



Reports of Cases

OPINION OF ADVOCATE GENERAL
PIKAMÄE

delivered on 12 September 2024¹

Case C-93/23 P

European Union Intellectual Property Office (EUIPO)

v

Neoperl AG

(Appeal – EU trade mark – Regulation (EC) No 207/2009 – Article 4 – Signs of which an EU trade mark may consist – Application for registration of a tactile position mark representing a cylindrical sanitary insert – Article 7 – Absolute grounds for refusal – Rejection of the application – Regulation (EU) 2017/1001 – Article 72(3) – Actions – Preliminary admission mechanism for appeals – Case raising an issue that is significant with respect to the unity, consistency or development of EU law)

I. Introduction

1. By its appeal, the European Union Intellectual Property Office (EUIPO) asks the Court of Justice to set aside the judgment of the General Court of the European Union of 7 December 2022, *Neoperl v EUIPO (Representation of a cylindrical sanitary insert)* (T-487/21, EU:T:2022:780; ‘the judgment under appeal’), by which the General Court annulled the decision of the Fifth Board of Appeal of EUIPO of 3 June 2021 (Case R 2327/2019-5), concerning the registration of a tactile position mark representing a cylindrical sanitary insert as an EU trade mark (‘the decision at issue’).

2. This appeal is based only on a single ground, alleging infringement by the General Court of Article 72(3) of Regulation (EU) 2017/1001 of the European Parliament and of the Council of 14 June 2017 on the European Union trade mark.² However, the arguments put forward by EUIPO raise important questions concerning *the scope of the judicial review carried out by the General Court in relation to a decision of the Board of Appeal* of that EU agency. More specifically, this appeal invites the Court of Justice to rule on the scope and conditions for exercising the jurisdiction to alter decisions conferred on the General Court by the aforementioned provision. To the extent that those questions relate to the conferral of powers, they are constitutional in nature. Moreover, the answer to those questions is likely to have a significant impact that goes well beyond the dispute in the main proceedings, that is to say on the EU judicial system as a whole.

¹ Original language: French.

² OJ 2017 L 154, p. 1.

3. Those are the main reasons why this appeal was allowed to proceed under the preliminary admission mechanism for appeals ('the appeal filtering mechanism') introduced by Article 58a of the Statute of the Court of Justice of the European Union. Since the establishment of that mechanism on 1 May 2019, the Court has allowed only a small number of appeals to proceed, in particular because the conditions to be met are strict. Appeals concerned by that mechanism are allowed to proceed only if they raise an issue that is significant with respect to the unity, consistency or development of EU law. The judgment to be delivered by the Court will thus help to elucidate the way in which those criteria must be interpreted in the interest of legal practice.

II. Legal framework

4. In view of the date of submission of the application in question, namely 1 September 2016, which was decisive for identifying the substantive law applicable for the purpose of the examination of the existence of absolute grounds for refusal, the dispute before the General Court was governed by the substantive provisions of Council Regulation (EC) No 207/2009 of 26 February 2009 on the European Union trade mark,³ where appropriate, as amended by Regulation (EU) 2015/2424 of the European Parliament and of the Council of 16 December 2015 amending Regulation No 207/2009 and Regulation No 2868/95, and repealing Commission Regulation (EC) No 2869/95 on the fees payable to the Office for Harmonisation in the Internal Market (Trade Marks and Designs).⁴ Regulation No 207/2009 was replaced by Regulation 2017/1001. Regulation 2017/1001 applies to the procedural aspects of this case.

Regulation No 207/2009

5. Article 4 of Regulation No 207/2009, entitled 'Signs of which [an EU] trade mark may consist' provides:

'A[n EU] trade mark may consist of any signs capable of being represented graphically, particularly words, including personal names, designs, letters, numerals, the shape of goods or of their packaging, provided that such signs are capable of distinguishing the goods or services of one undertaking from those of other undertakings.'

6. Article 7 of that regulation, entitled 'Absolute grounds for refusal', as amended by Regulation 2015/2424, but of identical content as regards the provisions relevant for the purpose of examination of the action before the General Court, provides:

'1. The following shall not be registered:

- (a) signs which do not conform to the requirements of Article 4;
- (b) trade marks which are devoid of any distinctive character;

...'

³ OJ 2009 L 78, p. 1.

⁴ OJ 2015 L 341, p. 21.

7. Article 26 of that regulation, entitled ‘Conditions with which applications must comply’, provides, in paragraphs 1(d) and 3 thereof:

‘1. An application for a[n EU] trade mark shall contain:

...

(d) a representation of the trade mark.

...

3. An application for a[n EU] trade mark must comply with the conditions laid down in the Implementing Regulation referred to in Article 162(1) ...’

8. Article 162 of that regulation, entitled ‘... implementing provisions’, provides, in paragraph 1 thereof:

‘The rules implementing this Regulation shall be adopted in an Implementing Regulation.’

Regulation 2017/1001

9. Article 41 of Regulation 2017/1001, entitled ‘Examination of the conditions of filing’, provides, in paragraphs 2 and 4 thereof:

‘2. Where the EU trade mark application does not satisfy the requirements referred to in paragraph 1, [EUIPO] shall request the applicant to remedy the deficiencies or the default on payment within two months of the receipt of the notification.

...

4. If the deficiencies established pursuant to paragraph 1(b) are not remedied within the prescribed period, [EUIPO] shall refuse the application.’

10. Article 66 of that regulation, entitled ‘Decisions subject to appeal’, provides:

‘1. An appeal shall lie from decisions of any of the decision-making instances of [EUIPO] listed in points (a) to (d) of Article 159, and, where appropriate, point (f) of that Article. Those decisions shall take effect only as from the date of expiration of the appeal period referred to in Article 68. The filing of the appeal shall have suspensive effect.

2. A decision which does not terminate proceedings as regards one of the parties can only be appealed together with the final decision, unless the decision allows separate appeal.’

11. Article 70 of that regulation, entitled ‘Examination of appeals’, provides, in paragraph 1 thereof:

‘If the appeal is admissible, the Board of Appeal shall examine whether the appeal is allowable.’

12. Article 71 of Regulation 2017/1001, entitled ‘Decisions in respect of appeals’, provides:

‘1. Following the examination as to the allowability of the appeal, the Board of Appeal shall decide on the appeal. The Board of Appeal may either exercise any power within the competence of the department which was responsible for the decision appealed or remit the case to that department for further prosecution.

2. If the Board of Appeal remits the case for further prosecution to the department whose decision was appealed, that department shall be bound by the *ratio decidendi* of the Board of Appeal, in so far as the facts are the same.

3. The decisions of the Board of Appeal shall take effect only as from the date of expiry of the period referred to in Article 72(5) or, if an action has been brought before the General Court within that period, as from the date of dismissal of such action or of any appeal filed with the Court of Justice against the decision of the General Court.’

13. According to Article 72 of that regulation, entitled ‘Actions before the Court of Justice’:

‘1. Actions may be brought before the General Court against decisions of the Boards of Appeal in relation to appeals.

2. The action may be brought on grounds of lack of competence, infringement of an essential procedural requirement, infringement of the TFEU, infringement of this Regulation or of any rule of law relating to their application or misuse of power.

3. The General Court shall have jurisdiction to annul or to alter the contested decision.

4. The action shall be open to any party to proceedings before the Board of Appeal adversely affected by its decision.

5. The action shall be brought before the General Court within two months of the date of notification of the decision of the Board of Appeal.

6. [EUIPO] shall take the necessary measures to comply with the judgment of the General Court or, in the event of an appeal against that judgment, the Court of Justice.’

14. Article 94 of Regulation 2017/1001, entitled ‘Decisions and communications of the Office’, provides:

‘1. Decisions of [EUIPO] shall state the reasons on which they are based. They shall be based only on reasons or evidence on which the parties concerned have had an opportunity to present their comments. ...

...’

15. Article 95 of that regulation, entitled ‘Examination of the facts by [EUIPO] of its own motion’, provides:

‘1. In proceedings before it [EUIPO] shall examine the facts of its own motion; however, in proceedings relating to relative grounds for refusal of registration, [EUIPO] shall be restricted in

this examination to the facts, evidence and arguments provided by the parties and the relief sought. ...

...’

16. Article 151 of Regulation 2017/1001, entitled ‘Tasks of [EUIPO]’, provides, in paragraph 1(a) thereof:

‘[EUIPO] shall have the following tasks:

(a) administration and promotion of the EU trade mark system established in this Regulation;’

17. Article 159 of that regulation, entitled ‘Competence’, provides:

‘For taking decisions in connection with the procedures laid down in this Regulation, the following shall be competent:

(a) examiners;

(b) Opposition Divisions;

(c) a department in charge of the Register;

(d) Cancellation Divisions;

(e) Boards of Appeal;

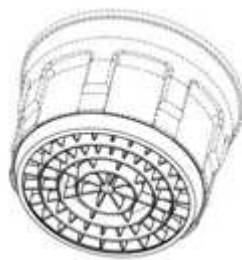
(f) any other unit or person appointed by the Executive Director to that effect.’

18. Article 165 of that regulation, entitled ‘Boards of Appeal’, provides, in paragraph 1 thereof:

‘The Boards of Appeal shall be responsible for deciding on appeals from decisions taken pursuant to Articles 160 to 164.’

III. The background to the dispute and the decision at issue

19. On 1 September 2016, Neoperl filed an application with EUIPO for registration of an EU trade mark, under Regulation No 207/2009, in respect of the following sign:



20. In the application for registration, the sign at issue was characterised as a ‘tactile position mark’ and was described as follows:

21. ‘The mark is a tactile position mark. The protection claimed relates to a structure, laid out at one end of a cylindrical sanitary insert, intended for the flow of water, directed towards the outside and projecting from a non-elastic base, with this structure being made of circular, concentric and flexible slats a few millimetres in height covering the entire surface of the end, with it being possible to bend the flexible slats by pressing a finger against or alongside the base. No protection is claimed for the rest of the outline of the insert, shown using a dotted line in the representation.’

22. The goods in respect of which registration was sought are in Class 11 of the Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, as revised and amended, and correspond to the following description: ‘Sanitary inserts, in particular flow regulators and flow generators’.

23. The application for registration gave rise to objections based on the formal grounds for refusal set out in Article 26(1)(d) of Regulation No 207/2009 (now Article 31(1)(d) of Regulation 2017/1001), read in conjunction with Rule 9(3)(a) of Commission Regulation (EC) No 2868/95 of 13 December 1995 implementing Council Regulation (EC) No 40/94 on the Community trade mark (OJ 1995 L 303, p. 1) (now Article 41(2) of Regulation 2017/1001), given that, ‘generally speaking, tactile marks ... would not be accepted by [EUIPO]’. It was thus suggested that the applicant at first instance reclassify the mark applied for as a position mark.

24. By letter of 22 December 2016, the applicant at first instance refused to reclassify the mark applied for and insisted, in that regard, on its classification as a tactile position mark and on the description provided.

25. By decision of 11 October 2019, the examiner rejected the application for registration on the basis of Article 41(4) of Regulation 2017/1001, read in conjunction, *inter alia*, with Article 4 and Article 31(3) thereof, on formal grounds, in so far as, in essence, the application, which sought registration of a tactile mark, was insufficiently precise for the purposes of those provisions.

26. On 16 October 2019, the applicant at first instance filed a notice of appeal with EUIPO against the examiner’s decision. On 22 January 2020, it filed a written statement setting out the grounds of that appeal.

27. By a communication from the rapporteur of 3 August 2020, the Board of Appeal of EUIPO informed the applicant at first instance that, independently of the issue of determining whether or not its application for a trade mark met the requirements of Article 31 of Regulation 2017/1001, it found that the absolute ground for refusal set out in Article 7(1)(b) of that regulation was relevant and that the mark applied for was devoid of distinctive character, within the meaning of the latter provision.

28. On 3 March 2021, the applicant at first instance submitted its observations regarding the communication of 3 August 2020.

29. By the decision at issue, the Fifth Board of Appeal of EUIPO considered that the sign in respect of which registration as an EU trade mark was sought was devoid of distinctive character within the meaning of Article 7(1)(b) of Regulation 2017/1001 and dismissed the appeal.

IV. The procedure before the General Court and the judgment under appeal

30. By application lodged at the Registry of the General Court on 10 August 2021, Neoperl brought an action for annulment of the decision at issue and an order that EUIPO pay the costs.

31. In support of its action, Neoperl relied on two pleas, alleging, first, infringement of Article 7(1)(b) of Regulation No 207/2009 and, second, infringement of the first sentence of Article 95(1) of Regulation 2017/1001. It claimed, in essence, that the Board of Appeal did not take sufficient account of the specific features of the sign at issue as a tactile position mark and complained that the Board of Appeal, in infringement of, in particular, the obligation under Article 95 of Regulation 2017/1001 to carry out an examination of the relevant facts of its own motion, failed to establish the usual tactile impression produced by the flow regulators, the usual tactile impression produced by the sign in respect of which registration was sought, or the fact that the flexible tactile impression of the slats making up that sign would necessarily be associated with a functional quality of the goods in question. The applicant at first instance concluded from this that, in contrast to the Board of Appeal's finding, that sign does have distinctive character.

32. EUIPO contested Neoperl's arguments and maintained that the Board of Appeal was correct in holding, after having exhaustively and accurately determined the facts, that the sign in respect of which registration was sought was devoid of distinctive character.

33. By the judgment under appeal, the General Court annulled the decision at issue.

34. When examining those two pleas, the General Court began by recalling, in essence, in paragraphs 20 to 22 of the judgment under appeal, that the examiner refused the application for registration on the basis of Article 41(4) of Regulation 2017/1001 and that the Board of Appeal decided to examine only the absolute ground for refusal of registration under Article 7(1)(b) of Regulation No 207/2009, stating that the question whether the sign in respect of which registration was sought should also be refused registration in accordance with Article 41(4) of Regulation 2017/1001 was irrelevant.

35. In paragraph 23 of the judgment under appeal, the General Court noted that Neoperl has not raised a plea alleging breach of the scope of the law in order to challenge the Board of Appeal's decision to examine the application for registration solely in the light of Article 7(1)(b) of Regulation No 207/2009, without verifying whether the sign at issue was capable of constituting an EU trade mark under Article 4 of that regulation.

36. As regards the raising of its own motion of a plea not raised by a party, the General Court pointed out, in paragraphs 26 and 27 of the judgment under appeal, that the EU judicature has the power and, where appropriate, a duty to raise certain pleas of substantive legality of its own motion, such as, for example, a plea claiming the force of *res judicata*. Thus, a plea alleging breach of the scope of the law concerns a matter of public policy and is for the General Court to consider of its own motion, with due regard to the rule that the parties should be heard. In the present case, the General Court invited the parties, at the hearing and by means of a question for written reply asked in connection with a measure of organisation of procedure, to present their views as to whether the Board of Appeal was under an obligation to examine whether the mark applied for met the graphic representation requirement under Article 4 of Regulation No 207/2009 and whether, as a result, that mark was liable to be caught by the absolute ground for refusal set out in Article 7(1)(a) of that regulation, particularly with regard to the General

Court's case-law.⁵

37. EUIPO's argument that the Board of Appeal did not commit an error in the examination of distinctive character in not verifying whether the conditions arising from Article 4 and Article 7(1)(a) of Regulation No 207/2009 were met, since the Board of Appeal examined the application of Article 7(1)(b) of Regulation No 207/2009 in the most comprehensive manner possible, was rejected by the General Court, which relied, in paragraphs 35 and 36 of the judgment under appeal, on a literal interpretation of Article 7(1)(b) of Regulation No 207/2009.

38. The interpretation of the relevant legal rules, and in particular of the issue of whether the sign in respect of which registration as an EU trade mark was sought meets the conditions laid down in Article 4 of Regulation No 207/2009, including that of being capable of being represented graphically, and whether it is therefore capable of constituting a trade mark, is a preliminary issue in the present case, the resolution of which is necessary in order to proceed to the examination of the pleas in law alleging infringement of Article 7(1)(b) of Regulation No 207/2009 and Article 95(1) of Regulation 2017/1001. The General Court would be neglecting its function as the arbiter of legality if, first, it failed to make a finding, even in the absence of a challenge by the parties on that point, that the decision at issue had been adopted on the basis of a rule, namely Article 7(1)(b) of Regulation No 207/2009, that could prove to be inapplicable to the present case in the event that the sign in respect of which registration was sought is not a sign of which a trade mark may consist within the meaning of Article 4 of that regulation, an aspect which was not examined by the Board of Appeal, and, secondly, if it was led to adjudicate on the dispute before it by applying that rule itself.

39. With respect to the merits of the plea alleging breach of the scope of the law, the General Court considered in paragraph 55 of the judgment under appeal, as regards the issue of whether the sign in respect of which registration was sought meets the conditions for registration laid down in Article 4 of Regulation No 207/2009, that the structure of that sign, in so far as it is composed of circular and concentric slats a few millimetres in height covering the entire surface of the end, is indeed capable of being represented graphically. By contrast, that is not the case with regard to the tactile impression produced by that structure, in respect of the flexible nature of the slats, which could be bent by pressing a finger against or alongside the base.

40. As noted in paragraph 34 of the judgment under appeal, a sign may constitute an EU trade mark if it meets the conditions set out in that provision, including that of being capable of being represented graphically, while that graphic representation must also be clear, precise, self-contained, easily accessible, intelligible, durable and objective.

41. The General Court rejected, in paragraph 53 of the judgment under appeal, EUIPO's argument that the tactile impression produced by the sign in respect of which registration was sought is shown not by the graphic representation of that sign, but only by the description accompanying that representation which, according to EUIPO, cannot be taken into account, under Article 3(2) of Implementing Regulation (EU) 2018/626.⁶ Accordingly, the General Court pointed out that Article 3 of that implementing regulation is included in Title II thereof. However, while that implementing regulation was in force at the time the decision at issue was adopted, Article 39(2)(a) thereof establishes that the aforementioned Title II is not applicable to

⁵ Judgment of 6 October 2021, *M/S. Indeutsch International v EUIPO – 135 Kirkstall (Representation of chevrons between two parallel lines)* (T-124/20, EU:T:2021:668).

⁶ Commission Implementing Regulation of 5 March 2018 laying down detailed rules for implementing certain provisions of Regulation 2017/1001 and repealing Implementing Regulation (EU) 2017/1431 (OJ 2018 L 104, p. 37).

applications for an EU trade mark submitted prior to 1 October 2017. Thus, in contrast to what EUIPO's arguments presuppose, Implementing Regulation 2018/626 is not applicable in the present case, since the application for registration of the trade mark at issue was filed on 1 September 2016. Furthermore, under the transitional measures laid down in Article 37 of that implementing regulation, the provisions of Regulation No 2868/95 remain applicable to ongoing proceedings until their completion, in cases in which the aforementioned implementing regulation is not applicable.

42. In those circumstances, in paragraph 57 of the judgment under appeal, the General Court considered that the tactile impression produced by the sign in respect of which registration was sought was not shown in a precise and self-contained manner by the graphic representation of that sign, but, at best, by the accompanying description. Consequently, that description did not precisely reflect the graphic representation of that sign within the meaning of the case-law cited in paragraph 56 of the judgment under appeal but, on the contrary, could give rise to doubts as to the subject matter and scope of that graphic representation, in so far as it attempted to broaden the subject matter of the protection sought. The sign in respect of which registration was sought did not meet the conditions set out in Article 4 of Regulation No 207/2009 and, consequently, was caught by the absolute ground for refusal set out in Article 7(1)(a) of that regulation.

43. The General Court concluded, in paragraph 60 of the judgment under appeal, that Article 7(1)(b) of Regulation No 207/2009 was not applicable to the assessment of the application for registration of the sign at issue as an EU trade mark. The Board of Appeal could not therefore lawfully apply that provision in order to adopt the decision rejecting the appeal against the examiner's decision refusing to register that sign.

44. Accordingly, the decision at issue was adopted in breach of the scope of the law. Consequently, it was annulled.

V. The forms of order sought and the procedure before the Court

45. By order of 11 July 2023,⁷ the Court allowed this appeal to proceed, having found that EUIPO's request that the appeal be allowed to proceed demonstrated, to the requisite legal standard, that the appeal raised an issue that was significant with respect to the unity, consistency and development of EU law.

46. By its appeal, EUIPO claims that the Court should:

- set aside the judgment under appeal;
- dismiss the action brought against the decision at issue, and
- order each party to bear its own costs.

47. Neoperl contends that the Court should:

- uphold EUIPO's appeal in so far as it seeks to have the judgment under appeal set aside and dismiss that appeal, as to the remainder;

⁷ Order of 11 July 2023, *EUIPO v Neoperl* (C-93/23 P, EU:C:2023:601).

- set aside the judgment on the basis of the failure to take into account the plea put forward by the defendant alleging infringement, by the applicant, of Article 71(1) of Regulation 2017/1001, read in conjunction with Article 7(1)(a) and the first sentence of Article 94(1) thereof;
- refer the proceedings back to EUIPO in order for it to examine for the first time the conditions provided for in Article 7(1)(a) of Regulation No 207/2009, read in conjunction with Article 4 thereof, and
- order EUIPO to pay the costs.

48. In accordance with Article 76(2) of the Rules of Procedure, the Court decided to proceed without a hearing.

VI. Legal analysis

A. Preliminary comments

1. *The appeal filtering mechanism*

49. The appeal filtering mechanism forms part of the reform measures taken by the Court of Justice to address a constant increase in its workload and seeks to allow the Court to continue to fulfil the mission conferred on it by the authors of the Treaty, consisting in ensuring, in a timely manner, ‘that in the interpretation and application of the Treaties the law is observed’, as required by Article 19(1) TEU. That mechanism applies to appeals brought against judgments or orders of the General Court concerning decisions of independent boards of appeal of offices, bodies or agencies of the Union which must be seised before an appeal can be brought before the General Court.⁸

50. The reform is based on the finding that a significant proportion of appeals brought had to be dismissed as manifestly inadmissible or unfounded, even though the cases in question had already been the subject of two judicial reviews, first of all by the independent boards of appeal of EU agencies and then by the General Court. Since it was deemed necessary to manage the Court of Justice’s resources with as much care as possible, it was decided to allow a third judicial review only on an exceptional basis, namely in cases in which the applicant has convincingly demonstrated that the General Court’s decision is vitiated by a serious error of law likely to affect future cases to be dealt with.

51. The Court drew inspiration from the judicial systems of the Member States, which often make the admissibility of an action before a higher court subject to compliance with certain conditions, such as the requirement that the case be ‘of essential importance’ or that the contested judicial decision ‘departs from the case-law of the supreme courts’. In such cases, the judicial systems of the Member States provide that a decision of the highest court is necessary in order to ensure legal certainty. As I have stated in the introduction to this Opinion, appeals concerned by the filtering

⁸ See the Request submitted by the Court of Justice pursuant to the second paragraph of Article 281 of the Treaty on the Functioning of the European Union, with a view to amending Protocol No 3 on the Statute of the Court of Justice of the European Union, available at the following website: https://curia.europa.eu/jcms/jcms/P_64268/en/ (pp. 1 and 7).

mechanism may be allowed to proceed only where they raise an issue that is significant with respect to the unity, consistency or development of EU law, which confers a certain discretion on the Court.

52. The cases in which the Court has so far considered that condition to be met give an idea of the type of cases which are relevant, as well as the objective ultimately pursued by the filtering mechanism within the system of legal remedies. Those cases raise issues such as the applicability before the Courts of the European Union of international agreements binding the European Union,⁹ the consequences of the withdrawal of a Member State from the EU trade mark system¹⁰ and the requirement to be represented by an independent lawyer in the interests of the proper administration of justice.¹¹ These are fundamental issues of EU law which go beyond the scope of the appeal and therefore require clarification by the highest interpretative authority.

2. Issues justifying the admission of the present appeal

53. A comparison of the legal issues at the heart of this case and the scenarios listed in the preceding point leaves no doubt that that condition for allowing the appeal to proceed is met in the present case, for the reasons which the Court set out in its order of 11 July 2023¹² and which I shall summarise below in the interests of a better understanding of the analysis of the appeal.

54. First, the issue of whether the General Court exceeded the established limits of its jurisdiction by de facto altering the decision of the Board of Appeal after examining a plea raised of its own motion is of a *cross-cutting nature*.

55. Secondly, the question of the conferral of powers is a significant *constitutional* issue, since the General Court is legally bound to act within the limits of the powers conferred on it by the legal order of the European Union.

56. Thirdly, the issue relating to the conditions and scope of the jurisdiction to alter decisions conferred on the General Court is of particular significance, since the exceedance of that jurisdiction has an impact on the exclusive jurisdiction of the Boards of Appeal, on the legal protection of the individuals affected by EUIPO decisions and, generally, on *effective judicial protection*.

57. Fourthly, the issue of the conditions and scope of the jurisdiction to alter decisions conferred on the General Court is a significant issue in so far as it *is not limited to intellectual property law* but may also concern the decisions of other EU agencies that are subject to a review of legality by the EU judiciary.

58. In that context, it should also be noted that EUIPO satisfied the requirement to describe in a clear and precise manner, in its request that the appeal be allowed to proceed, the nature of the error of law which it claims that the General Court committed. In particular, EUIPO identified both the paragraphs of the judgment under appeal which it calls into question and the provision of EU law allegedly infringed by the General Court.

⁹ See order of 10 December 2021, *EUIPO v The KaiKai Company Jaeger Wichmann* (C-382/21 P, EU:C:2021:1050).

¹⁰ See order of 7 April 2022, *EUIPO v Indo European Foods* (C-801/21 P, EU:C:2022:295).

¹¹ See order of 30 January 2023, *bonnanwalt v EUIPO* (C-580/22 P, EU:C:2023:126).

¹² Order of 11 July 2023, *EUIPO v Neoperl* (C-93/23 P, EU:C:2023:601).

59. After those preliminary remarks on the appeal filtering mechanism and that summary of the reasons why the Court decided to allow the appeal brought by EUIPO to proceed, it is necessary to examine in detail whether it is well founded.

B. The single ground of appeal

1. Arguments of the parties

60. In support of its appeal, EUIPO raises a single ground, alleging infringement of Article 72(3) of Regulation 2017/1001. EUIPO argues that the General Court exceeded the limit set on its jurisdiction by that provision in examining for the first time the ground for refusal and the plea based on Article 7(1)(a) of Regulation No 207/2009, read in conjunction with Article 4 thereof, raised by the applicant at first instance before the Board of Appeal but which the latter expressly refrained from examining in the decision at issue, and in ruling itself, on that basis, as to the substance, in place of the Board of Appeal, on the action brought before the latter.

61. According to EUIPO, this was not the task of the General Court, since it had jurisdiction to review not the examiner's decision but only the legality of the decision at issue taken by the Board of Appeal. Ultimately, therefore, the General Court definitively deprived the Board of Appeal, in the present case, of the inherent power of review that is conferred on it by Article 165(1), Article 66(1) and Article 70(1) of Regulation 2017/1001, the fundamental importance of which for the division of powers between EUIPO, its Board of Appeal, the General Court and the Court of Justice in a system of comprehensive, appropriate and effective legal protection, including against the decisions of EUIPO, has been expressly reaffirmed on several occasions by the legislature.

62. The appeal is directed against the following aspects of the judgment under appeal: (i) the finding that the General Court has jurisdiction *ratione materiae* to examine the issue of the substantive applicability, in the present case, of the requirements of Article 7(1)(a), read in conjunction with Article 4 of Regulation No 207/2009, by virtue of the plea which the latter had raised of its own motion; (ii) the examination by the General Court, on that basis, of the substantive applicability of the requirements of Article 7(1)(a) of Regulation No 207/2009, read in conjunction with Article 4 thereof; (iii) the resulting finding that the sign is caught by the ground for refusal referred to in Article 7(1)(a) of Regulation No 207/2009, and (iv) the finding that the decision at issue is annulled.

63. Neoperl submits that EUIPO's appeal is rightly directed against the aspects of the judgment under appeal referred to in the preceding point. Neoperl also states that EUIPO rightly explained that the General Court's examination as to the substance of Article 7(1)(a) of Regulation No 207/2009, read in conjunction with Article 4 of that regulation, was not necessary. In its view, the judgment under appeal should be set aside and the case referred back to EUIPO so that it can itself carry out a full examination of Article 7(1)(a) of Regulation No 207/2009, read in conjunction with Article 4 of that regulation.

64. As regards the effects of the judgment under appeal, Neoperl claims that the alleged infringements by the General Court adversely affect its right to be heard. Accordingly, following the annulment of the decision at issue by the General Court, another Board of Appeal of EUIPO should have been called upon to rule on the question whether the sign for which registration was sought satisfied the requirements of Article 4 of Regulation No 207/2009. Unlike the General

Court, whose assessment criterion is limited to a review of legality, that other Board of Appeal of EUIPO could, in itself, both exercise the powers of the examiner at first instance and analyse of its own motion the facts and take into account new facts and new evidence.

65. However, in the light of the considerations set out by the General Court in paragraphs 47 to 58 of the judgment under appeal, that Board of Appeal would therefore be required to refuse, without further analysis of the facts, registration of the sign for which registration was sought due to an alleged impossibility of representing it graphically, since the General Court considers the findings set out in paragraphs 47 to 58 of the judgment under appeal to be binding. Neoperl emphasises that an appeal before the General Court against such a decision would have no chance of success, since the General Court has already ruled against the possibility of representing graphically the sign for which registration was sought. The considerations set out by the General Court in paragraphs 47 to 58 of the judgment under appeal therefore constitute an infringement of Neoperl's right to be heard.

2. Assessment

(a) The need to examine each stage of the reasoning of the judgment under appeal

66. EUIPO criticises the General Court, in essence, for having exceeded the jurisdiction to alter decisions conferred on it by Article 72(3) of Regulation 2017/1001. In that regard, it is important to note that the line of legal reasoning developed by the General Court in the judgment under appeal is relatively complex. For that reason, it is not easy to determine, at first glance, exactly where the 'original' legal error in the arguments lies. Before exercising its jurisdiction to alter decisions, the General Court had to address a series of *preliminary legal questions*.

67. More specifically, the Court raised of its own motion, first of all, a plea alleging breach of the scope of the law and ruled, subsequently, on the priority application of the ground for refusal referred to in Article 7(1)(a) of Regulation No 207/2009. It was only after finding that the Board of Appeal of EUIPO had disregarded that alleged priority application that the General Court decided to annul the decision of the Board of Appeal. The matters raised by the General Court are closely linked and, therefore, deserve detailed examination.

68. For the reasons set out, it seems essential to me, for the sake of clarity, to examine each stage of the legal reasoning of the General Court which is the subject matter of this appeal. Accordingly, the analysis which follows will be structured in accordance with those stages. As I shall explain, there are legal issues to be addressed in that analysis which have not yet been considered in the Court of Justice's case-law. *The objective of that analysis will be to identify the precise point from which the reasoning of the General Court departs from the requirements of EU law* and it thereafter commits an error of law which justifies the setting aside of the judgment under appeal.

(b) The possibility of raising of its own motion a plea alleging breach of the scope of the law

69. In paragraphs 18 to 49 of the judgment under appeal, the General Court addresses the question of the possibility of raising of its own motion a plea alleging breach of the scope of the law. The reason for the analysis of that question is that, in the view of the General Court, the Board of Appeal should have examined whether the sign in respect of which registration was

sought met the requirements of Article 7(1)(a) of Regulation No 207/2009 and, in particular, whether it met the graphic representation requirement laid down in Article 4 of that regulation, before examining the sign in the light of the requirements of Article 7(1)(b) of that regulation.

70. In other words, the General Court considers that the Board of Appeal committed an error of law in so far as it failed to examine a preliminary question the resolution of which is necessary in order to proceed to the examination of the pleas alleging infringement of Article 7(1)(b) of Regulation No 207/2009 and Article 95(1) of Regulation 2017/1001. The General Court is thus faced with a situation in which, at the request of the parties to the dispute, it must review the legality of the Board of Appeal's application of a provision even though, according to the General Court, that provision does not apply.

71. In paragraph 48 of the judgment under appeal, the General Court explains that it would be neglecting its function as the arbiter of legality if, first, it failed to make a finding, even in the absence of a challenge by the parties on that point, that the decision at issue had been adopted on the basis of a rule, namely Article 7(1)(b) of Regulation No 207/2009, that could prove to be inapplicable to the present case in the event that the sign in respect of which registration was sought is not a sign of which a trade mark may consist within the meaning of Article 4 of that regulation, an aspect which was not examined by the Board of Appeal, and, secondly, if it was led to adjudicate on the dispute before it by applying that rule itself.

72. I can only endorse that view. *As guarantor of legality, the EU judicature must itself respect EU law and deliver decisions free from errors.* That task requires, in my view, that the concept of 'plea involving a matter of public policy concerning legality' be extended to a guarantee of the substantive law.¹³ In that context, it should be recalled that a plea alleging a breach of the scope of the law was a plea involving a matter of public policy in the case-law of the Civil Service Tribunal. That position was set out in the landmark judgment of 21 February 2008, *Putterie-De-Beukelaer v Commission*,¹⁴ as well as in a precedent established by the General Court in the judgment of 15 July 1994, *Browet and Others v Commission*,¹⁵ concerning the requirements inherent to the function of arbiter of legality. Accordingly, the Civil Service Tribunal considered that it 'would be neglecting its function as the arbiter of legality if, even in the absence of a challenge by the parties in this regard, it failed to make a finding that the contested decision before the Tribunal had been adopted on the basis of a rule that was not applicable to the case in point and if, as a consequence, it was led to adjudicate on the dispute before it by itself applying such a rule'.¹⁶ The specialisation of that court, which permits it to master the complexity of the rules applicable in that field of law, undoubtedly contributed to the creation of that case-law.

73. Although similar examples in the case-law of the other Courts of the European Union are rather rare, there is no objective reason not to recognise also that plea involving a matter of public policy within their respective spheres of competence. Indeed, it is indisputable that *the EU judicature is able to verify of its own motion the rules which it applies and interprets*. Numerous examples show that both the Court of Justice and the General Court are ready to determine of their own motion the applicable law. Thus, the General Court rectifies on its own initiative the legal basis relied on by a party by substituting the provisions applicable *ratione temporis* for those

¹³ See, to that effect, Clausen, F., *Les moyens d'ordre public devant la Cour de justice de l'Union européenne*, Brussels, 2018, pp. 309 to 317.

¹⁴ Judgment of 21 February 2008 (F-31/07, EU:F:2008:23).

¹⁵ See judgment of 15 July 1994 (T-576/93 to T-582/93, EU:T:1994:93, paragraph 35).

¹⁶ Judgment of 21 February 2008, *Putterie-De-Beukelaer v Commission* (F-31/07, EU:F:2008:23, paragraph 50 et seq.).

relied on by that party.¹⁷ It reinterprets a complaint relying on infringement of secondary legislation as being based on infringement of a general principle of law.¹⁸ The Court of Justice, in a preliminary ruling on a question of interpretation, does not hesitate to verify or clarify of its own motion the scope of the rule referred to by the national court and, where appropriate, to rectify an error made in that regard by the latter court.¹⁹

74. For the reasons set out above, I am of the view that it is appropriate to *recognise the power of the EU judiciary to raise of its own motion a plea alleging breach of the scope of the law* where such an approach is necessary. The exercise of that power must nevertheless be subject to sufficiently precise conditions, namely the inapplicability of a rule to the specific case and the risk that the court may resolve the dispute in breach of that rule if it refrains from raising that plea. Those conditions seem to me to be formally met in the present case, irrespective of whether the General Court's presumption regarding the applicability of the substantive law in question is correct, which will be examined later.

75. Therefore, to the extent that the General Court held in the judgment under appeal that the Board of Appeal had taken a decision on an incorrect legal basis and that it was necessary to raise that matter of its own motion or otherwise confirm a decision vitiated by an error of law, I consider that that reasoning is legally unchallengeable for the purposes of this appeal. Indeed, if the General Court had acted otherwise in those circumstances, *it would have had to take a decision which was also contrary to EU law*, which would have been incompatible with the duty of legality of a court.

76. Accordingly, I consider that, at least *from a formal point of view*, the General Court cannot be criticised for having committed an error of law when it raised of its own motion a plea alleging breach of the scope of the law.

(c) *The priority application of Article 7(1)(a) of Regulation No 207/2009*

77. It is true that that *interim conclusion* has no impact on the question whether the Board of Appeal actually based its decision on an incorrect legal basis, as the General Court presumes. That presumption is based on the General Court's interpretation that Article 7(1)(a) of Regulation No 207/2009 must logically be examined before Article 7(1)(b) of that regulation and that there is therefore a priority of application.

78. In paragraph 46 of the judgment under appeal, the General Court notes that the Board of Appeal had examined whether the mark applied for had acquired distinctive character through use within the meaning of Article 7(3) of Regulation No 207/2009. However, the General Court states that such examination is not possible if the sign at issue is not capable of being represented graphically within the meaning of Article 4 of that regulation and must, consequently, be refused registration in accordance with Article 7(1)(a) of that regulation.

¹⁷ See judgments of 6 September 2013, *Europäisch-Iranische Handelsbank v Council* (T-434/11, EU:T:2013:405, paragraph 123), and of 10 October 2014, *Marchiani v Parliament* (T-479/13, not published, EU:T:2014:866, paragraph 71).

¹⁸ See judgment of 10 October 2014, *Marchiani v Parliament* (T-479/13, not published, EU:T:2014:866, paragraph 81).

¹⁹ See judgments of 24 November 1993, *Keck and Mithouard* (C-267/91 and C-268/91, EU:C:1993:905, paragraphs 6 to 10); of 23 April 2009, *Rüffler* (C-544/07, EU:C:2009:258, paragraphs 50 to 59); of 8 March 2011, *Ruiz Zambrano* (C-34/09, EU:C:2011:124, paragraphs 39 and 40); and of 12 December 2013, *Imfeld and Garcet* (C-303/12, EU:C:2013:822, paragraphs 35 to 39).

79. In paragraph 47 of the judgment under appeal, the General Court explains that the issue of whether the sign in respect of which registration as an EU trade mark was sought meets the conditions laid down in Article 4 of Regulation No 207/2009, including that of being capable of being represented graphically, and whether it is therefore capable of constituting a trade mark, is a preliminary issue, the resolution of which is necessary in order to proceed to the examination of the pleas in law alleging infringement of Article 7(1)(b) of Regulation No 207/2009 and Article 95(1) of Regulation 2017/1001.

80. To my knowledge, that interpretation reflects case-law recently developed by the General Court.²⁰ In that regard, it should be noted that, in paragraph 46 of the judgment under appeal, the General Court cites its judgment of 6 October 2021, *M/S. Indeutsch International v EUIPO – 135 Kirkstall (Representation of chevrons between two parallel lines)*,²¹ in which that new line of case-law appears to originate. The question which arises is therefore whether that case-law has a basis in EU law.

81. From the outset, it is important to recall that, in accordance with the settled case-law of the Court, *each of the grounds for refusal to register listed in Article 7(1) of Regulation No 207/2009 is independent of the others and calls for separate examination*.²² Furthermore, the Court has already ruled that the various grounds for refusal must be interpreted in the light of the public interest underlying each of them. The public interest taken into account in the examination of each of those grounds for refusal may, or even must, reflect different considerations, depending upon which ground for refusal is at issue.²³

82. The aforementioned case-law, which is evidently based on the principle that each of the absolute grounds for refusal listed in Article 7(1) of Regulation No 207/2009 is autonomous, does not seem to me necessarily to exclude an interpretation, as supported by the General Court, according to which it is necessary first to examine whether the sign at issue fulfils the conditions set out in Article 4, as required by Article 7(1)(a) of that regulation. Rather, it seems to me to be possible to understand that interpretation as *an instruction addressed to the administration and legal practitioners to verify, primarily, whether the most basic requirements in terms of registration of signs are met*. Above all, such an interpretation does not seem to me to call into question the scope of the other grounds for refusal. Thus, if Article 7(1)(a) proves to be inapplicable to the present case, which it is for EUIPO to examine, the obligation also to verify the applicability of the other grounds for refusal remains. Seen from that perspective, it is not necessarily apparent that there is a contradiction between that new line of case-law established by the General Court and the settled case-law of the Court of Justice.

83. Irrespective of that point of view, a number of arguments support the interpretation adopted by the General Court, as I shall explain below.

84. First, *the actual wording* of Article 7(1)(a) or (b) of Regulation No 207/2009 supports that priority. While Article 7(1)(b) refers to ‘trade marks’, Article 7(1)(a) refers to ‘signs’. In connection with Article 7(1)(a), it is therefore first necessary to examine whether the sign at issue

²⁰ See, in that regard, Büscher, W., Kochendörfer, M., *Unionsmarkenverordnung Beck'scher Online-Kommentar*, 32nd Edition, Article 7(77).

²¹ T-124/20, not published, EU:T:2021:668, paragraph 47.

²² See judgments of 8 April 2003, *Linde and Others* (C-53/01 to C-55/01, EU:C:2003:206, paragraph 67), and of 21 October 2004, *OHIM v Erpo Möbelwerk* (C-64/02 P, EU:C:2004:645, paragraph 39).

²³ See judgment of 29 April 2004, *Henkel v OHIM* (C-456/01 P and C-457/01 P, EU:C:2004:258, paragraphs 45 and 46).

is capable of constituting a trade mark within the meaning of Article 4 of that regulation. Article 7(1)(b) is concerned, next, with the question whether the sign which is in principle capable of constituting a trade mark can also fulfil its function of indicating origin.

85. Secondly, it also follows from *the structure* inherent in Article 7 of Regulation No 207/2009 that Article 7(1)(a) has priority over Article 7(1)(b). Article 7(3) provides that it is possible to overcome the lack of distinctive character of a mark if the mark has become distinctive in consequence of the use which has been made of it. However, this logically implies that the sign for which registration was sought is also capable of constituting a mark within the meaning of Article 7(1)(a) of that regulation, since that ground for refusal cannot be overcome by use.

86. Thirdly, *the meaning and purpose* of the aforementioned provisions also support such priority. The question of the distinctive character of a mark can be logically analysed only if it is first of all established to which sign the distinctive character must specifically relate. It is therefore necessary to establish beforehand whether the sign in respect of which registration was sought is capable of being adequately represented graphically or whether it is sufficiently precise to be capable of constituting the basis of the examination of the distinctive character of that specific sign.

87. In the light of the foregoing considerations, I am of the view that the interpretation supported by the General Court, with regard to the priority application of the ground for refusal referred to in Article 7(1)(a) of Regulation No 207/2009, is not vitiated by an error of law. It follows that the General Court was right to raise of its own motion a plea alleging breach of the scope of the law in the dispute in the main proceedings. As I have stated above, the intervention of the Court of Justice seems to me to have been necessary in the circumstances set out in order to *prevent an error of law committed by the Board of Appeal from being perpetuated*.²⁴

(d) The unlawful exercise of the jurisdiction to alter decisions conferred on the General Court by Article 72(3) of Regulation 2017/1001

88. By contrast, the exercise by the General Court of the jurisdiction to alter decisions conferred on it by Article 72(3) of Regulation 2017/1001 in order to apply its interpretation of Article 7(1) of Regulation No 207/2009 seems legally questionable to me. In my view, there is at that stage of the General Court's reasoning a serious error of law which justifies the setting aside of the judgment under appeal. It is appropriate to examine in detail the relevant passages of that judgment.

89. In paragraph 50 of the judgment under appeal, the General Court explains that, in order to determine whether Article 7(1)(b) of Regulation No 207/2009 was applicable for the purpose of examining the application for registration, the General Court had to examine whether the sign in respect of which registration had been sought met the conditions for registration set out in Article 4 of that regulation, specifically whether it was capable of being represented graphically.

90. In paragraphs 55 to 57 of the judgment under appeal, the General Court itself carries out an in-depth assessment of the sign at issue for the purpose of concluding, in paragraph 58 of that judgment, that that sign does not meet the conditions set out in Article 4 of Regulation No 207/2009 and, consequently, is caught by the absolute ground for refusal set out in Article 7(1)(a) of that regulation. However, by carrying out its own assessment of the facts, the

²⁴ See point 75 of this Opinion.

General Court takes the place of EUIPO and thus exceeds the powers conferred on it by EU law. That observation calls for some general remarks relating to the judicial protection of intellectual property rights.

(1) *The jurisdiction to assess the facts in the field of intellectual property*

91. In that regard, I would like to point out that it is exclusively for the competent bodies within EUIPO to carry out such an assessment of the facts.²⁵ Those bodies are, in the first place, the examiner who, in accordance with Article 160 of Regulation 2017/1001, ‘shall be responsible for taking *decisions* on behalf of [EUIPO] *in relation to an application for registration of an EU trade mark*’. Among the tasks entrusted to the examiner is that of establishing whether there are grounds preventing the registration of a sign as an EU trade mark. That power is conferred, in the second place, on the Boards of Appeal which, in accordance with Article 165 of that regulation, are to be responsible for deciding on appeals from those decisions. As is clear from Article 71(1) of that regulation, ‘following the examination as to the allowability of the appeal, the Board of Appeal shall decide on the appeal’. To that end, the Board of Appeal may ‘either *exercise any power within the competence of the department which was responsible for the decision appealed* or remit the case to that department for further prosecution’.

92. By contrast, the General Court does not have that power, under Article 72(1) of Regulation 2017/1001, in an action for annulment against a decision taken by the Board of Appeal. Although it is apparent from Article 72(3) of that regulation that the General Court ‘*shall have jurisdiction to annul or to alter the contested decision*’, the fact remains that the jurisdiction to alter decisions is *strictly limited to a review of the legality of the decisions at issue*,²⁶ since the EU judicature is *unable to modify the factual and legal context of the dispute* as it was brought before the Board of Appeal. As I shall explain below, that power in no way implies the exercise of unlimited jurisdiction in that that judicature is able to substitute its own reasoning for that of the Board of Appeal or to carry out an assessment on which that Board of Appeal has not yet adopted a position.²⁷

(2) *The organisation of the judicial protection of intellectual property rights in the legal order of the European Union*

93. That division of powers is a result of the way in which the judicial protection of intellectual property rights is organised in the legal order of the European Union. Initially, the parties concerned may bring an appeal before the Boards of Appeal of EUIPO, which perform a dual function: on the one hand, they act as a filter, reducing the number of cases brought before the EU judicature, and, on the other hand, they function as examination bodies specialised in the field in which they operate, namely intellectual property law. Subsequently, the parties concerned may bring an appeal before the EU judicature, which is then limited to a review of the legality of the decisions of the Boards of Appeal, but within that framework *the EU judicature has jurisdiction, under certain conditions, to alter those decisions*.

²⁵ See, in that regard, Chirulli, P., De Lucia, L., *Non-Judicial Remedies and EU Administration*, Chapter IV (‘Administrative review before the EU agencies’ Boards of Appeal’), 1st Edition, Abingdon, 2021, p. 134 et seq.

²⁶ Judgment of 18 December 2008, *Les Éditions Albert René v OHIM* (C-16/06 P, EU:C:2008:739, paragraph 123).

²⁷ Judgment of 5 July 2011, *Edwin v OHIM* (C-263/09 P, EU:C:2011:452, paragraph 72).

94. The EU legislature has provided for a multi-level system of administrative and judicial remedies, so that, *in relation to issues of fact the Board of Appeal has the central role in delineating the subject matter of the dispute*.²⁸ As for the EU judicature, its review must thus be understood as a ‘secondary’ intervention within the framework of which it may not only annul the contested decision, but also, under certain conditions, settle the dispute quickly and efficiently with due respect for institutional balance. In order to save valuable time for the parties while relieving the specialised administrative body concerned of an additional task, the EU legislature permits the EU judicature to alter the decision of Board of Appeal of EUIPO. The idea is, for the sake of good administration, to avoid referring the case back to that Board of Appeal when the state of the proceedings is such that judgment can be given and thus to allow the court to *restore in full the legality of the contested decision*.²⁹

(3) *The conditions for the exercise of the jurisdiction to alter decisions*

95. The exercise by the EU judicature of its jurisdiction to alter decisions in intellectual property matters presupposes that *the state of the proceedings is such that judgment can be given*. Therefore, the EU judicature, without even needing to carry out a comprehensive new examination of the file, must have all the legal and factual elements which are necessary for it to alter the decision of the Board of Appeal of EUIPO. Accordingly, *if the EU judicature finds that an element relevant to the alteration requested of it is not among the elements on which the contested decision was based, it cannot modify that decision*. On the other hand, where all the elements relevant to that end have been the subject of an assessment by the Board of Appeal of EUIPO, it will be able to restore the legality of that decision by altering it.³⁰

96. Where the state of the proceedings is such that judgment can be given, the EU judicature may modify the decision of the Board of Appeal of EUIPO so that that decision corresponds to that which that Board of Appeal should have taken in accordance with the legislation in force when the administrative appeal was brought before it. Any subjective approach on the part of the EU judicature in that context is, therefore, precluded. It is a question neither of mechanically drawing the appropriate conclusions from the error found in the contested decision, nor of assessing whether the rights of the applicant are adequately safeguarded by exercising the jurisdiction to annul a decision, but of establishing, *in the light of the matters of fact and law as established*, the decision which should have been lawfully adopted.³¹ The General Court’s jurisdiction to alter decisions extends only to that of the Board of Appeal itself, so that it does not have the power, for example, to give EUIPO instructions to publish or register a trade mark.³²

97. As the Court stated, in essence, in the judgment of 5 July 2011, *Edwin v OHIM*, pointing out that the jurisdiction to alter decisions in intellectual property matters was exercised after a review of the assessment made by the Board of Appeal, such an alteration is possible only if *a substantive*

²⁸ See, to that effect, Opinion of Advocate General Kokott in *Edwin v OHIM* (C-263/09 P, EU:C:2011:30, point 99).

²⁹ See, in that regard, Expert, H., Pouillet, C., ‘Le pouvoir de réformation du juge de l’Union en matière de propriété intellectuelle’, *Journal de droit européen*, 2019, No 255, p. 3.

³⁰ The General Court itself has recognised those requirements, as its recent case-law shows. See judgments of 11 September 2014, *El Corte Inglés v OHIM – Baumarkt Praktiker Deutschland (PRO OUTDOOR)* (T-127/13, not published, EU:T:2014:767, paragraph 31), and of 6 October 2021, *M/S. Indeutsch International v EUIPO – 135 Kirkstall (Representation of chevrons between two parallel lines)* (T-124/20, not published, EU:T:2021:668, paragraph 76).

³¹ As Advocate General Bobek explained in his Opinion in *Apple and Pear Australia and Star Fruits Diffusion v EUIPO* (C-226/15 P, EU:C:2016:250, point 74), exercise of the power to alter decisions must, in principle, be limited to situations in which the General Court, after reviewing the assessment made by the Board of Appeal, is in a position to determine, on the basis of the matters of fact and law as established, what decision the Board of Appeal was required to take.

³² See, to that effect, Kur, A., von Bomhard, V., Albrecht, F., *Markengesetz, Verordnung über die Unionsmarke – Kommentar*, 37th Edition, Munich, 2014, Article 72, paragraph 72.

illegality of that decision has been found. This presupposes, according to the Court, that ‘[the decision in question is] vitiated by one of the grounds for annulment or alteration set out in [Article 72 of Regulation 2017/1001]’.³³ It follows that, even though, in accordance with the rules of procedure, it is in principle for the applicant to rely on one of those grounds for annulment in the dispute, there is nothing to prevent the court from *identifying of its own motion an equivalent circumstance justifying the alteration of an administrative decision.* As I have noted in this Opinion, the EU judiciary’s role as guarantor of legality requires that it intervene where this seems justified,³⁴ provided, of course, that the conditions for the exercise of the jurisdiction to alter decisions are met.

(4) Examination of the General Court’s legal reasoning in the light of the rules governing the exercise of the jurisdiction to alter decisions

98. In the present case, it must be noted that the General Court did not comply with the rules governing the exercise of the jurisdiction to alter decisions. More specifically, *the state of the proceedings was not such that judgment could be given*, since the Board of Appeal had refrained from examining the absolute ground for refusal contained in Article 7(1)(a) of Regulation No 207/2009. Nevertheless, the General Court itself carried out such an examination by raising of its own motion the plea alleging breach of the scope of the law. In so doing, the General Court disregarded the fact that the power to alter decisions does not have the effect of conferring on that Court the power to substitute its own reasoning for that of a Board of Appeal. *The General Court is certainly not authorised to carry out an assessment on which that Board of Appeal has not yet adopted a position.* By carrying out an initial examination of the factual circumstances, the General Court exercised a power which, as I have stated previously, belongs exclusively to the Board of Appeal. In breach of the rules governing the exercise of the jurisdiction to alter decisions, *the General Court did not confine itself to a review of the legality of the decision of the Board of Appeal, but also arrogated to itself the power to assess the facts.*³⁵

99. The General Court exercised its jurisdiction to alter decisions even though it was not in a situation allowing it to establish what decision the Board of Appeal should have taken. In view of the fact that that Board of Appeal had refrained from taking a position on the application of Article 7(1)(a) of Regulation No 207/2009, *it was not possible for the General Court to determine with the necessary certainty on what legal basis EUIPO would ultimately base its refusal to register the sign at issue as an EU trade mark.* Accordingly, the General Court exceeded the limits of its jurisdiction. That error of law seems to me to be particularly serious in the specific circumstances, since it reveals a manifest misunderstanding of the binding institutional framework governing the jurisdiction to alter decisions in intellectual property matters, laid down in Article 72(3) of Regulation 2017/1001.

100. All those elements lead me to conclude that the ground of appeal put forward by EUIPO must be declared well founded.

³³ Judgment of 5 July 2011, *Edwin v OHIM* (C-263/09 P, EU:C:2011:452, paragraph 71).

³⁴ See point 71 et seq. of this Opinion.

³⁵ See points 90, 91 and 93 of this Opinion.

3. Concluding remarks

101. On the basis of the foregoing analysis, I propose that the appeal be upheld. The form of order sought by EUIPO must be granted and the judgment under appeal set aside *in its entirety*. Although the error of law committed by the General Court concerns only the last stage of its legal reasoning, relating to the exercise of the jurisdiction to alter decisions, the fact remains that the legal matters examined by it are intrinsically linked and therefore warrant an *ex novo decision*.

102. In so far as it remains necessary to make a number of findings in order to resolve the dispute, I consider that the state of the proceedings is not such that judgment can be given by the Court of Justice, for the purposes of the first paragraph of Article 61 of the Statute of the Court of Justice of the European Union. For that reason, I propose that the case be referred back to the General Court so that it can give a ruling taking into account the points of law resolved by the decision of the Court of Justice.

103. Since I propose that the case should be referred back to the General Court, the costs relating to the present appeal should be reserved.

VII. Conclusion

104. In the light of the foregoing considerations, I propose that the Court should:

- (1) set aside in its entirety the judgment of the General Court of the European Union of 7 December 2022, *Neoperl v EUIPO (Representation of a cylindrical sanitary insert)* (T-487/21, EU:T:2022:780);
- (2) refer the case back to the General Court of the European Union; and
- (3) reserve the costs.