

SÁNDOR VIDA*

Analogies in the Case Law of the Court of Justice EU

Abstract. The article reports on some judgements of the Court of Justice EU concerning analogy, commenting them. Passages from the cases OMEL v ONEL, PAGO, GOOGLE, .eu Top Domain, DIOR are quoted. Then the question is raised: should it be considered as an analogy or a precedent? Definition of the notion “analogy” in French, English and German law are compared. The first conclusion is that analogy is understood in different ways by lawyers in these Member States of the EU. The second conclusion is that by a Hungarian lawyer’s understanding most of the examples quoted are rather precedents than true analogies. Moreover, it is observed that in translations identical terms ought to be used.

Keywords: EU case law, trade marks, analogy, precedents, translations

Analogies are probably as old as case law itself. More than two thousand years ago in the Twelve Tables (*lex duodecim tabularum*) it was ruled that “If the father sells his son three times, the son should get rid of his father’s authority.”¹ This seems to be a precedent of today’s analogy. In the practice, Roman law, like English law was analogist.²

Going even further, by the Romans analogy was taken over from Greek philosophy.³ Probably the analogist method was already used at the ancient Greek courts (*agora*).

I mentioned the above only as introduction. My topic is the case law of the Court of Justice EU and I start with a recent case.

1. OMEL v ONEL⁴

The essence of the case history is that the applicant filed the term OMEL for registration as a mark with the Benelux Intellectual Property Office. The opponent is owner of the Community trade mark ONEL, which was registered for almost identical services and he opposed for confusing similarity of the younger mark.

The applicant asked, as it often happens, that the opponent provides proof of genuine use of his mark in the Community. As the opponent was able to prove use only in the Netherlands, the opposition was dismissed by the Benelux Office.

* LL.M. Professor of Law.

E-mail: vida@danubia.hu

¹ Si pater filium ter venum duit, filius a patre liber esto (Tab. IV. 2. b.) see Pólay, E.: *A római jogászok gondolkodásmódja* (The Way of Thinking of Lawyers in Rome). Budapest, 1988, 24.

² Stein, P.: Logic and Experience in Roman and Common Law. In: Varga, Cs. (ed.): *Comparative Legal Studies*. Alderabat, U.K. 1995, 343.

³ Földi, A.–Hamza, G.: *A római jog története és intéstitúciói* (History of Roman Law And Its Institutions). 17th ed., Budapest, 2012, marginal 249.

⁴ C-149/11.

The opponent appealed the decision before the Tribunal of Gravenhagen. The latter decided to stay proceedings and referred for preliminary ruling to the Court of Justice EU⁵ in respect of the requirements of territorial borders of genuine use of a Community trade mark. The question concerned essentially whether a Community trade mark having been put to a genuine use in just one Member State, met the standard required by the EU Trademark Regulation.⁶ Art. 15 (1) of the TM Regulation provides that lack of use “in the Community” within a period of five years can result that the Community trade mark will be revoked. Let me stress that the wording of the TM Regulation says only “in the Community” and nothing else.

The laconism of this provision provoked the question for years: which territory is necessary concerning the use of a Community trade mark in order that it becomes incontestable. The practice of the EU Trademark Office (OHIM) in Alicante was that the use in just one Member State should be sufficient. But some Member States, like Hungary or Belgium were not satisfied with this practice, moreover many practitioners criticised it saying that it was not practical in a European Union consisting of 27 different countries.

It is not surprising that in the procedure of the preliminary ruling there participated not only the parties, but also the Governments of the Netherlands, Belgium,⁷ Denmark, Germany, France, Hungary,⁸ and the United Kingdom, moreover the European Commission filed observations in the written part of the procedure.

⁵ Anderson, D. W. K.–Demetriou, M.: *References to the European Court*. London, 2002.

⁶ Regulation Nr. 207/2009.

⁷ Summary of the Observations of the Government of Belgium (information from P. Veeze, Legal Division, Benelux Intellectual property Office) drafted in the order of the questions raised by the Belgian Court to the Court of Justice EU.

a) Is use in one country always enough?

NO. The Joint Statement (1993) of the EU Council and EU Commission on interpretation of Art. 15 of the TM Regulation is not binding. Genuine use in the Community ≠ in a Member State Reference is made to Recitals 2, 4 and 6 of the Preamble of the CTM Regulation and to Art 12 thereof. The EU has grown since the introduction of the CTM Regulation (27 Member states, 500 mln inhabitants). Lots of Small and Medium Enterprises do not need EU wide protection. The Joint Statement contain an automatism (use in one Member Sate is enough), which contradicts the principle of an EU without borders.

If not, is it never enough?

NO. All circumstances must be taken into account.

If it is never enough, what is needed?

No answer necessary.

Should the assessment of genuine use in the Community be done in the abstract, without reference to the borders of the territory of the individual Member States?

YES. In a single EU market, frontiers of the Member States are irrelevant. The Joint Statement is in contradiction with this principle, since it implies an automatism (it refers to a Member State). All circumstances must be taken into account.

⁸ Essence of the Conclusions and proposals of the Hungarian Government (para 47 of the Opinion)

a) Sec. 15 (1) of the TM Regulation cannot be interpreted in the way that the use of a Community trade mark is successful in that very Member Country. Though in such a situation the opposition [Sec. 42/2] or the application for revocation [Sec. 57/2] cannot be refused in the Member State where the use of that trade mark was proved.

Moreover, they attended the Hearing, too, where some of them (like Hungary as well) completed the arguments explained in the observations in their speeches.

The Court of Justice EU ruled in its judgement⁹ that the territorial borders of the Member States ought to be disregarded, but listed several circumstances which should be assessed.¹⁰

Many comments were published on the case: by different authors in Hungary: Hegedűs, Gonda and the author of this paper, moreover in Belgium, in Germany, in the Netherlands, in the U.K., etc. more than 25 countries.

The Hungarian Intellectual Property Office in his e-mail Newsletter published a short report¹¹ on the judgement adding that it greets “as it confirms the case law of the Hungarian Intellectual Property Office, moreover it agrees in its main arguments with the viewpoint of the Hungarian Government as explained in the Observations filed and in speech at the Hearing with the Court.”

More important was that OHIM amended his Manual on Proof of Use,¹² aligning with the statements of the Court of Justice EU.

As this paper seeks to focus on the methods of analogy I limit myself on the relevant items of the judgement.

In the considerations it is said:

The Court has also stated that the territorial scope of use is only one of several factors taken into account (see Sunrider v OHIM para 76).

That interpretation may be applied by analogy to Community trademarks since in requiring that the trademark be put in genuine use, the TM Directive¹³ and the TM Regulation pursue the same objective (paras 30–31).

b) Sec. 15 (1) of the TM Regulation should be interpreted in the way that relating to genuine use the territorial borders of the Member States should be disregarded. Instead of that it should be examined whether the trade mark was used in accordance with its essential function within the Community.

For excerpts of the Opinion see: *Iparjogvédelmi és Szerzői Jogi Szemle*, (2013) 3. in the article of Vida S.

⁹ C-149/11; O. Sosnitzer: *Anmerkung*. GRUR-Int. 2013, 185.

¹⁰ The wording of the operative part of the judgement is:

Article 15(1) of Regulation No. 207/2009 of 26 February 2009 on the Community trade mark must be interpreted as meaning that the territorial borders of the Member States should be disregarded in the assessment of whether a trade mark has been put to ‘genuine use in the Community’ within the meaning of that provision.

A Community trade mark is put to ‘genuine use’ within the meaning of article 15(1) of Regulation No. 207/2009 when it is used in accordance with its essential function and for the purpose of maintaining or creating market share within the European Community for the goods or services covered by it. It is for the referring court to assess whether the conditions are met in the main proceedings, taking account of all the relevant facts and circumstances, including the characteristics of the market concerned, the nature of the goods or services protected by the trade mark and the territorial extent and the scale of the use as well as its frequency and regularity.

¹¹ SZNTH e-Hírlevél of 23 February 2013.

¹² OHIM Online Newsletter 04-2013 (26 April, 2013).

¹³ Directive No. 2008/95.

Comments

Subject of the Sunrider¹⁴ case was an opposition against the application for registration of a Community trade mark. Both cases (OMEL v ONEL as well as Sunrider) had to be decided in conformity with the TM Regulation. Reference to the TM Directive seems to me only strengthening the position taken by the Court. As a result I mean that this reference was not for a real analogy as we understand in Hungarian, German¹⁵ etc. law. In my understanding it was a precedent, or according to the terms often used by the Court of Justice EU in other cases “it is a well established case law that...” (il est de jurisprudence constante...).

But it cannot be excluded that under French, English etc. laws the notion precedent is broader.

Later the same judgement says:

Account must non less be taken when applying the case law cited in paragraph 29 of this judgement¹⁶ by analogy to Community trade mark ... (para 33)

...whilst it is reasonable to expect that a Community trade mark should be used in a larger area than a national mark, it is not necessary that the mark should be used in an extensive geographic area for the use to be deemed genuine, since such a qualification will depend on the characteristics of the product or service concerned on the corresponding market (see, by analogy, with regard to the scale of the use, Ansul, para 39 – para 54 of the OMEL v ONEL judgement).

... it is impossible to determine a priori, and in the abstract, what territorial scope should be chosen in order to determine whether the use of the mark is genuine or not. A de minimis rule, which would not allow the national court to appraise all the circumstances of the dispute before it, cannot therefore be laid down (see, by analogy, the order in La Mer Technology, paragraphs 25 and 27, and the judgement in Sunrider v OHIM, paragraphs 72 and 77 – para 55 of the OMEL v ONEL judgement).

Comments

First I observe that purpose and function of the TM Regulation and the TM Directive are different. The first one is provided for *sui generis* trade marks having effect on the whole Community. Contrary to it the TM Directive aims harmonisation of traditional trade mark law of the Member States, i.e. of national law in each of the 27 Member States.

Consequently, as from the case law referred, in Ansul the preliminary ruling was ordered in view of the request of the Supreme Court of the Netherlands, in the La Mer Technology in view of the request of the British High Court of Justice (with respect to the Sunrider case see the previous comment). As a result, these cases were not decided as interpretation of the TM Regulation, but by considering the TM Directive. Applying analogy in respect of these two cases could be approved, I believe, by jurists of all the 27 Member States.

¹⁴ C-416/04.

¹⁵ In the German version of the judgement one can read instead the word “analogy”: “Bei der entsprechenden Anwendung der ... angeführten Rechtsprechung...” (corresponding application of the referred case law).

¹⁶ In paragraph 29 cited, referred are the cases C-40/01 Ansul para 43, C-416/04 Sunrider v OHIM para 70, C-259/02 La Mer Technology para 27.

2. PAGO¹⁷

The Community trade mark PAGO is used by an Austrian company for fruit juices and reputed in that country. In the infringement procedure against a company residing in the same country the Austrian Supreme Court requested preliminary ruling from the Court of Justice EU on the extent of the territorial protection of a Community trade mark, which is reputed in one country only.

In its reply the Court of Justice EU referred to analogy relating to several aspects of the discussed case. Namely:

The relevant public is that concerned by the Community trade mark, that is to say depending on the product or service marketed, either the public at large or a more specialised public, for example traders in a specific sector (see, by way of analogy, CHEVY – General Motors,¹⁸ para 24, with regard to Article 5(2) of the TM Directive – para 22 of the PAGO judgement).

It cannot be required that the Community trade mark be known by a given percentage of the public so defined (CHEVY – General Motors, by way of analogy, para 25 – para 23 of the PAGO judgement).

The degree of knowledge required must be considered to be reached when the Community trade mark is known by a significant part of the public concerned by the products or services covered by that trade mark (CHEVY – General Motors, by way of analogy, para 26 – para 24 of the PAGO judgement).

In examining this condition, the national court must take into consideration all the relevant facts of the case, in particular the market share held by the trade mark, the intensity, geographical extent and duration of its use, and the size of the investment made by the undertaking in promoting it (CHEVY – General Motors, by way of analogy, para 27 – para 25 of the PAGO judgement).

Territorially, the condition as to reputation must be considered to be fulfilled when the Community trade mark has a reputation in a substantial part of the territory of the Community (see, by way of analogy, CHEVY – General Motors, para 28 – para 27 of the PAGO judgement).

Comments

The case referred as analogy related to the trade mark CHEVY registered in the Benelux, moreover the relating preliminary ruling was ordered following the request of a Belgian Tribunal, i.e. based on the TM Directive and not on the TM Regulation. As a result, the references to analogy are not unwarranted.

¹⁷ C-301/07; before the judgement: von Mühlendahl, S.: CTM Riddles Territoriality and Unitary Character. *E.I.P.R.*, (2008) 1, 66; after the judgement: the same in: The Bardehle-Pagenberg IP Report 2009/IV. 12.

¹⁸ C-375/97 CHEVY (owned by General Motors).

3. GOOGLE¹⁹

In the frame of the great variety of his activity, Google presents also advertisements. It happened that among the keywords used for search in the Internet some were identical or similar to some well-established marks of others differing from the advertisers. The owner of the Community trade mark LV and Luis Vuitton sued Google for infringement committed by the use of such keywords.

The French Supreme Court requested the Court of Justice EU to render preliminary ruling on the question whether the use of a mark as a keyword in the Internet can constitute trade mark infringement.

In his very extensive judgement the Court of Justice EU said *inter alia*:

...In those circumstances, the use by the third party of the sign identical with the mark as a keyword triggering the display of that advertisement is liable to create the impression that there is a material link in the course of trade between the goods or services in question and the proprietor of the trade mark (see, by way of analogy case 206/01 Arsenal Football Club, para 56,²⁰ and Case C-245/02 Anheuser-Busch para 60 – para 85 of the GOOGLE judgement)

Comments

The referred ARSENAL judgement was made in view of the request of the High Court of Justice (U.K.) relating to the interpretation of the TM Directive, the BUDWEISER-Anheuser Busch judgement was rendered in view of the request of the Supreme Court of Finland in respect of the interpretation of the TRIPS Agreement. As a result, applying analogy, referring to these cases seems to me convincing though the application of the solution referred could also be called as “precedent”.

4. .eu Top Level Domain²¹

Domain names have some similar features as trademarks; one legal dispute referred to the Court of Justice EU also concentrated on a conflict between a trademark and a domain name. The referral, by the Austrian Supreme Court, was for interpretation of the Regulation 874/2004/EC and not the TM Directive.

It is remarkable that in examining characteristics of bad faith in this dispute, in the judgement assessed (para 71) the large number of generic domain name applications as relevant evidence of bad faith “in the light of the objective of Regulation No. 874/2004 to prevent or avoid speculative or abusive registrations or uses of domain names. In that regard

¹⁹ C-236-238/08: Bonet, G.: Publicité sur Internet et renforcement selon la Cour de Justice: contrefaçon de marque ou directive No 2000/36/CE. *Communication-Commerce Electrique – Revue Mensuelle LexisNexis JC.*, Juin 2010.

²⁰ C-206/01; *inter alia* Vida: *ECJ Judgement on the Pharmacist’s Scale: Arsenal Case*. *Ingenieur Conseil* 2005, 95.

²¹ C-569/08 – In my opinion the judgement can be considered also as an example of teleological interpretation. See: Vida: *Teleological Interpretation in the Case law of the Court of Justice of the European Union*. *GRUR Int.* 2003, 106.

it is apparent from the order of reference that the appellant in the main proceedings lodged 180 such applications.”

Though this case is only “neighbouring” to trademark cases, it is worth noting that the Court of Justice EU referred in it as follows:

The issue of whether an applicant is acting in bad faith must be the subject of an overall assessment, taking into account all the factors relevant to the particular case (see, by way of analogy, Case C-529/07 Chocoladefabriken Lindt & Sprüngli – para 42 of the .eu Top Level judgement).

... the presentation of the mark at issue may also be relevant in determining whether there is bad faith within the meaning of Article 21(1)(b) of Regulation No 874/2004 (see, by way of analogy Chocoladefabriken Lindt & Sprüngli – para 49 of the .eu Top Level judgement).

Comments

Though the domain name Regulation 874/2004/EC provides on bad faith, as there is no case law in respect of domain names especially relating to bad faith, the Court of Justice EU held it for useful to refer to trademark case law by analogy. I think this is the most speaking example in respect of applying analogy from one legal field to another.

5. Analogy or Precedent?

In the case law of the Court of Justice EU there are of course further judgements in which reference is made to analogies. From the trademark world let me quote the DIOR case,²² in which the French licensee sold products under the DIOR mark to a discount store. In the judgement it was said:

... where a licensee sells goods to a discount store in contravention of a provision in the licence agreement, a balance must be struck between, on the hand, the legitimate interest of the proprietor of the trade mark covered by the licence agreement in being protected against a discount store which does not form part of the selective distribution network using that trade mark for commercial purposes in a manner which could damage the reputation of that trade mark and, on the other hand, the discount store's legitimate interest in being able to resell the goods in question by using methods which are customary in its sector of trade (see, by analogy, case Parfums Christian Dior, para 44 – para 56 of the DIOR judgement).

The legal situation was similar in the case CÉLINE²³ and in the case IP TRANSLATOR.²⁴ Namely, the referred judgements were rendered on the basis of requests

²² C-59/08; Bretonniere, J. P.: *Marques de prestige: une protection renforcée par la CJCE*. Revue Lamy, 2009, août-septembre, 23.

²³ C-17/06, para 17, in which analogy to the ARSENAL case (para 40) and the OPEL case (para 18) are referred.

²⁴ C-307/10 para 45, in which analogy to the PRAKTIKER case (paras 49–51) is referred.

of the Courts in France, resp., in the United Kingdom, relating to national marks, in respect of interpretation of the rules of the TM Directive.

As a result, like the above-reported paragraphs of the case *OMEL v ONEL* paragraphs 54 and 55, or in the case *PAGO* paragraphs 22–25, 27 analogy is referred to similar previous cases.

In German, Hungarian, Czech etc. laws references of this kind are considered mostly as precedents and not as analogies.

It is interesting to note that the term “analogy” can be found only in the French and English texts of the judgements, but not in the German ones.

The differences in translation are probably not simply result of translators’ leisureliness, but the inherent cause of it may be a different concept of analogy in the French and English doctrine and the German one.

6. The notion of analogy in different regimes

In the French Legal Dictionary we can read:

reasoning with analogy:²⁵ A classic legal interpretation method which is based on interpreting the text. Its essence is to extend the ruling presented in a text to a case of a similar nature, even if the latter is not specified in the text in question, and to show that the reason for applying the rule is identical in the two cases. This is demonstrated if, by the *ratio legis*, the similarity of the two cases is determinant for applying the rule.

In Garner’s English-American Dictionary we can read:

analogy; analog(ue):²⁶ An *analogy* is a corresponding similarity or likeness; in logic, *analogy* means “an inference that, if two or more things are similar in some respects, they must be alike in others.”

An analogue is a thing that is analogous to something else. For example “The *Esso* decision suggests that *analogues* to such traditional equity doctrines as laches, election of remedies, and estoppels may justify a finding of peculiar circumstances.” (The spelling *analog* should be confined to technical contexts involving physics or computers.)

And at last two German Legal Dictionaries:

In Brockhaus²⁷ we can read:

Analogy, is reasonable application of a legal provision not regulated by statutory law, to a similar situation. As a result, this is not an interpretation, but filling of a gap of the statutory law...

²⁵ Vocabulaire Juridique, Paris, 2001.

***raisonnement par analogie:** Procédé classique d’*interprétation rationnelle, relevant de la methode* exégétique qui consiste à étendre la solution édictée par un texte pour un cas à un cas semblable non prévu par le texte, en montrant que la raison d’appliquer la règle a démontré lorsque, dans la *ratio legis*, ce en quoi les cas sont semblables est determinant pour l’application de la règle.

²⁶ Garner, B. A. (ed.): *Dictionary of Modern Legal Usage*. 2nd ed., New York–Oxford, 1995.

²⁷ Der Brockhaus Recht: Mannheim–Leipzig, 2002.

Excerpt:

Analogie, sinngemässe Anwendung eines Rechtssatzes auf einen vom Gesetz nicht geltenden, aber ähnlichen Tatbestand. Analogie ist also nicht Gesetzauslegung, sondern Füllung einer Lücke des Gesetzes.

In the Lexicon of Law²⁸ we can read:

Analogy, is the due equalization of two different situations. As a result, analogy is possibly relating to another situation if there is a gap in the Act...

Comparing the French and English definitions with the German ones it is outstanding that the first ones follow a more general concept of the notion “analogy” than the German ones. Let us call the French and English ones using a Latin term (as it is common even today in Hungarian law) *analogia iuris*.

The German definitions of the notion analogy are more restrictive, they require a gap in the statutory law, moreover, as it stands in the Brockhaus definition, the method is not an interpretation (contrary to the French definition). This kind of analogy is called in Hungarian law *analogia legis*.

To be precise, the distinction between *analogia iuris* and *analogia legis* is not a specialty of Hungarian law, it has its origin probably in medieval pandects. This supposition can be sustained by the fact, that in German law we can find this distinction even today, though the Latin terms are replaced by German ones (*Rechtsanalogie, Gesetzesanalogie*).²⁹

The different concept of the same notion is therefore only reflected in translations of the same judgements it is not a hit of German translators. In this respect I refer to the observation of Urban³⁰ and Király,³¹ who state that “professional translators of European law can only aim for an *approximate* equivalence” (and not for a perfect identity).

My first conclusion is therefore that the notion of analogy is understood differently by lawyers of these three Member States.

It can give comfort to the reader that the use of analogies or precedents serves the principle of consequentiality, which is one of the main postulates of legal technique in the culture of modern formal law.³²

Concluding observations

As I can see from Hungarian perspective (a French or British lawyer could have perhaps a different view), in respect of the references to analogies, in my view, the above-reported judgments can be classified in three types. Namely

1. Analogy (true)

Applying in a domain name case, trademark case law. Example: .eu top level paras 42, 49.

2. Precedent I. (rather than analogy)

²⁸ Tilch, H. (ed.): *Deutsches Rechts-Lexikon*. 2nd ed, München, 1992.

Excerpt:

Analogie ist die rechtsfolgemässige Gleichsetzung zweier unterschiedlichen Tatbestände... Analogie ist möglich, wenn eine Lücke des Gesetzes hinsichtlich eines anderen Tatbestandes vorliegt...

²⁹ Weber, K. (ed.): *Rechtswörterbuch*. 20th ed., München, 2011; historically see Schröder, J.: *Recht als Wissenschaft* (Law as Science). 2nd ed., München, 2012. 383.

³⁰ Urban, N.: *One legal language and the maintenance of cultural and linguistic diversity*. Florence, Manuscript, 4.

³¹ Király, M.: Babel virágzása és hanyatlása: Az Európai Közösség jogának hatása a nyelvekre (Rise and Fall of Babel: The Impact of Law of the EU on Languages). In: *Liber Amicorum Gy. Boytha dedicata*. Budapest, 2004. 196.

³² Varga, Cs.: *The Paradigms of Legal Thinking*. Budapest, 2012. 381.

Applying relating to Community trade mark cases, national trademark case law (as ruled in the TM Directive). Examples: OMEL/ONEL paras 54, 55; PAGO paras 22–25, 27, GOOGLE para 85.

3. Precedent II. (pure precedent or pseudo-analogy)

Applying related to national trade marks, case law for national trade marks is applied (as ruled in the TM Directive); or relating to Community trade marks, Community trade mark (as ruled in the TM Regulation). Examples: DIOR para 56, CÉLINE para 17, IP TRANSLATOR para 45, OMEL v ONEL paras 30–31.

I repeat once again that the above classification is made from the perspective of a Hungarian lawyer, but I know that there are lawyers in Germany, too, who sometimes are surprised reading French or English texts of judgements like those reported hereover, referring to analogy.

An other observation: it would be desirable that – in cases where it is justified as explained in points 1 and 2 – the term “analogy” would be used in translations into all languages. I think if laws of the Member States are harmonised, notions and terms ought to be used identically, too, when one speak about Community trade mark law.