

IMPORTANT LEGAL NOTICE - The information on this site is subject to a [disclaimer](#) and a [copyright notice](#).

JUDGMENT OF THE COURT OF FIRST INSTANCE (Fourth Chamber)

10 May 2007 (*)

(Community trade mark – Opposition proceedings – Application for Community figurative mark nasdaq – Earlier Community word mark NASDAQ – Relative ground for refusal – Reputation – Article 8(5) of Regulation (EC) No 40/94)

In Case T•47/06,

Antartica Srl, established in Rome (Italy), represented by E. Racca, lawyer,

applicant,

v

Office for Harmonisation in the Internal Market (Trade marks and Designs) (OHIM), represented by A. Folliard-Monguiral, acting as Agent,

defendant,

the other party to the proceedings before the Board of Appeal of OHIM, intervener before the Court of First Instance, being

The Nasdaq Stock Market Inc., established in Washington, DC (United States), represented by J. van Manen and J. Hofhuis, lawyers,

APPLICATION for annulment of the decision of the Second Board of Appeal of OHIM of 7 December 2005 (Case R 752/2004-2) relating to opposition proceedings between The Nasdaq Stock Market Inc. and Antartica Srl,

THE COURT OF FIRST INSTANCE OF THE EUROPEAN COMMUNITIES (Fourth Chamber),

composed of H. Legal, President, I. Wiszniewska-Bia•ecka and E. Moavero Milanese, Judges,

Registrar: J. Plingers, Administrator,

having regard to the application lodged at the Registry of the Court of First Instance on 16 February 2006,

having regard to the response of OHIM lodged at the Registry of the Court on 23 May 2006,

having regard to the response of the intervener lodged at the Registry of the Court on 8 June 2006,

having regard to the measures of organisation of procedure of 19 December 2006,

further to the hearing on 14 February 2007,

gives the following

Judgment

Background to the dispute

1 On 30 March 2000 Antarctica Srl filed an application for registration of a Community trade mark at the Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM) under Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark (OJ 1994 L 11, p. 1), as amended.

2 The mark in respect of which registration was sought is the following figurative sign:



3 The goods for which registration was sought are in classes 9, 12, 14, 25 and 28 of the Nice Agreement concerning the International Classification of Goods and Services for the Purpose of the Registration of Marks of 15 June 1957, as revised and amended and correspond to the following descriptions:

- class 9: 'Protective helmets for sports, cycling, motorcycling, motor racing, skiing, protective goggles for sports and pads for protecting body and limbs against accidents for personal use, time recording apparatus';
- class 12: 'Vehicles, in particular bicycles and mountain bikes';
- class: 14: 'Clocks, chronometers, sports chronometers';
- class 25: 'Clothes, in particular sportswear, clothing for gymnastics, ski boots, and après-ski boots, sports shoes in general';
- class 28: 'Skis, ski poles, anti-vibration plates for skis, snowboards, boards for surfing on snow and on water, ski bindings and ski wax, stationary exercise bicycles, gymnasium equipment and apparatus'.

4 The application was published in the *Community Trademarks Bulletin* No 11/2001 of 29 January 2001.

5 On 27 April 2001, The Nasdaq Stock Market Inc. brought opposition proceedings against the registration of the mark applied for in respect of all the goods referred to in the application for registration. The grounds relied on in support of the opposition were those in Article 8(1)(b) and 8(5) of Regulation No 40/94.

6 The opposition was based on all the goods and services covered by Registration No 118 406 of Community word mark NASDAQ, filed on 1 April 1996 and registered on 5 January 1999, namely:

- class 9: 'Computer programs amongst others in the field of the analysis of securities prices, stock exchange, finance; computer apparatus, in particular closed circuit apparatus for the generation and the dissemination of securities information as well as closed circuit CRT terminals for use therewith as well as computer programs for the access to securities information';
- class 16: 'Documentation and manuals related to computer programs and computer apparatus';
- class 35: 'Stock exchange price quotation services; listings of securities for quotations for sale or information purposes';
- class 36: 'Financial services, amongst others, providing and updating an index of security values, securities, fixed incomes (such as bonds) and derivative products (such as options, warrants and swaps); as well as classification, analysis and reporting thereof';
- class 38: 'Telecommunication services, amongst others electronic transmission of messages and data related to securities';
- class 42: 'Computerised securities information and retrieval services, being general computer services'.

7 By decision of 28 June 2004, the Opposition Division of OHIM rejected the opposition on the ground that there was no likelihood of confusion within the meaning of Article 8(1)(b) of Regulation No 40/94, and that the reputation of the earlier mark in Europe had not been properly substantiated.

8 On 24 August 2004, the intervener brought an appeal before OHIM against the Opposition Division's decision.

9 By decision of 7 December 2005 ('the contested decision'), the Second Board of Appeal of OHIM set aside the Opposition Division's decision on the ground that the latter had wrongly rejected the opposition by basing its decision on the fact that the conditions for the application of Article 8(5) of Regulation No 40/94 had not been fulfilled. For its part, the Board of Appeal held that the reputation of the trade mark

NASDAQ in the European Union for the services in classes 35 and 36 for which it had been registered had been substantiated, and that the applicant's use of the mark *nasdaq* without due cause would take unfair advantage of or be detrimental to the distinctive character and reputation of the earlier mark. Therefore, the Board of Appeal upheld the opposition.

Forms of order sought by the parties

10 In its application the applicant claims that the Court should:

- annul the contested decision;
- order OHIM to pay the costs.

11 OHIM and the intervener contend that the Court should:

- dismiss the action;
- order the applicant to pay the costs.

Law

12 In support of its action, the applicant relied on two pleas in law alleging, first, misuse of power within the meaning of Article 63(2) of Regulation No 40/94 and, second, infringement of Article 8(5) of Regulation No 40/94. At the hearing the applicant abandoned its first plea, of which the Court took formal note. Therefore, it is only necessary to examine the plea alleging infringement of Article 8(5) of Regulation No 40/94.

Arguments of the parties

13 The applicant submits, first of all, that the fact that the word 'nasdaq' is well known has nothing to do with the supposed reputation of the trade mark NASDAQ. 'Nasdaq' is above all the international market indicator quoted in the media for financial information. Apart from merchandising, that indicator does not designate any goods or services supplied by the intervener. Registration No 118 406 does not include the class relating to merchandising, and merchandising has only minor importance with regard to the principal use of the sign NASDAQ. The use of the word 'nasdaq' simply for merchandising is not, therefore, sufficient to establish the reputation of the trade mark NASDAQ.

14 Next, most of the evidence of reputation, provided by the intervener during the administrative proceedings, concerned the Nasdaq index and the American market. It is not related to specific services that the intervener supplies to customers or to goods sold or marketed in Europe under the NASDAQ trade mark. Therefore, that evidence does not establish the reputation of that trade mark in the European Union.

15 Finally, the Board of Appeal has infringed Article 8(5) of Regulation No 40/94 by stating that the reputation of a trade mark does not need to extend to all sectors of the economy, although the degree of knowledge required for a trade mark to have a reputation is greater than the degree of knowledge required for a mark to be well known within the meaning of Article 6a of the Paris Convention for the Protection of Intellectual Property 1883, as revised and amended. Consequently, a trade mark has a reputation only where it is known even by sections of the public which do not purchase the goods it covers.

16 The applicant concludes from the foregoing that the earlier mark was wrongly regarded as having a reputation. Therefore, the use of the mark for which registration is sought cannot entail advantage or detriment. Furthermore, neither the reputation, advantage nor the detriment mentioned, have been proved. Moreover, even if evidence of the reputation was produced, the Board of Appeal drew incorrect inferences from it. Therefore, the contested decision must be set aside.

17 OHIM replies, first, that, in order to enjoy the protection provided for in Article 8 (5) of Regulation No 40/94, the sign at issue must indeed be known and perceived as a trade mark by at least a significant portion of the European public. However, during the administrative proceedings the applicant accepted that the way in which the sign NASDAQ was used was such that it was in fact used and perceived as a trade mark, and then did nothing more than cast doubt on the degree of recognition of that sign by the market. Therefore, the applicant's argument that the sign NASDAQ was not used and perceived as a trade mark is inadmissible, since it alters the subject-matter of the dispute contrary to Article 135(4) of the Rules of Procedure of the Court of First Instance.

18 In any event that argument is unfounded. The earlier trade mark designates services in classes 35 and 36, which include stock exchange price quotation services. Therefore, the references to the word 'nasdaq' in the newspapers concern the trade mark NASDAQ as a financial services index, which is the core element of the services designated by the earlier mark in classes 35 and 36. Therefore, the Board of Appeal was right to accept that the earlier trade mark had been used, and enjoyed a reputation for the services in classes 35 and 36.

19 Second, as regards the degree of recognition of the trade mark NASDAQ, OHIM argues that, contrary to the applicant's submissions, its reputation must be determined in relation to the perception of a specialised public which is especially well informed and highly attentive.

20 As regards the evidence adduced to prove reputation, that evidence predates the filing of the application for registration by the applicant, and the latter acknowledges that the reputation acquired by the word 'nasdaq' relates to an international markets index, which amounts to admitting that it relates to the business management and financial services designated by the earlier trade mark. Therefore, the Board of Appeal rightly held that the documents produced by the intervener proved the earlier trade mark's reputation.

21 Contrary to the applicant's assertions, the fact that many documents refer to the Nasdaq index and to the United States market cannot call that finding into question,

since the financial information services provided under the trade mark NASDAQ are not limited to the United States, as is shown by the many references to that mark in European newspapers. The absence from the file of detailed information on the degree of knowledge or recognition of the trade mark on the part of the relevant European public is irrelevant, since the extensive coverage by the media shows without any doubt that 'nasdaq' identifies, in the eyes of the European public, a pre-eminent provider of recognised financial-market indices. Furthermore, the minutes of a meeting of the applicant's shareholders also shows that the latter were aware, on account of the earlier mark's reputation for business and financial information services, that the trade mark NASDAQ was mainly associated with the Nasdaq financial index.

22 Third, OHIM concurs with the finding of the Board of Appeal that, by specifically choosing the mark nasdaq for their goods, the applicant was seeking to take unfair advantage of the distinctive character and reputation of the earlier mark, which the intervener had already established in the proceedings before OHIM.

23 According to the case-law, the holder of the earlier mark is only required to adduce prima facie evidence of a future risk, which is not hypothetical, of unfair advantage or detriment. General allegations of detriment or unfair advantage in that regard are not sufficient but, considering that in such cases it is the likelihood of a future event which has to be proved, it is often necessary to proceed on the basis of legal presumptions, that is of logical assumptions or deductions resulting from the application of the rules of probability to the facts of the specific case.

24 A detriment is caused to the distinctive character of an earlier mark, or an unfair advantage is taken when operators purposely choose signs identical or similar to a reputed mark for use in a different field, in order to divert for their own benefit part of the investments made by the earlier right holder. Such conduct is to be inferred from various interdependent elements, including the degree of distinctiveness per se of the earlier mark, its degree of reputation, the degree of similarity between the signs, and the degree of connection between the goods and services concerned. The stronger the earlier mark's distinctive character and reputation the easier it will be to accept that detriment has been caused to it or that unfair advantage has been taken of it.

25 In this case, the sign NASDAQ is inherently very distinctive. Furthermore, it enjoyed extensive media coverage well before the date on which the applicant filed its application for registration, which illustrates the scale of its reputation. Moreover, the signs in dispute are visually very similar. The fact that the services designated by each mark pertain to commercial areas which are very remote from one another is not enough to lead to the conclusion that the mark applied for would not benefit from the reputation acquired by the earlier mark. The high degree of distinctiveness per se of the earlier mark, its reputation and the great similarity between the conflicting signs therefore outweigh the lower degree of connection between the goods and services concerned.

26 Moreover, the 'uniqueness' of the earlier mark and its degree of recognition make it highly implausible that the deliberate choice of a quasi-identical sign in a different field is an independent marketing strategy, especially as the 'high-tech' value with which the mark NASDAQ is associated can be misappropriated in any sector which claims to embrace advanced technology, particularly sporting equipment.

27 Taking account of that evidence the applicant would have to show that there is 'due cause', within the meaning of Article 8(5) of Regulation No 40/94, which justifies the choice of the word 'nasdaq'. The argument that that sign was chosen naively, only because it can be read as an acronym for 'Nuovi Articoli Sportivi Di Alta Qualita' (new high quality sports articles) is hardly credible. First, prepositions such as 'of' or 'di' in Italian, are not normally part of acronyms, except where it is intended to create a meaningful word, which is not the case in these proceedings. Second, the minutes of the applicant's shareholders' meeting of 12 April 1998 confirm that what was intended was to create a link with the trade mark NASDAQ, so as to benefit from the prestige already enjoyed by that trade mark in the field of 'high-tech' economy.

28 In light of those arguments the plea must be rejected.

29 The intervener observes, as a preliminary point, that, according to the case-law, for successful opposition under Article 8(5) of Regulation No 40/94 it is not necessary to establish a likelihood of confusion. It is sufficient that the relevant public might make a connection between the earlier mark and the mark applied for.

30 As to the conditions laid down for the application of Article 8(5) of Regulation No 40/94, the intervener argues, first, that the mark NASDAQ has a reputation. The Nasdaq Stock Market, operated by the intervener, is one of the largest electronic screen based equities securities markets in the world. The intervener lists many European companies, and European investment in the shares offered via the Nasdaq Stock Market is more than USD 100 billion. Furthermore, the position of the shares listed on the Nasdaq Stock Market is of great importance to the world's economy in general, and the media, including the European media, therefore follow the position of Nasdaq-listed stocks very closely.

31 Various Nasdaq indices are published daily in most European financial and general newspapers and, as the name of a very important financial institution, the word 'nasdaq' and the Nasdaq indices are very commonly mentioned on radio and television in the European Union, both in financial broadcasts and in general news programmes.

32 In order to promote its services to European investors and Europeans active in the financial world, the intervener has conducted numerous promotional activities. Thus, it sponsors a large number of events under its mark NASDAQ. Several 'media plans' have also been submitted to OHIM.

33 The intervener adds that 'nasdaq' is indeed used to designate the services provided by the stock market, particularly those mentioned in classes 35 and 36, and that it is therefore used as a trade mark. That is the case, in particular, with respect to stock market price quotation services and financial services of providing and updating indices, such as indices of securities or derivative products.

34 The reputation of the mark NASDAQ is therefore established, not only with respect to a significant part of the public concerned by the goods and services covered by that mark, but also with respect to a significant part of the general public in the European Union and throughout the territory of the European Union.

35 Second, the marks at issue are identical.

36 Third, the applicant cannot justify the use or registration of the sign nasdaq. On the contrary, the minutes of a meeting of the applicant's shareholders show that the applicant had no historic reason to choose the word 'nasdaq'. Furthermore, the minutes also show that the applicant was aware of the intensive use of the word 'nasdaq' to designate the electronic stock market.

37 Fourth, the use of the mark applied for would take unfair advantage of the distinctive character and reputation of the mark NASDAQ because the applicant would not have to invest in advertising costs to attract public attention to its goods. Furthermore, the use would be detrimental to the reputation of the trade mark NASDAQ on account of the damage to the image of reliability and professionalism which characterises the services designated by the mark NASDAQ, and to the distinctive character of the mark NASDAQ because the result would be that 'nasdaq' ceases to be an immediate reference to the electronic stock market.

Findings of the Court

38 Under Article 8(5) of Regulation No 40/94, upon opposition by the proprietor of an earlier trade mark, the trade mark applied for is not to be registered 'where it is identical with or similar to the earlier trade mark and is to be registered for goods or services which are not similar to those for which the earlier trade mark is registered, where in the case of an earlier Community trade mark the trade mark has a reputation in the Community and, 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 trade mark applied for would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark'.

39 In this case, the earlier mark is a Community mark and the similarity of the marks at issue is not disputed. In order to ascertain whether the Board of Appeal infringed Article 8(5) of Regulation No 40/94 it is therefore appropriate to determine, first, whether the earlier mark enjoys a reputation in the Community, second, whether the use by the applicant of the mark applied for would take unfair advantage of or cause detriment to the distinctive character or the repute of the earlier mark and, third, if appropriate, whether the applicant has due cause for the use of the mark for which it seeks registration.

40 It is appropriate however, as a preliminary point, to ascertain whether the use of the mark NASDAQ in the Community has been established since the applicant denies that use.

Use of the trade mark NASDAQ

41 The applicant alleges, in substance, that the references to the Nasdaq indices do not establish the use of the mark NASDAQ and that, as a result, the reputation of those indices does not establish the reputation of the mark NASDAQ.

42 First, OHIM's argument, that that reasoning is inadmissible because it changes the subject-matter of the dispute contrary to Article 135(4) of the Rules of Procedure,

must be rejected.

43 It is true that, according to Article 135(4), the parties' pleadings may not change the subject-matter of the proceedings before the Board of Appeal. However, under Article 8(5) of Regulation No 40/94, an opposition to registration of a trade mark may be accepted if the earlier mark has a reputation which, according to the case-law, must be determined by the intensity, geographical extent and duration of its use (see, with respect to Article 5(2) of First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks (OJ 1989 L 40, p. 1), the substantive content of which is identical to that in Article 8(5) of Regulation No 40/94, *Case C-375/97 General Motors* [1999] ECR I-5421, paragraphs 26 and 27). Therefore, in order to determine whether Article 8(5) of Regulation No 40/94 applies to this case the Board of Appeal was obliged, before assessing the extent of the use of the mark NASDAQ and before determining whether it has a reputation, to ascertain first of all whether that mark had been used at all.

44 Since the subject-matter of the dispute before the Board of Appeal was constituted by the intervener's application for refusal of the application for registration filed by the applicant on the basis of Article 8(5) of Regulation No 40/94, the question of the use of the mark NASDAQ was thus put before the Board of Appeal. Therefore, even if the applicant had denied the fact that the earlier mark had been used as a trade mark for the first time before the Court of First Instance, in order to show that Article 8(5) of Regulation No 40/94 was not applicable in this case, it would not, in so doing, have modified the subject-matter of the dispute before the Board of Appeal.

45 Second, as regards whether the references to the Nasdaq indices refer to goods or services supplied by the intervener and thereby constitute a use of the mark NASDAQ, it must be observed that that mark was registered, inter alia, for stock exchange price quotation services and listings of securities for quotations for sale or information purposes in Class 35, and for financial services including, amongst others, providing and updating an index of security values, in Class 36. It must be found that the Nasdaq indices do, in fact, refer to the stock exchange price quotation and financial services provided by the intervener, covered by its mark NASDAQ, and in respect of which it was registered. In those circumstances, since the use of the Nasdaq indices in the Community is not disputed, the Board of Appeal rightly held that the use of the mark NASDAQ had been established as regards the services in classes 35 and 36.

Reputation

46 According to the case-law, in order to satisfy the requirement relating to reputation, the earlier Community mark must be known by a significant part of the public concerned by the goods or services covered by that trade mark, that is to say, depending on the goods or services marketed, either by the public at large, or by a more specialised public such as traders in a specific sector. In examining whether this condition is fulfilled, it is necessary to 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 amount spent by the undertaking in promoting it, without any requirement that it must be known by a given percentage of the relevant public or that that reputation must exist in a substantial part of the territory concerned (see, with respect to Article 5(2) of Directive 89/104, *General Motors*, paragraph 43 above, paragraphs 24, 25 and 27 to 29, and, with respect to

Article 8(5) of Regulation No 40/94, Case T-8/03 *El Corte Inglés v OHIM – Pucci (EMILIO PUCCI)* [2004] ECR II-4297, paragraph 67, and Case T-477/04 *Aktieselskabet af 21. November 2001 v OHIM – TDK Kabushiki Kaisha (TDK)* [2007] ECR II-0000, paragraphs 48 and 49).

47 In this case, the earlier mark is a Community mark and the services for which it was registered and used include, inter alia, as stated in paragraph 45 above, stock exchange price quotation and financial services. Since those are services which the average consumer does not generally use, the public concerned is constituted of professionals and consumers who consult financial information either in the course of their main activity or for their own information. It follows that, contrary to the applicant's submissions, the Board of Appeal was right to hold that the reputation of the trade mark NASDAQ was to be determined in relation to that European public.

48 As to the evidence adduced by the intervener to establish the reputation of its trade mark NASDAQ, the Court observes that it is apparent from the case file, and in particular from the contested decision, that the intervener produced numerous articles in the course of the administrative proceedings showing that the mark appears almost daily, particularly by way of references to the Nasdaq indices, in many newspapers distributed on Community territory (United Kingdom, Ireland, France, Germany, Belgium, Spain, Denmark, Finland) both journals specialising in financial affairs (such as *The Economic Times*, *The Financial Times*, *La Tribune*, *Les Échos*) and more general newspapers (such as the *Daily Telegraph*, the *Daily Mail*, *The Guardian*, *Le Monde*, *Le Figaro*, *El País*). It also stated, without being contradicted on that point by the applicant, that the references to the Nasdaq indices appeared on some of the most widely viewed television channels in Europe, such as BBC World and CNN, in the form of moving subtitles at the bottom of the screen and that they are also regularly referred to when financial news, including European financial news, was discussed.

49 Furthermore, in response to a request to that effect by the Court, OHIM produced a number of documents, mentioned in the contested decision, which had been submitted by the intervener before OHIM, but which had not been included in the case-file OHIM sent to the Court. It is clear from the file, inter alia, that during the period from 1991 to 1994 and in 1997 and 1998 the intervener spent substantial amounts of money on advertising, first, in order for its mark to appear either on television news channels broadcast generally in Europe, or on television channels broadcast in the United Kingdom, or in the financial press and, second, in order to sponsor the broadcast on television channels in the United Kingdom of a number of important sporting fixtures.

50 First of all, it is clear from the evidence that, as the Board of Appeal rightly held, the mark NASDAQ appears, from 1996, that is several years before the applicant filed its application for registration, almost daily in a great variety of newspapers widely distributed on Community territory and in programmes on major international news channels broadcast and viewed in Europe. Second, the intervener has, for several years before the application for registration filed by the applicant, made substantial investments in order to promote its mark, whether in the European Union in general or in the United Kingdom in particular, as well as in the specialist financial press and on general television news channels.

51 Since the intervener has provided detailed evidence relating to the intensity,

geographical extent and duration of the use of its trade mark NASDAQ and the amount spent in promoting it, demonstrating that it was known by a significant part of the public concerned by it, the Board of Appeal was right to hold that the reputation of the trade mark NASDAQ in the European Union was established in respect of the services in classes 35 and 36 for which it had been registered, not only among the professional public active on the financial markets, but also in an important subsection of the general public interested in the financial indices on account of their current or future investments.

52 The fact that the intervener has not produced any figures regarding the market share held by the trade mark NASDAQ in the Community, for the services in classes 35 and 36 for which it was registered is not in itself capable of calling that finding into question. First, the list of factors to be taken into consideration in order to ascertain the reputation of an earlier mark only serve as examples, as all the relevant evidence in the case must be taken into consideration and, second, the other detailed and verifiable evidence produced by the intervener is already sufficient in itself to conclusively prove the reputation of its mark NASDAQ within the meaning of Article 8(5) of Regulation No 40/94.

Unfair advantage taken of or detriment caused to the distinctive character or the repute of the mark NASDAQ

53 According to case-law, the various infringements covered by Article 8(5) of Regulation No 40/94 are the consequence of a certain degree of similarity between the earlier mark and the mark applied for, by virtue of which the relevant section of the public makes a connection between the sign and the mark, that is to say, establishes a link between them even though it does not confuse them. The existence of a link between the mark applied for and the earlier mark, which must be appreciated globally, taking into account all factors relevant to the circumstances of the case, is therefore an essential condition for the application of that provision (see, with respect to Article 5(2) of Directive 89/104, Case C-408/01 *Adidas-Saloman and Adidas Benelux* [2003] ECR I-12537, paragraphs 29, 30 and 38).

54 Furthermore, the proprietor of the earlier mark is not required to demonstrate actual and present harm to his mark, but he must adduce prima facie evidence of a future risk, which is not hypothetical, of unfair advantage or detriment (Case T-67/04 *Spa Monopole v OHIM – Spa-Finders Travel Arrangements (SPA-FINDERS)* [2005] ECR II-1825, paragraph 40, and *TDK*, paragraph 46 above, paragraph 64). Such a conclusion may be established, in particular, on the basis of logical deductions resulting from an analysis of the probabilities and by taking account of the usual practices in the relevant commercial sector as well as all the other circumstances of the case.

55 It is established that unfair advantage has been taken of the distinctive character or the repute of the earlier mark where there is clear exploitation and free-riding on the coat tails of a famous mark or an attempt to trade upon its reputation (see, to that effect, *SPA-FINDERS*, paragraph 54 above, paragraph 51, and *TDK*, paragraph 46 above, paragraph 65), while detriment to the distinctive character of the earlier mark is usually established where the use of the mark applied for would have the effect that the earlier mark is no longer capable of arousing immediate association with the goods for which it is registered and used (*SPA-FINDERS*, paragraph 54 above, paragraph 43) and detriment to the repute is usually established where the goods for which the mark

applied for is used appeal to the public's senses in such a way that the earlier mark's power of attraction is diminished (*SPA-FINDERS*, paragraph 54 above, paragraph 46).

56 Furthermore, as these are alternative conditions, it is sufficient that one of those circumstances is established in order to establish detriment caused to the earlier mark within the meaning of Article 8(5) of Regulation No 40/94.

57 Finally, the stronger the earlier mark's distinctive character and reputation the easier it will be to accept that detriment has been caused to it within the meaning of Article 8(5) of Regulation No 40/94 (see *SPA-FINDERS*, paragraph 54 above, paragraph 41, *TDK*, paragraph 46 above, paragraph 65, and, by analogy, *General Motors*, paragraph 43 above, paragraph 30).

58 In this case, the similarity between the marks at issue is not denied. Furthermore, the mark NASDAQ is inherently very distinctive, in particular by reason of the fact that it is an invented word without any relation to the services designated by it and that it is used exclusively to designate services in classes 35 and 36 provided by the intervener and for which it was registered. Moreover, having regard to its omnipresence in the press, not only in the specialist press but also the general press, and the interest of a large part of the general public in the developments in the financial markets, it must be recognised that its reputation reaches further than the professional public specialising in financial information. Such evidence strengthens the possibility of accepting the existence of detriment to the mark NASDAQ within the meaning of Article 8(5) of Regulation No 40/94.

59 In that regard, it is clear from the contested decision that, in order to show that detriment, the intervener submitted, inter alia, that the applicant took unfair advantage of the reputation of the mark NASDAQ in so far as it would not have to spend any money on advertising to draw the attention of the public to its goods.

60 On that point, the Court notes that the intervener produced in the course of the administrative proceedings, inter alia, the minutes of the meeting of the ordinary general meeting of the applicant's shareholders of 12 April 1998, which show, first, that the applicant's shareholders were aware that 'nasdaq' designated 'the American online stock market' and, second, that that word was chosen because it was regarded as being descriptive of the applicant's main activities, which include the design, manufacture and sale of high-tech materials and sports equipment. The fact that the applicant's consultants had then ruled out any likelihood of confusion between the marks nasdaq and NASDAQ is not decisive. Given the signs in dispute, it can hardly be disputed that a link may exist between them. Taking account of the fact that the financial and stock market listing services supplied by the intervener under its trade mark NASDAQ and, therefore, the trade mark NASDAQ itself, undeniably present a certain image of modernity, that link enables the transfer of that image to sports equipment and, in particular, to the high-tech composite materials which would be marketed by the applicant under the mark applied for, which the applicant appears to recognise implicitly by stating that the word 'nasdaq' is descriptive of its main activities.

61 Therefore, in light of that evidence, and taking account of the similarity of the marks at issue, the importance of the reputation and the highly distinctive character of the trade mark NASDAQ, it must be held that the intervener has established prima facie

the existence of a future risk, which is not hypothetical, of unfair advantage being drawn by the applicant, by the use of the mark applied for, from the reputation of the trade mark NASDAQ. There is therefore no need to set aside the contested decision on that point.

62 In those circumstances, it is for the applicant to demonstrate that it could rely on due cause for that use.

The existence of due cause

63 In this case, the applicant did not argue before the Court the existence of due cause for the use of the mark applied for. Furthermore, the only argument put forward to that effect before the Board of Appeal is that the word 'nasdaq' was chosen because it is an acronym for 'Nuovi Articoli Sportivi Di Alta Qualità'. However, as OHIM rightly states, prepositions are not generally included in acronyms.

64 It follows that the applicant has not put forward one convincing reason to warrant the conclusion that its use of the trade mark nasdaq would be founded on due cause within the meaning of Article 8(5) of Regulation No 40/94. In those circumstances the Board of Appeal was right to conclude that there was no due cause for the applicant's use of the sign nasdaq.

65 In light of all of preceding considerations, the single plea alleging infringement of Article 8(5) of Regulation No 40/94 must be rejected together with the application in its entirety.

Costs

66 Under Article 87(2) of the Rules of Procedure, the unsuccessful party is to be ordered to pay the costs, if they have been applied for in the successful party's pleadings. Since the applicant has been unsuccessful, it must be ordered to bear the costs in accordance with the forms of order sought by OHIM and the intervener.

On those grounds,

THE COURT OF FIRST INSTANCE (Fourth Chamber)

hereby

- 1. Dismisses the action;**
- 2. Orders the applicant to pay the costs.**

Legal

Wiszniewska-Bia•ecka

Moavero Milanesi

Delivered in open court in Luxembourg on 10 May 2007.

E. Coulon

H. Legal

Registrar

President

* Language of the case: English.