

**European Union** - Dr Helen Papaconstantinou John Filias & Associates

In *Bimbo SA v Office for Harmonisation in the Internal Market* (OHIM) (Case T-569/10, October 10 2012), the General Court has held that the word 'doughnuts' was not devoid of distinctive character for those consumers who are not familiar with the English language. Therefore, the mark BIMBO DOUGHNUTS did not form a unitary whole or a logical unit on its own, and the relevant public would not be able to understand that the goods at issue are doughnuts produced by the company Bimbo or the owner of the BIMBO mark.

On May 25 2006 Spanish company Bimbo SA filed a Community trademark (CTM) application for the word mark BIMBO DOUGHNUTS for "pastry and bakery products, especially doughnuts" in Class 30 of the Nice Classification.

In January 2007 another Spanish company, Panrico SL, now Panrico SA, filed an opposition against the application based on a likelihood of confusion with a series of prior national and international word and device marks - in particular, the word mark DOUGHNUTS. This mark covered goods in Class 30, including "all kinds of confectionery and pastry products and preparations, and products and preparations for sweets and confections", "chocolate and sugar-based foodstuffs" and "round-shaped dough biscuits". The Opposition Division upheld the opposition.

Bimbo SA appealed. The Board of Appeal of OHIM concluded that there was a likelihood of confusion between the marks for all the goods at issue and dismissed the appeal. In particular, the board held as follows:

- 'Doughnut' is an English word - meaning a "ring-shaped small spongy cake made of dough" - which does not exist in Spanish, where the equivalent words are '*dónut*' and '*rosquilla*'. Thus, the word would be meaningless for the average Spanish consumer, who would perceive it as a foreign or fantasy term.
- The marks were similar to the extent that the earlier mark was incorporated almost identically in the mark applied for.

- The goods covered by the marks were identical and the earlier mark had an average degree of distinctiveness.

Bimbo SA appealed to the General Court.

In its appeal, Bimbo SA first requested that the court alter the contested decision and allow the registration of the mark applied for. The court, by referring to relevant case law, held that the Board of Appeal does not have jurisdiction to hear and determine an application to register a CTM, nor can the court hear and determine an application for alteration requesting the amendment of a decision of the Board of Appeal.

Bimbo SA further complained that there was no reference in the board's decision to a statement that it had timely submitted, in which it had put forward facts and documents relating to:

- the lack of distinctive character of the words 'doughnuts' and 'doghnuts' due to the knowledge that the Spanish public had of these words; and
- the reputation of the BIMBO mark, which made 'bimbo' the dominant element of the mark applied for.

The court held that the Board of Appeal had not refused to take into account Bimbo SA's arguments. It stressed that the board is not obliged to express a view on every argument submitted by the parties and that it is sufficient that it sets out the facts and legal considerations of fundamental importance in the context of the decision.

The court also dismissed Bimbo SA's plea that the Board of Appeal had infringed Article 75 of the Community Trademark Regulation (207/2009), under which the decisions of the board shall be based only on reasons or evidence on which the parties have had the opportunity to comment. The court found that, with regard to Bimbo SA's argument that the word 'doughnuts' would be regarded by Spanish consumers as descriptive, the board had taken the position that most average Spanish consumers did not speak English at all or, at least, that they did not speak it well enough to know the meaning of that word.

Moreover, the court held that, although the board had not explicitly addressed Bimbo SA's argument based on the reputation of the 'Bimbo' element, it had stressed that it was the word 'doughnuts' which would catch the Spanish consumers' attention because it contained the "atypical combination of vowels

'ou' and the accumulation of consonants 'ghn'". This reasoning was sufficient to show that the board had not considered that the word 'bimbo' dominated the overall impression given by the mark applied for to such an extent that the word 'doughnuts' could be disregarded.

The court then turned to Bimbo SA's argument that the board had erred in deciding that there was a likelihood of confusion between the two marks because the word 'doughnuts' is descriptive and the word 'bimbo' is well known. The court confirmed the board's finding that the goods concerned were everyday products that targeted the average Spanish consumer, and were identical.

The court then proceeded to examine whether the word 'doughnuts' was devoid of distinctive character. The court first confirmed the board's finding that, although this word was descriptive in English, it did not exist in Spanish. It further pointed out that it is possible that, because of linguistic, cultural, social and economic differences between the member states, a trademark which is devoid of distinctive character or descriptive of the goods or services concerned in one member state is not so in another member state.

The court thoroughly analysed the level of knowledge of the English language in Spain, based on a statistical study submitted by Bimbo SA, and concluded that, although the study showed that 53% of Spaniards claimed to speak one or more foreign languages, this did not prove that English was the most widely-spoken language in Spain. In addition, the study showed that 47% of the public did not speak English. Moreover, the court did not accept Bimbo SA's argument that consumers of doughnuts tend to be mostly young people, who have a better knowledge of the English language - it stressed that the mark BIMBO DOUGHNUTS covers "pastry and bakery products", a broader category including doughnuts, which are purchased and consumed by people of all ages. On the contrary, the court, based on another statistical study submitted by Panrico SA, accepted that more than 80% of Spaniards did not know the meaning of the word 'doughnut' at all. Thus, the court rejected Bimbo SA's argument that 'doughnuts' lacked distinctive character.

Considering to the word 'bimbo', the court held that, even if its reputation were accepted, the assessment of similarity could not be based only on this element since the word 'doughnut' could not be considered negligible in the overall

impression given by the mark. The court further agreed with the board that the word 'doughnut' would attract the attention of Spanish consumers because of its unusual spelling.

Turning to the visual similarity of the marks, the court held that the words 'doughnuts' and 'doghnuts' were almost identical and, therefore, there was an average degree of similarity between the marks, which could not be called into question by Bimbo SA's assertion that BIMBO is a trademark with a reputation. Phonetically, due to the additional word 'bimbo', the marks were found to have a medium degree of similarity. The court held that there could be no conceptual comparison, since the words 'bimbo' and 'doughnuts' had been found to be meaningless for Spanish consumers.

Finally, the court addressed Bimbo SA's argument that 'bimbo' was the dominant element in the mark applied for, and held that the word 'doughnuts' had an independent distinctive role in the mark, since it did possess distinctive character for the part of the public which was unfamiliar with English. In view of the fact that this word was wholly meaningless for the relevant public, the court found that the mark BIMBO DOUGHNUTS did not form a unitary whole or a logical unit on its own in which the word 'doughnuts' would be merged. Accordingly, the relevant public would not be able to identify Bimbo SA as the source company of the covered goods.

The court thus dismissed the action.

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