

OPPOSITION No B 3 208 081

Rolex, S.A., 3, 5, 7, rue François-Dussaud, 1211 Genève 26, Switzerland (opponent), represented by **Garrigues IP, S.L.P.**, C/Hermosilla 3, 28001 Madrid, Spain (professional representative)

a g a i n s t

Bo Liu, No. 57, Liu Dayu Road, Jingtou Community, 421001 Jingtou Town, Hengyang County, Hunan, China (applicant), represented by **Francesco Zofrea**, Via Principe Umberto 27-29, 00185 Roma, Italy (professional representative).

On **XX/XX/XXXX**, the Opposition Division takes the following

DECISION:

1. Opposition No B 3 208 081 is upheld for all the contested goods.
2. European Union trade mark application No 18 921 021 is rejected in its entirety.
3. The applicant bears the costs, fixed at EUR 620.

REASONS

On 05/12/2023, the opponent filed an opposition against all the goods of European Union



trade mark application No 18 921 021 (figurative mark). The opposition is based on,



inter alia, European Union trade mark registration No 1 455 757, **ROLEX** (figurative mark). The opponent invoked Article 8(1)(b) EUTMR and Article 8(5) EUTMR.

REPUTATION — ARTICLE 8(5) EUTMR

In relation to Article 8(5) EUTMR, the opponent invoked, inter alia, earlier European Union



trade mark registration No 1 455 757, **ROLEX** (figurative mark).

For reasons of procedural economy, the Opposition Division will first examine the opposition in relation to earlier European Union trade mark registration No 1 455 757.

According to Article 8(5) EUTMR, upon opposition by the proprietor of a registered earlier trade mark within the meaning of Article 8(2) EUTMR, the contested trade mark will not be registered where it is identical with, or similar to, an earlier trade mark, irrespective of whether the goods or services for which it is applied are identical with, similar to or not similar to those for which the earlier trade mark is registered, where, in the case of an earlier European Union

trade mark, the trade mark has a reputation in the Union or, in the case of an earlier national trade mark, the trade mark has a reputation in the Member State concerned and where the use without due cause of the contested trade mark would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark.

Therefore, the grounds for refusal of Article 8(5) EUTMR are only applicable when the following conditions are met.

- The signs must be either identical or similar.
- The opponent's trade mark must have a reputation. The reputation must also be prior to the filing of the contested trade mark; it must exist in the territory concerned and for the goods and/or services on which the opposition is based.
- Risk of injury: use of the contested trade mark would take unfair advantage of, or be detrimental to, the distinctive character or repute of the earlier trade mark.

The abovementioned requirements are cumulative and, therefore, the absence of any one of them will lead to the rejection of the opposition under Article 8(5) EUTMR (16/12/2010, T-357/08, BOTOCYL / BOTOX, EU:T:2010:529, § 41; 16/12/2010, T-345/08, BOTOLIST / BOTOX, EU:T:2010:529, § 41). However, the fulfilment of all the abovementioned conditions may not be sufficient. The opposition may still fail if the applicant establishes due cause for the use of the contested trade mark.

In the present case, the applicant did not claim to have due cause for using the contested mark. Therefore, in the absence of any indications to the contrary, it must be assumed that no due cause exists.

a) Reputation of the earlier trade mark

Reputation implies a knowledge threshold that is reached only when the earlier mark is known by a significant part of the relevant public for the goods or services it covers. The relevant public is, depending on the goods or services marketed, either the public at large or a more specialised public.

In the present case, the contested trade mark was filed on 04/09/2023. Therefore, the opponent was required to prove that the trade mark on which the opposition is based had acquired a reputation prior to that date. In principle, it is sufficient that the opponent show that its mark already had a reputation on that date. While it follows from the wording of Article 8(5) EUTMR that the conditions for its application also need to be present at the time of taking the decision, and therefore the reputation of the earlier mark must subsist until the decision on the opposition is taken, any subsequent loss of reputation is for the applicant to claim and prove.

The evidence must also show that the reputation was acquired for the goods for which the opponent has claimed reputation, namely:

Class 14: *Alarm clocks, anchors (clock and watch-making), cases for clock and watch-making, cases for watches (presentation), chronographs (watches), chronometers, chronometrical instruments, chronoscopes, clock cases, clock hands (clock and watch-making), clocks, clocks and watches electric, clockworks, control clocks (master clocks), movements for clocks and watches, straps for wrist watches, watch bands, watch cases, watch chains, watch crystals, watch glasses, watch springs, watch straps, watches, wrist watches.*

The opposition is directed against the following goods:

Class 14: *Alarm clocks; chronographs [watches]; chronometers; clock cases; clock hands; clocks; clocks and watches, electric; movements for clocks and watches; stopwatches; watch bands; watch cases [parts of watches]; watch chains; watch glasses; watches; wristwatches.*

In order to determine the mark's level of reputation, all the relevant facts of the case must be taken into consideration, including, 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.

On 30/04/2024 the opponent submitted the following evidence:

- **Exhibit 1:** examples of advertising dated during 2023, appearing in well-known magazines such as Vogue, Vanity Fair or GQ.

In addition, on 30/04/2024 within its observations and further facts, the opponent referred to evidence submitted in previous proceedings, which was duly transmitted to the applicant, in particular, the following:

Documents and index of exhibits submitted on 04/06/2021 in opposition proceedings **B 3 137 885** against EUTM application No 18 304 759 'DROLEXO':

- **Exhibit 1:** a brief historical outline of Rolex, which provides indications of the brand's presence over time, the products marketed and the duration of its use.
- **Exhibit 2:** pictures of wide press coverage regarding the mark between 2001 and 2011. They provide indications of the promotional activities regarding the brand, such as an article from January 2011 at www.watchtime.net, showing the mark on watches,



- **Exhibit 3:** copies of advertisements published between 1911 and 2011 in Germany, Spain, Sweden and the United Kingdom. The publications in which the 'ROLEX' trade marks appear enjoy high circulation levels and are well known (e.g. *The Daily Mail*, *Time*, *Newsweek*, *Elle*, *Vogue*, *Le Figaro*, *Le Point*, *Financial Times* and *The Economist*).
- **Exhibit 4:** judicial and administrative decisions by national offices in, for example, the Czech Republic, France and Portugal, and of the EUIPO.
- **Exhibit 5:** surveys carried out in the Czech Republic (2007), Denmark (2007), Germany (2006), Italy (2006), Lithuania (2008), Poland (2010) and the United Kingdom (2006).
 - **Czech Republic:** a survey conducted by the Institut für Demoskopie Allensbach, dated Summer 2007 under the title 'Is "Rolex" a Mark with a Reputation in the Czech Republic?' A sample of 1 038 respondents over the age of 16 were interviewed between 13/08/2007 and 24/08/2007. The interviews were conducted face-to-face using a standardised questionnaire. In reply to the spontaneous awareness question 'Here is a card with a name on it. Is this name familiar to you or is this the first time you have ever seen this name?', 58 % said they were familiar with the name 'ROLEX'. The respondents who were actual and potential

purchasers of luxury wristwatches showed a level of awareness of 89 %. Furthermore, nearly all the people who knew the name 'ROLEX' assessed the quality of the products sold under this name as above average. 50 % of the respondents were able to make correct product associations (watches) with the name 'Rolex' spontaneously and without the assistance of any response alternatives.

- **Denmark:** a survey conducted by the Institut für Demoskopie Allensbach, dated Autumn 2007, under the title 'Is "Rolex" a Mark with a Reputation in Denmark?' A sample of 1 000 respondents over the age of 15 were interviewed by telephone between 03/09/2007 and 14/09/2007. In answer to the question 'Do you know the name "Rolex" or is this the first time you have heard this name?', 92 % of the total Danish respondents, and 96 % of respondents who were actual and potential purchasers of luxury watches, said they were familiar with the name 'Rolex'. 87 % were able to make correct product associations (watches) with the name 'Rolex' spontaneously and without assistance.
- **Germany:** a survey conducted by the Institut für Demoskopie Allensbach, dated Spring 2006, under the title 'Is "Rolex" a Mark with a Reputation in Germany?' 2 065 respondents over the age of 16 were interviewed face-to-face throughout Germany between 23/02/2006 and 07/03/2006. In reply to the question 'Here is a card with a name on it. Is this name familiar to you or is this the first time you have ever seen this name?', 91 % of the total German respondents, and 97 % of the respondents who were actual and potential purchasers of luxury wristwatches, said they were familiar with the name 'Rolex'. 86 % of the total population were able to make correct product associations with the name 'Rolex' spontaneously and without the assistance of any response alternatives.
- **Italy:** a survey conducted by the Institut für Demoskopie Allensbach, dated Spring 2006, under the title 'Is "Rolex" a Mark with a Reputation in Italy?' 1 005 respondents over the age of 15 were interviewed by telephone between 23/03/2006 and 26/03/2006. In reply to the first question 'Thinking of the name "Rolex", do you know the name "Rolex" or is this the first time you have heard this name?', 69 % of the total Italian respondents said they were familiar with the name 'Rolex'. It was also familiar to 89 % of the respondents who were actual and potential purchasers of luxury wristwatches. 65 % of the respondents were able to make correct product associations with the name 'Rolex' spontaneously.
- **Lithuania:** public opinion and market research centre Vilmarus, between 10/07/2008 and 15/07/2008. 1 000 respondents aged 18 or over were interviewed at the respondents' homes in 21 cities and 63 villages. 85.6 % of the respondents answered 'No' to the first question 'Are you interested in luxury watches?'. However, 50.3 % of the respondents answered 'YES' to the second question 'Do you know the "Rolex" watch trade mark?'.
- **Poland:** public opinion survey conducted by Pentor Research International in July 2010. 1 000 respondents aged over 15 were surveyed through a computer-aided personal interview ('face-to-face') at the respondents' homes in the evenings. 60 % of the Polish respondents spontaneously mentioned the trade mark as an example of a luxury watch. An assisted trade mark recognition method reached 79 % when respondents were shown 'ROLEX' trade marks on a screen and were asked whether they knew the brand or had ever heard of it. In reply to the question 'what goods are sold under the 'ROLEX' brand?', 73 % of the respondents answered 'watches'.

- **Exhibit 6:** various rankings of leading brands, including:
 - Interbrand's best global brands;
 - Interbrand's leading luxury brands;
 - Forbes World's most powerful luxury brands;
 - Ranking the brands – 100 most mentioned on Twitter; engagement scores for the world's top 100; luxury; top 20 cool brands;
 - Brands ABC 10;
 - The Leading Luxury Brands.

All of these rankings were published between 2008 and 2010. Some examples are:

- Interbrand, Best Global Brands 2008: Rolex in 71st place, 'Rolex is the world's biggest luxury watch brand';
 - Ranking the Brands, Top 20 Cool Brands 2008, 'Rolex' at number 9;
 - Forbes most powerful luxury brands, 2009, in which Rolex also features;
 - Ranking the Brands, The 100 most mentioned brands on Twitter in 2009, 'Rolex' in 85th place;
 - Interbrand, Best Global Brands 2009, 'Rolex' in 68th place;
 - Superbrands, Official Top 500 in 2010, 'Rolex' is ranked in second place, positioning 'Rolex' as the world's biggest luxury watch brand.
- **Exhibit 7:** a listing of cultural and sporting events associated with 'ROLEX'. It provides information about the huge sponsoring investment of the brand, for example, in water sports, golf and equestrian events.
 - **Exhibit 8:** a listing of all the 'ROLEX' trade mark rights in the EU. This shows that the opponent has a vast trade mark portfolio.
 - **Exhibit 9:** samples of advertising in several European Union countries between 2014



and 2018, for example

- **Exhibit 10:** invoices dated between 2013 and 2018 for 'ROLEX' watches sold in Germany, Spain, France, Italy, the Netherlands and Austria. The invoices refer to various models of chronometers and watches, such as 'Rolex Oyster Perpetual Yacht-Master', 'Rolex Oyster Perpetual Submariner' and 'Rolex Oyster Perpetual Deep Sea', which are also present on the advertising and press articles submitted. The invoices bear the mark and show the products sold.
- **Exhibit 11:** advertising in European magazines, dated between 2014 and 2017. Advertising of 'ROLEX' watches in a number of magazines, including renowned ones, of both national and European distribution, dated between 2014 and 2017, such as, inter alia, *Forbes* and *Bazaar* (Czech Republic, 2014), *The Economist*, *Time*, *Fortune* (European distribution, 2015), *Elle* (Germany, 2016), *Vogue* (Spain, 2015), *Elle* (France 2015), *Bazaar*, *Grazia* (the Netherlands, 2015), *National Geographic* (Poland, 2016),

Elle (Austria, Germany and Romania, 2017), *Kauppalehti* (Finland, 2017) and *National Geographic* (2017).

- **Exhibit 12:** articles in the European press and magazines between 2014 and 2018. By way of **example**, from the various articles submitted, the following information can be extracted.
 - An article in the Italian newspaper *Corriere della Sera*, dated 25/03/2015, entitled 'Rolex Oyster' containing a picture and description of the Rolex Oyster Perpetual Yacht-Master 40, which also appears on several of the invoices submitted, with a price of EUR 22 100.
 - The *Watch-Insider* article in English, dated 10/08/2015, stating that the Rolex Oyster Perpetual Yacht-Master is available through the worldwide Rolex retail network. This model, available in two sizes (40 mm and 37 mm diameter) is said to have been received with great interest during the Baselworld 2015 exhibition. This watch includes 18 carat Everose gold, along with other features such as waterproofness, high precision, other functions and jewellery (31 rubies). The price is EUR 21 550.
 - An article published in the French magazine *Montres*, dated 29/09/2015, and mentioning the 'Rolex Oyster Perpetual Yacht-Master', whereby the price ('Prix') is indicated to be EUR 21 700.
 - An article from *Watch-Insider* of 18/03/2015, containing reviews of the model 'Rolex Day-Date 40', which also appears on the invoices submitted.
 - An article from *The Financial Times*, dated 29/09/2015, relating to Rolex watches and entitled 'Discretion is the watchword for today's wealthy consumers'.
 - An online article published in the online magazine *lovetime*, at www.lovetime.fr on 23/09/2016, mentioning that the Rolex Daytona watch was worn by the American actor Paul Newman in the movie *Virages*.
 - An online article published in the magazine *LePoint*, at www.lepoint.fr, whereby point 3 is entitled 'Rolex star du cinema', mentioning some of the numerous films in which Rolex has appeared, including James Bond films. Examples of other famous films are: *Air Force One*, *All the President's Men*, *Apocalypse Now*, *Apollo 13*, *Argo*, *Body of Lies*, *Die Hard* and *Die hard 2*, *Eyes Wide Shut*, *Good Morning Vietnam*, *Inception*, *Mission Impossible Ghost Protocol*, *Ocean's 13*, *Rain Man*, *Rocky II*, *Schindler's List*, *Speed* and *Titanic*.
 - An article on the Rolex Daytona model, published on 21/10/2016 in the magazine *Chronos*, distributed in Germany, according to which 'since it was unveiled in Baselworld 2016, the Rolex Daytona ... is arguably the most desired watch in the world'.
 - An online article from www.theweek.co.uk, published on 23/11/2016, stating that Rolex honours innovation at the Global Enterprise Awards at the 40th anniversary of its international philanthropic programme, which pays tribute to the best and brightest across a number of different fields. This initiative has been reported in a number of other magazines in other EU countries (e.g. Spain, France and Italy).
 - An article published in the online edition of the Italian newspaper *La Repubblica* (www.repubblica.it) on 07/09/2016, relating to events sponsored by Rolex, namely

the Max Yacht Rolex Cup and the Rolex Maxi 72 World Championship, organised by the Yacht Club Costa Smeralda (Italy) in conjunction with other associations.

- An online article on www.passion-horlogere.com, published on 12/09/2016, and dedicated to the golf 'Evian Championship' sponsored by ROLEX, a 'prestigious event' in which international professional golf players take part.
- An article in the magazine *Chronos*, published on 20/10/2017 in Germany, mentioning that the famous actor Paul Newman was wearing the Rolex Daytona model. The same reference is made in the French magazine *Montres* published on 21/12/2017.
- An article published on www.horbiter.com on 02/09/2018, whereby the Rolex Oystersteel Deepsea model (also present on the invoices submitted) is reported to have been 'incredibly successful thanks to its characteristics that make it an out-of-catalogue hyper-professional diver's watch'. Moreover, in the same article, reference is made to the 5-year guarantee of the opponent's watches, which is 'a marketing operation that makes every Rolex watch – the most traded luxury brand on the second-hand market – extremely desirable even after it has reached three years of life'.
- An article on www.horbiter.com published on 21/09/2018, on the 'Rolex Cellini' watch model. The article states that the entire know-how acquired by the manufacturer (the opponent) in over 100 years of history is elegantly summarised in the new Cellini collection. The three versions of the Rolex Cellini 'exceptionally mirror the manufacturer's spirit that is made of a balanced design, details and exclusivity'.
- **Exhibits 13-17:** press articles, press releases and advertising from 2019 and 2020 in European publications.
- **Exhibit 18:** 'ROLEX' also builds its reputation through the influence of many actors, singers, artists and public figures who wear its watches, inter alia, Paul Newman, Tom Hanks, Renée Zellweger, Phil Collins, Orlando Bloom, Martin Luther King, Jennifer Aniston, Jacques Chirac, Gerard Depardieu, Hillary Clinton, Cristiano Ronaldo, pictures of whom can be seen in Exhibits 17 and 18 wearing ROLEX timepieces.

Documents submitted on 20/06/2023 in opposition proceedings **B 3 188 955** against EUTM application No 18 776 130 'MOREX':

- **Exhibit 1:** advertising from 2021 in Spanish publications (*Vogue, Telva, Vanity Fair, Hola, Harpers Bazaar, GQ, Gentleman, El Pais, ABC*).
- **Exhibit 2:** press articles from 2021 in Spanish publications (*Vogue, Telva, Vanity Fair, Icon, Hola, Harpers Bazaar, GQ, Gentleman, Esquire, ABC*).
- **Exhibit 3:** advertising from 2022 in Spanish publications (*Vogue, National Geographic, Forbes, Elle, Telva, Vanity Fair, Hola, Harpers Bazaar, GQ, Gentleman, El Pais, El Mundo, ABC*).
- **Exhibit 4:** press articles from 2022 in Spanish publications (*Men's Health, Telva, Vanity Fair, Harpers Bazaar, Forbes, Esquire, Fuera de Serie*).

- **Exhibit 5:** press articles from 2021 in publications in several EU countries: Belgium, the Czech Republic, Germany, Ireland, Greece, Spain, France, Italy, the Netherlands, Austria, Poland, Portugal, Romania, Sweden (*Chronos, Esquire, GQ, El Mundo, Expansion, ABC, El País, Vogue, Telva, The Irish Times, Irish Golfer, Revolution, Gentleman, L'Orologio, Golf e Turismo, La Stampa, Corriere della Sera, 24 Hore, Uhren Magazin, Welt, Harper's Bazaar, AD Architectural, Armbanduhren, Germanic News, Watchtime, Uhrenkosmos, Luxify, Racing Business, Montres, Madame, Le Point, Le Figaro, Vanity Fair, passion-horlogere, L'Equipe, Revolution, Luxury Guide, Aftonbladet, ELLE, Espiral do Tempo, L'Echo, watchit.cz, autosportvision.nl, Forbes, chronosplus.gr, Kathimerini.gr, Die Presse, Paris Match*).
- **Exhibit 6:** advertising from 2021 in publications in several EU countries: Belgium, the Czech Republic, Denmark, Germany, Greece, Spain, Croatia, the Netherlands, Austria, Slovakia, Poland, Portugal, Slovenia, Sweden, (*Die Presse, Vogue, Rondo, Ober Österreich, Grazettina, Moments, Forbes, Omicron, National Geographic, Golf Fieber, Sabado, ELLE, Espresso, Negocios, Grazia, Die Presse, Hola*).
- **Exhibit 7:** press articles from 2022 in publications in several EU countries: France, Italy, Greece, Spain, Croatia, the Netherlands, Poland (*GQ, L'Orologio, 24 Hore, Le Figaro, Corriere della Sera, Hello, l'Opinion, Chronos, ABC, Vanity Fair, AD Architectural, ELLE, L'Equipe*).
- **Exhibit 8:** advertising from 2022 in publications in several EU countries: Spain, the Netherlands, Poland, Slovenia, Slovakia, (*Hola, Villa D'Arte, Masters, Nouveau, Linda, Goldebook, Chapeau*).
- **Exhibit 9:** advertising from 2021 in France (*Cote, GQ, Madame, AD, L'Equipe, Le Figaro, The Good Life, Vanity Fair*).
- **Exhibit 10:** advertising from 2022 in France (*Cote, Ideat, Connaissance des Arts, L'Equipe, Les Echos, Le Point, Le Monde, Madame*).

Although the evidence does not refer to all the countries of the European Union, the European Court of Justice has clarified that, for an earlier European Union trade mark, reputation throughout the territory of a single Member State may suffice (06/10/2009, C-301/07, PAGO, EU:C:2009:611, § 30). Indeed, a European Union trade mark must be known in a substantial part of the EU by a significant part of the public concerned by the goods or services covered by that trade mark. Therefore, the Opposition Division acknowledges that proving reputation in the present case in various countries, inter alia Germany, Spain, France and Italy, is sufficient for a conclusion that the earlier trade mark has a reputation in the European Union.

The documents submitted, in particular the market surveys, the advertising material and press articles, demonstrate that the earlier mark has been subject to long-standing and intensive use (of over 100 years) in the European Union in relation to watches, wristwatches and that it is generally known in the relevant market.

Although the market surveys included in Exhibit 5 of the evidence submitted on 04/06/2021 were conducted between 2006 and 2010, from this evidence, it is clear that the opponent has built a reputation through high investment over time. Furthermore, it is clear from the more recent evidence that the opponent continues to invest in advertising the sign. This is a continuous, ongoing process and effort, hence the evidence and market surveys are clearly linked to the opponent's more recent activities. The aforementioned exhibits contain evidence dated later and the quantity of advertisements and press coverage (renowned publications and full-page spreads) clearly support the findings that the reputation continues to subsist.

The market surveys demonstrate a clear spontaneous recognition of the 'ROLEX' word mark for around 60 % of the population in Czechia, Italy, Poland and around 90 % in Denmark and Germany, and most of those relate the sign directly to wristwatches. Furthermore, the sign is directly associated with good quality and luxury.

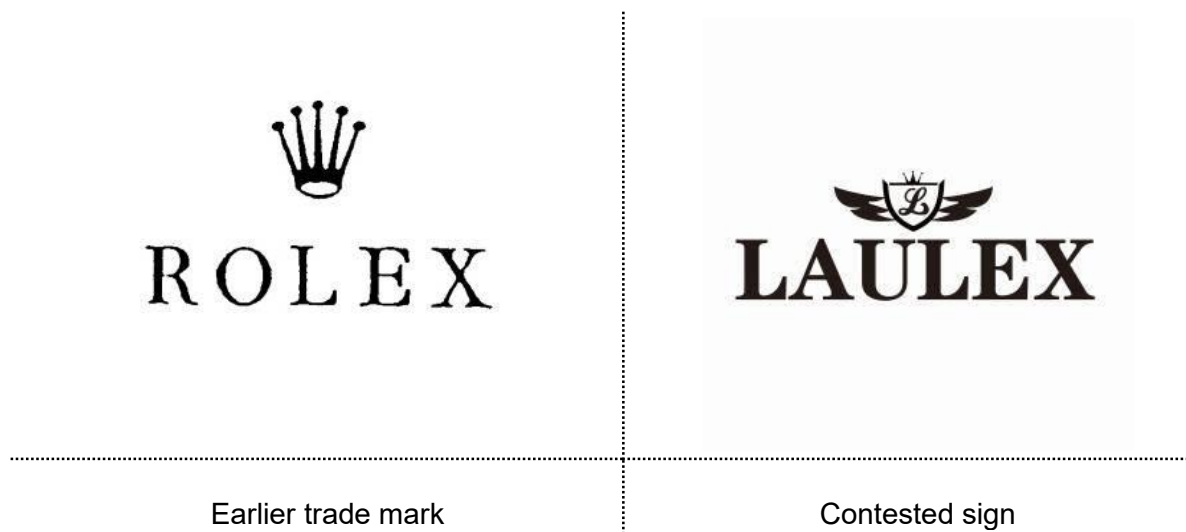
The outcome of the market surveys is also supported by the large number of advertisements that the opponent makes in relation to its sign and products. In addition, as seen from the evidence submitted, the opponent has used its mark for a long time in the market. Through this, the opponent has proved the longevity of the use of the mark. The longer the mark is used in the market, the larger the number of consumers that are likely to have encountered it, and the more likely it is that such consumers will have encountered the mark more than once. The press coverage and advertising cover various countries in the EU, such as Germany, Spain, France and Italy.

Although the rankings do not necessarily give a clear image of the reputation in the European Union specifically, it is at least shown that, regardless of the rankings, the opponent and also the earlier mark 'ROLEX' is large enough to be considered within the leading 100 trade mark brands in the world. Furthermore, the evidence should be assessed as a whole, which means that each piece of evidence should be weighed up against the others, with information confirmed by more than one source generally being considered more reliable than facts derived from isolated references.

The press articles refer to the long-standing use of the earlier mark 'ROLEX' for luxury watches and refer to it as 'the first brand in the world' or 'the most famous in the world' and refer to specific types of watches as 'iconic', 'cult' or 'the best known, most popular, most copied watch in the world'. The articles also refer to the 'enormous brand value' and the fact that it tends to rank number one in luxury brand surveys and resides indefinitely on Forbes list of the world's most powerful brands.

This applies to the figurative mark in question as the evidence adduced demonstrates the joint use of the word ROLEX together with the figurative element of the crown at the top, both on the goods and in advertising material.

Consequently, the Opposition Division concludes that European Union trade mark registration No 1 455 757 has been subject to long-standing and intensive use and is generally known on the relevant market, where it enjoys a consolidated position among the leading brands in relation to *watches*; *wristwatches*, as has been attested by diverse independent sources. It undoubtedly has obtained a strong reputation in relation to those goods. However, the evidence submitted by the opponent does not refer to the remaining goods on which the opposition is based, or at least not sufficiently. Therefore, it does not succeed in proving a reputation for those goods.

b) The signs

The relevant territory is the European Union.

The global appreciation of the visual, aural or conceptual similarity of the marks in question must be based on the overall impression given by the marks, bearing in mind, in particular, their distinctive and dominant components (11/11/1997, C-251/95, Sabèl, EU:C:1997:528, § 23).

Neither of the verbal elements of the marks have a meaning from the perspective of the public in the relevant territory; therefore, they are distinctive.

The depiction of a crown in the earlier mark is usually associated with the concepts of royalty and luxury, therefore, it is, at best, distinctive to a low degree, as it merely alludes to the higher quality of the goods in question.

On the other hand, the contested sign's element of a coat of arms with wings on the sides and a crown on top is also slightly allusive of a higher quality of goods and, therefore, its degree of distinctiveness is below average. The letter 'L' in the centre of the element will be perceived as the mere initial of the verbal element below it. In terms of meaning and distinctiveness, it will not be perceived by the public independently of the verbal element of the sign to which it refers and reinforces, and therefore, it will be equally as distinctive as the verbal element 'LAULEX'. In any event, even if the letter 'L' is not ignored, it will be identified as the initial letter of the verbal element 'LAULEX' and, therefore, it is the latter term that consumers will concentrate on (17/03/2016, R 496/2015-1, M MASTIHA (fig.) / mastihashop VOYAGE TO THE EAST MEDITERRANEAN THE CHIOS MASTIHA GROWERS ASSOCIATION (fig.) et al., § 22).

The stylisation of the signs' verbal elements remains largely customary and has no characteristic capable of making an immediate and lasting impression on the memory of the relevant public. Therefore, they are non-distinctive.

The signs have no element that could be considered clearly more dominant than other elements.

Furthermore, when signs consist of both verbal and figurative components, in principle, the verbal component of the sign usually has a stronger impact on the consumer than the

figurative component. This is because the public does not tend to analyse signs and will more easily refer to the signs in question by their verbal element than by describing their figurative elements (14/07/2005, T-312/03, SELENIUM-ACE / SELENIUM SPEZIAL A-C-E (fig.), EU:T:2005:289, § 37).

The consideration that the consumer normally attaches more importance to the initial part of a trade mark cannot apply in all cases and calls into question the principle that the examination of the similarity of trade marks must be based on the overall impression produced by them. There is no reason to believe that average consumers, who are reasonably well informed, observant and circumspect, will systematically disregard the subsequent part of the verbal element of a trade mark to the extent that they only remember the first part (07/06/2023, T-33/22, Porto insígnia / Insignia et al., EU:T:2023:316, § 56-57).

Visually, the signs coincide in the letters 'LEX'. However, they differ in their first letters, 'RO' in the earlier mark and 'LAU' in the contested sign. In addition, the signs differ in the initial letter 'L' of the contested sign and their respective figurative elements and graphic aspects that have a lower degree of distinctiveness and impact for the reasons indicated above.

Therefore, the signs are visually similar to a low degree.

Aurally, irrespective of the different pronunciation rules in different parts of the relevant territory, the pronunciation of the signs coincides in the sound of the letters 'LEX'. However, they differ in the sound of the letters, 'RO' in the earlier mark and 'LAU' in the contested sign. As for the letter 'L' incorporated in the figurative element of the contested sign, it will most likely not be pronounced because it will be perceived as the mere initial of the word element placed underneath, to which consumers will refer.

Therefore, the signs are visually similar to a below-average degree.

Conceptually, reference is made to the previous assertions concerning the semantic content conveyed by the marks. Since both signs will be associated with the concept of a crown, due to the representation of a crown in both signs, notwithstanding its weak character and the differences arising from the remaining figurative elements of the contested sign, the signs are conceptually similar to a low degree.

Taking into account that the signs have been found similar in at least one aspect of the comparison, the examination of the existence of a risk of injury will proceed.

c) The 'link' between the signs

As seen above, the earlier mark is reputed and the signs are visually and conceptually similar to a low degree, and aurally similar to a below-average degree. To establish the existence of a risk of injury, it is necessary to demonstrate that, given all the relevant factors, the relevant public will establish a link (or association) between the signs. The necessity of such a 'link' between the conflicting marks in consumers' minds is not explicitly mentioned in Article 8(5) EUTMR but has been confirmed by several judgments (23/10/2003, C-408/01, Adidas, EU:C:2003:582, § 29, 31; 27/11/2008, C-252/07, Intel, EU:C:2008:655, § 66). It is not an additional requirement but merely reflects the need to determine whether the association that the public might establish between the signs is such that either detriment or unfair advantage is likely to occur after all of the factors that are relevant to the particular case have been assessed.

Possible relevant factors for the examination of a 'link' include (27/11/2008, C-252/07, Intel, EU:C:2008:655, § 42):

- the degree of similarity between the signs;
- the nature of the goods and services, including the degree of similarity or dissimilarity between those goods or services, and the relevant public;
- the strength of the earlier mark's reputation;
- the degree of the earlier mark's distinctive character, whether inherent or acquired through use;
- the existence of likelihood of confusion on the part of the public.

This list is not exhaustive and other criteria may be relevant depending on the particular circumstances. Moreover, the existence of a 'link' may be established on the basis of only some of these criteria.

The signs have been found to be visually and conceptually similar to a low degree, and aurally similar to a below-average degree. This is primarily due to the common presence of the letters 'LEX', which constitute three of the five letters in the word element of the earlier mark. Additionally, their similarity is also influenced by the similar structure of a single word element and the common depiction of a crown.

The earlier mark has a strong reputation in relation to *watches*, *wristwatches* and the contested goods are either time instruments or fittings and accessories thereof. Some of these goods are identical (watches) while the rest are clearly closely related (other time instruments, fittings and accessories for time instruments).

Therefore, taking into account and weighing up all the relevant factors in the present case, especially the strong reputation of the earlier mark and the identity or close proximity of the product sectors of the marks, in combination with the similarities between the signs, the Opposition Division concludes that, when encountering the contested mark, despite its visual and aural differences, the relevant consumers are likely to associate it with the earlier sign, that is, establish a mental 'link' between the signs. However, although a 'link' between the signs is a necessary condition for further assessing whether detriment or unfair advantage are likely, the existence of such a link is not sufficient, in itself, for a finding that there may be one of the forms of damage referred to in Article 8(5) EUTMR (26/09/2012, T-301/09, CITIGATE / CITICORP et al., § 96).

d) Risk of injury

Use of the contested mark will fall under Article 8(5) EUTMR when any of the following situations arise:

- it takes unfair advantage of the distinctive character or the repute of the earlier mark;
- it is detrimental to the repute of the earlier mark;
- it is detrimental to the distinctive character of the earlier mark.

Although detriment or unfair advantage may be only potential in opposition proceedings, a mere possibility is not sufficient for Article 8(5) EUTMR to be applicable. While the proprietor of the earlier mark is not required to demonstrate actual and present harm to its mark, it must

‘adduce prima facie evidence of a future risk, which is not hypothetical, of unfair advantage or detriment’ (06/07/2012, T-60/10, ROYAL SHAKESPEARE / RSC- ROYAL SHAKESPEARE COMPANY et al., EU:T:2012:348, § 53).

It follows that the opponent must establish that detriment or unfair advantage is probable, in the sense that it is foreseeable in the ordinary course of events. For that purpose, the opponent should file evidence, or at least put forward a coherent line of argument demonstrating what the detriment or unfair advantage would consist of and how it would occur, that could lead to the prima facie conclusion that such an event is indeed likely in the ordinary course of events.

The opponent claims that:

- the applicant’s only intention upon filing the challenged EUTM was to obtain exclusive rights over the name of a renowned trade mark causing, at the same time, detriment to the opponent’s trade mark image;
- the applicant is taking advantage of the opponent’s trade mark, but will also cause detriment to ROLEX, S.A.’s image. Should the public associate the products that the applicant intends to sell under the trade mark LAULEX with ROLEX, S.A., the chances are that those who considered purchasing the opponent’s products will give it a second thought.

In other words, the opponent claims that the use of the contested trade mark would take unfair advantage of the distinctive character or repute of the earlier trade mark and would be detrimental to the repute of the earlier trade mark.

Unfair advantage (free-riding)

Unfair advantage in the context of Article 8(5) EUTMR covers cases where there is clear exploitation and ‘free-riding on the coat-tails’ of a famous mark or an attempt to trade upon its reputation. In other words, there is a risk that the image of the mark with a reputation or the characteristics which it projects are transferred to the goods and services covered by the contested trade mark, with the result that the marketing of those goods and services is made easier by their association with the earlier mark with a reputation (06/07/2012, T-60/10, ROYAL SHAKESPEARE / RSC- ROYAL SHAKESPEARE COMPANY et al., EU:T:2012:348, § 48; 22/03/2007, T-215/03, VIPS / VIPS, EU:T:2007:93, § 40).

The opponent bases its claim on the following arguments.

- Awareness of the trade mark ROLEX inevitably leads some companies and individuals to try to illegally associate themselves with the trade mark for their financial benefit.
- From the documents submitted in support of the reputation of the ROLEX trade mark, it can be clearly deduced that it is an exclusive trade mark, implying high standard concepts such as prestige, luxury and an active lifestyle.
- The applicant could take unfair advantage of the degree of recognition of the ‘ROLEX’ mark in order to introduce their own trade mark without incurring any risk or bearing the costs of introducing a totally unknown trade mark to the market.

According to the Court of Justice of the European Union,

... as regards injury consisting of unfair advantage taken of the distinctive character or the repute of the earlier mark, in so far as what is prohibited is the drawing of

benefit from that mark by the proprietor of the later mark, the existence of such injury must be assessed by reference to average consumers of the goods or services for which the later mark is registered, who are reasonably well informed and reasonably observant and circumspect.

(27/11/2008, C-252/07, Intel, EU:C:2008:655, § 36.)

The notion of taking unfair advantage of distinctiveness or repute covers cases where the applicant benefits from the attractiveness of the earlier right by affixing a sign that is similar (or identical) to one widely known in the market on its goods/services and thus misappropriating its power to attract, and its advertising value or exploiting its reputation, image and prestige. This may lead to unacceptable situations of commercial parasitism where the applicant is allowed to take a 'free-ride' on the investment of the opponent in promoting and building up goodwill for its mark, as it may stimulate the sales of the applicant's products to an extent that is disproportionately high in comparison with the size of its promotional investment.

The concept of 'unfair advantage' focuses on benefit to the later mark rather than harm to the earlier mark; what is prohibited is the exploitation of the earlier mark by the proprietor of the later mark. Accordingly, the existence of injury consisting of unfair advantage obtained from the distinctive character or repute of the earlier mark must be assessed by reference to the average consumers of the goods or services that the later mark has applied to cover (27/11/2008, C-252/07, Intel, EU:C:2008:655, § 35, 36; 12/03/2009, C-320/07 P, NASDAQ (fig.) / NASDAQ, EU:C:2009:146, § 46-48; 07/12/2010, T-59/08, NIMEI LA PERLA MODERN CLASSIC / NIMEI, EU:T:2010:500, § 35).

Taking into account the strong reputation of the earlier mark, the overall similarity between the signs, and the fact that the relevant goods are either identical or closely connected, it seems very likely that the applicant seeks to benefit from the value of the earlier mark.

By riding on the coat-tails of the reputed mark, the applicant would benefit from its power of attraction, its reputation and its prestige. It would also exploit, without paying any financial compensation, the marketing effort expended by the opponent in order to create and maintain the image of its mark.

On the basis of the above, the Opposition Division concludes that the contested trade mark is likely to take unfair advantage of the distinctive character or repute of the earlier trade mark.

Other types of injury

The opponent also argues that use of the contested trade mark would be detrimental to the repute of the earlier trade mark.

As seen above, the existence of a risk of injury is an essential condition for Article 8(5) EUTMR to apply. The risk of injury may be of three different types. For an opposition to be well founded in this respect it is sufficient if only one of these types is found to exist. In the present case, as seen above, the Opposition Division has already concluded that the contested trade mark would take unfair advantage of the repute of the earlier trade mark. It follows that there is no need to examine whether other types also apply.

e) Conclusion

Considering all the above, the opposition is well founded under Article 8(5) EUTMR.

Therefore, the contested trade mark must be rejected for all the contested goods.

Given that the opposition is entirely successful under Article 8(5) EUTMR, it is not necessary to examine the remaining grounds and earlier rights on which the opposition was based.

COSTS

According to Article 109(1) EUTMR, the losing party in opposition proceedings must bear the fees and costs incurred by the other party.

Since the applicant is the losing party, they must bear the opposition fee as well as the costs incurred by the opponent in the course of these proceedings.

According to Article 109(1) and (7) EUTMR and Article 18(1)(c)(i) EUTMR, the costs to be paid to the opponent are the opposition fee and the costs of representation, which are to be fixed on the basis of the maximum rate set therein.



The Opposition Division

Saida CRABBE

Caridad MUÑOZ VALDÉS

Francesca CANGERI

According to Article 67 EUTMR, any party adversely affected by this decision has a right to appeal against this decision. According to Article 68 EUTMR, notice of appeal must be filed in writing at the Office within two months of the date of notification of this decision. It must be filed in the language of the proceedings in which the decision subject to appeal was taken. Furthermore, a written statement of the grounds for appeal must be filed within four months of the same date. The notice of appeal will be deemed to have been filed only when the appeal fee of EUR 720 has been paid.