



OFFICE FOR HARMONIZATION IN THE INTERNAL MARKET
(TRADE MARKS AND DESIGNS)

The Boards of Appeal

DECISION
of the Fourth Board of Appeal
of 21 October 2009

In Case R 974/2008-4

(mt) Media Temple, Inc.

8520 National Boulevard, Building A
Culver City, California 90232
United States of America

Applicant/Appellant

represented by Wagner & Geyer, Gewürzmühlstr. 5, D-80538 München, Germany

v

Mediatemple GBR

Nordalbinger Weg 23
D-22455 Hamburg
Germany

Opponent/Respondent

APPEAL relating to Opposition Proceedings No B 1 079 153 (Community trade mark application No 4 947 701)

THE FOURTH BOARD OF APPEAL

composed of D. Schennen (Chairman and Rapporteur), F. López de Rego (Member)
and A. Szanyi Felkl (Member)

Registrar: J. Pinkowski

gives the following

Language of the case: English

Decision

Summary of the facts

- 1 On 8 March 2006 the applicant filed application No 4 947 701 to register the word mark

MEDIA TEMPLE

for the following services in Class 42:

Class 42 – Designing, creating and maintaining of websites for others; hosting computer websites.

- 2 Notice of opposition was filed on 21 November 2006 by Infochannel Group Ltd. & Co. KG; during the opposition proceedings, the earlier right on which the opposition was based was transferred to Mediatemple GBR, who informed the Office of their intention to continue with the opposition proceedings.
- 3 The opposition was based on the following earlier right:

German trade mark No 305 31 537 for the figurative mark

(mt) mediatemple

filed on 31 May 2005 and registered on 13 September 2005 for a range of services in Classes 35, 38 and 42. The opposition was based on all the services of this mark. Among them, the following services of the earlier mark were considered relevant by the Opposition Division:

Layout, design and production of homepages and www-sites, provision of web space (web-hosting).

- 4 The grounds of the opposition were those laid down in Article 8 (1) (b) of Council Regulation (EC) No 207/2009 of 26 February on the Community trade mark, OJ L 78 of 24.3.2009, p. 1, codified version of Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark ('CTMR').
- 5 On 3 December 2007 the applicant filed a request for suspension of the opposition proceedings because it claimed that it was in the process of preparing a cancellation action against the earlier trade mark on which the opposition was based. On 14 December 2007 the Office rejected the request for suspension.
- 6 On 4 March 2008, the applicant submitted evidence about the cancellation process filed against the earlier mark with the German Patent and Trademark Office, in which they claimed that the earlier German trade mark had been

filed in bad faith. It was also asked that the present opposition proceedings lie quiescent until the cancellation proceedings are terminated. On 17 April 2008, the Office informed the applicant that the documents submitted on 4 March 2008 had been forwarded to the opponent for information purposes and that they would not be taken into consideration because there were not received within the time limit foreseen under Rule 19 (4) CTMIR and that the Office would give a ruling on the basis of the evidence before it.

7 On 29 April 2008, the Opposition Division took a decision to uphold the opposition in its entirety because there was likelihood of confusion in the mind of the relevant consumer. The reasoning of the contested decision can be summarized as follows:

- The confronted services are highly similar to the above-mentioned services for which the earlier mark is registered.
- There is a visual similarity to a high degree among the marks in dispute. The marks are also phonetically similar and conceptually identical; both marks would be linked by the German average consumer to the notion of a 'temple of media'.
- On the global assessment on likelihood of confusion, the distinctiveness of the earlier mark must be seen as normal. In view of the similarity of the signs and the services in dispute, there is a likelihood of confusion in the mind of the German consumer.

Submissions and arguments by the parties

8 On 30 June 2008 the applicant filed a notice of appeal against this decision and a statement of grounds on 22 August 2008. It requests the Board to set aside the contested decision and that the opposition proceedings are suspended until a decision in the national cancellation proceedings is rendered.

- The appeal accuses the Opposition Division of a wrongful exertion of discretion with regard to its refusal of suspending the opposition proceedings until a decision on the cancellation case has been taken. It was quite difficult and time-consuming to collect evidence from years back in support of a national cancellation case.
- By failing to grant the suspension (or extension of time) OHIM has failed to weigh the rights of the applicant appropriately against the rights of the opponent. The applicant has lost his CTM application. In contrast, the opponent would have experienced no harm had it merely taken more time to render a decision.

9 The opponent requests to dismiss the appeal.

- The opponent has never agreed with an extension of the cooling-off period or any other deadline, and will not do so now.

- It was only in March 2008 that the applicant filed a cancellation request before the German Office. The opponent contacted the German Office and a decision on the cancellation request cannot be expected until spring 2009.
- The opponent has contested the cancellation request and has substantiated with evidence before the German Office that he was not in bad faith and that the applicant has never acquired vested rights in Germany on the contested mark.
- The applicant has only 13 customers in Germany as a web hosting company and tried to deceive the German Office with spurious evidence.

Reasons

- 10 The applicant (appellant) does not raise any objections against the assessment of the contested decision regarding the existence of a similarity of the signs and the goods and services and a likelihood of confusion between the CTM application and the opponent's earlier German mark No 305 31 537.
- 11 The main claim of the appellant is that the Board suspends the opposition proceedings and that the contested decision is set aside until a decision by the German Office is taken on the cancellation request filed against the earlier German trade mark.
- 12 This claim is inadmissible. It is tantamount to a suspension of the appeal proceedings. Such a request does not constitute an admissible statement of grounds (Decision of the Grand Board of Appeal of 18 April 2008 R 1341/2007-G, 'KOSMO/COSMONE'), as it would effectively extend the time limit to file a statement of grounds on the merits of the case for several months at least, which runs counter to Article 60 CTMR (ex Article 59).
- 13 The only admissible subject-matter in the statement of grounds of appeal is the appellant's reproach that in issuing its decision, the Opposition Division violated the procedural rules regarding opposition proceedings. To this extent the appeal is admissible, but it is not well-founded.
- 14 Pursuant to Rule 20 (7) CTMIR, as amended with effect of 25 July 2005, the Office 'may' suspend the opposition proceedings 'where a suspension is appropriate under the circumstances'. It follows that the Opposition Division was under no obligation to suspend the opposition proceedings and did not issue its decision in violation of Rule 20 (7) CTMIR. It has to be emphasized that the only case in which an otherwise well-founded opposition must be suspended is the case of Article 8 (2) (b) CTMR where the opposition is based on an application, since Article 8 ((2) (b) CTMR itself stipulates that such rights are grounds for opposition only if and when they become registered ('subject to their registration').

- 15 There is also no violation of Rule 71 (2) CTMIR, because the Opposition Division is, if not required, then at least entitled to make the extension of time limits subject to the agreement of the other party. In the present case, the opponent never agreed to the applicant's time limits to be extended.
- 16 There is no reason for the Board to review the exercise of the Opposition Division's discretion regarding the suspension of the proceedings, or to replace their discretion by our own.
- 17 As of today, the earlier national mark on which the opposition is exclusively based is still validly registered with the German Office. Since the appellant filed its statement of grounds, one year has lapsed and the appellant has not provided the Board with any update on the status of the national cancellation proceedings on which the appellant relied. It suffices to say that the appellant has not alleged or proven that the earlier mark is no longer in force.
- 18 For the sake of completeness, the Board emphasizes that the mere attack against the validity of an earlier right on which the opposition is based does not necessarily or automatically call for a suspension of the opposition proceedings. Both parties are aware that a German infringement judge would suspend the infringement suit on the grounds of a cross-attack against the validity of the mark only if there is some likelihood or preponderance that the mark would be annulled. Otherwise it would be left in the hands of infringers or junior filers to annihilate the effects of a registered trade mark by filing unjustified and dilatory actions or requests against the validity of the mark.
- 19 The earlier German mark was registered in September 2005. It took the applicant several years to file a cancellation request based on bad faith. The basis of that request, bad faith, is doubtful and chiefly in reliance on facts that took place in the US, for which the relevance to the present proceedings is difficult to be seen. To the extent the applicant claimed that it runs a business in the US and has clients in Germany, it is not readily seen how this could assist the applicant, as the applicant has not sought to cancel the German trade mark on the grounds of better earlier rights.
- 20 The appellant did not in an admissible way challenge the contested decision, which held that there is a likelihood of confusion within the meaning of Article 8 (1) (b) CTMR. It is therefore not needed for the Board to re-examine the contested decision in that regard, and the Board confirms the findings of the contested decision *tel quel*.
- 21 As a consequence of the above, the decision of the Opposition Division to reject the contested CTM application on the grounds that there is a likelihood of confusion with the opponent's earlier German mark No 305 31 537 is confirmed.

Costs

- 22 As the appellant is the losing party within the meaning of Article 85 (1) (ex Article 81 (1)) CTMR, it must be ordered to bear the costs incurred by the respondent in the appeal proceedings.

Fixing of costs

- 23 Pursuant to Article 85 (6) (ex Article 81 (6)) CTMR, the Board of Appeal shall fix the amount of the cost to be paid. In the case at issue, the respondent as the winning party did not appoint a professional representative, so there are no representation costs to be fixed. Pursuant to Rule 94 (6) CTMR, the appellant shall be ordered to reimburse the opposition fee of 350 EUR paid by the respondent.

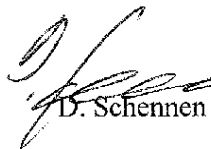
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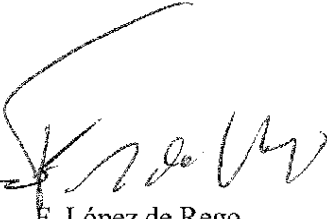
On those grounds,


THE BOARD

hereby:

1. Dismisses the appeal;
2. Orders the appellant to bear the costs incurred by the respondent in the opposition and appeal proceedings;
3. Fixes the amount of costs to be paid by the appellant to the respondent with respect to the opposition and appeal proceedings at EUR 350.


D. Schennen


F. López de Rego


A. Szanyi Felkl

Registrar:


J. Pinkowski