Importance of careful examination of composite marks highlighted

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In *Ferrero v Athinaiki Oikogeneiaki Artopoiia* (Case 2577/2009, January 18 2010), the Athens Administrative Court of Appeal has set aside a decision of the Administrative Court of First Instance and rejected the application for the registration of the trademark FERRO.

Ferrero owns a number of composite FERRERO marks for products in Class 30 of the Nice Classification. Ferrero opposed an application filed by Athinaiki Oikogeneiaki Artopoiia for the registration of a composite mark including the word 'Ferro' for similar products. The opposition was rejected by the Trademark Committee. Ferrero filed a recourse, which was, in turn, dismissed by the Athens Administrative Court of First Instance. Ferrero appealed to the Athens Administrative Court of Appeal.

Before the Court of Appeal, Ferrero claimed that the FERRO mark was visually and phonetically similar to its own registered trademarks. Ferrero further argued that, given the circumstances, there was a risk of consumer confusion, adding that the application for the registration of the FERRO mark was contrary to good faith. In contrast, the applicant contended that:

- the parties' marks were substantively different, both visually and phonetically; and
- there was no evidence to support the argument that the application had been filed in bad faith.

The Court of Appeal upheld the decision of the Court of First Instance, stating that:

"based on the overall visual and aural impression of the trademarks in question, there is no risk of consumer confusion as to the origin of the products covered by the trademarks and the companies that market them, even though the products are similar." The court thus allowed the application for the registration of the FERRO mark, finding no evidence of bad faith.

However, on a further appeal to the Council of State, it was held that the Court of Appeal had omitted to carry out the examination of the presentation of some of Ferrero's earlier marks, which was necessary to ensure the correct application of the law. The case was thus sent back to the Court of Appeal.

Upon extensive and detailed examination of the parties' marks, and applying the relevant case law of the European Court of First Instance, the Court of Appeal reversed the decision of the lower court. In particular, the Court of Appeal noted that notwithstanding the composite nature of both marks, their dominant elements were the words 'Ferrero' and 'Ferro', respectively. The court added that the device elements were mostly decorative in nature and were not sufficiently distinctive.

Moreover, the court stated that:

- the word elements 'Ferrero' and 'Ferro' presented a considerable degree of visual similarity;
- the mark were similar from a phonetic point of view; and
- it was not necessary to carry out a conceptual comparison of the marks, as neither 'Ferrero' nor 'Ferro' had any meaning in Greek.

Therefore, the court held that the registration of the FERRO mark should not be allowed - especially in light of the fact that the marks in question covered similar products. The court concluded that consumers might be misled into believing that goods sold under the marks were produced by the same company or from economically linked undertakings.

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