Thus, while, by examining of its own motion a plea relating to essential procedural requirements which, a priori, has not been put forward by the parties, the Board of Appeal does not go beyond the scope of the dispute that has been brought before it, or in any way infringe the rules of procedure relating to the presentation of the subject matter of the dispute, the position would be different if, following the examination of the decision forming the subject matter of the appeal, that board, on the basis of such an examination of its own motion, were to declare an annulment to an extent that went beyond what was sought in the duly submitted form of order, on the ground that such an annulment was necessary to remedy the unlawfulness established of its own motion in carrying out that analysis (see, to that effect and by analogy, judgment of 14 November 2017, *British Airways v Commission*, C-122/16 P, EU:C:2017:861, paragraph 90).
- 27 In those circumstances, the applicant is not justified in claiming that the Board of Appeal should have annulled the decision of the Opposition Division in its entirety, since the effect of that decision would have been to rule outside the subject matter of the dispute as defined by the applicant itself.
- 28 As regards the applicant's argument alleging infringement of the principle of the protection of legitimate expectations, it should be recalled that the right to rely on that principle extends to any person in a situation in which an administrative authority has caused that person to entertain expectations which are justified by precise assurances provided to him or her (see judgment of 21 February 2018, *Kreuzmayr*, C-628/16, EU:C:2018:84, paragraph 46 and the case-law cited).
- 29 In the present case, the applicant's alleged belief that the decision of the Opposition Division complied with the procedural rules, despite the procedural defect committed by that division, cannot give rise, to its benefit, to legitimate expectations that that decision was formally valid. So long as such a decision has not become final, its validity may, in the case of an appeal, be examined by the Board of Appeal, which, moreover, was the case here. The role of that board is precisely to correct such procedural defects and, consequently, to order, where applicable, the annulment of a decision which might be vitiated by it.
- 30 It follows from all the foregoing that the present action must be dismissed.

Costs

- 31 Under Article 134(1) of the Rules of Procedure of the Court, the unsuccessful party is to be ordered to pay the costs if they have been applied for in the successful party's pleadings. In the present case, the applicant has been unsuccessful and EUIPO and the intervener have applied for the applicant to be ordered to pay the costs in the present proceedings. Accordingly, the applicant must be ordered to pay, in addition to its own costs, all the costs incurred by EUIPO and the intervener in respect of the present proceedings.

On those grounds,

THE GENERAL COURT (Tenth Chamber)

hereby:

- 1. Dismisses the action;**
- 2. Orders Škoda Investment a.s. to bear its own costs and to pay those incurred by the European Union Intellectual Property Office (EUIPO) and Škoda Auto a.s. in the proceedings before the General Court.**

Kornezov

Hesse

Petrлік

Delivered in open court in Luxembourg on 13 October 2021.

E. Coulon
Registrar

M. van der Woude
President