

JUDGMENT OF THE COURT (Second Chamber)

25 July 2018 (*) (i)

(Reference for a preliminary ruling — EU trade mark — Directive 2008/95/EC — Article 5 — Regulation (EC) No 207/2009 — Article 9 — Trade mark proprietor entitled to oppose removal by a third party of all the signs identical to that trade mark and the affixing of new signs on goods identical to those for which the trade mark has been registered with a view to importing or placing them on the market in the European Economic Area (EEA))

In Case C-129/17,

REQUEST for a preliminary ruling under Article 267 TFEU from the Hof van beroep te Brussel (Brussels Court of Appeal, Belgium), made by decision of 7 February 2017, received at the Court on 13 March 2017, in the proceedings

Mitsubishi Shoji Kaisha Ltd,

Mitsubishi Caterpillar Forklift Europe BV

v

Duma Forklifts NV,

G.S. International BVBA,

THE COURT (Second Chamber),

composed of M. Ilešič, President of the Chamber, A. Rosas, C. Toader, A. Prechal and E. Jarašiūnas (Rapporteur), Judges,

Advocate General: M. Campos Sánchez-Bordona,

Registrar: M. Ferreira, Principal Administrator,

having regard to the written procedure and further to the hearing on 8 February 2018,

after considering the observations submitted on behalf of

- Mitsubishi Shoji Kaisha Ltd and Mitsubishi Caterpillar Forklift Europe BV, by P. Maeyaert and J. Muyldermans, advocaten,
- Duma Forklifts NV and G.S. International BVBA, by K. Janssens and J. Keustermans, advocaten, and by M.R. Gherghinaru, avocate,
- the German Government, by T. Henze, M. Hellmann and J. Techert, acting as Agents,
- the European Commission, by J. Samnadda and by E. Gippini Fournier and F. Wilman, acting as Agents,

after hearing the Opinion of the Advocate General at the sitting on 26 April 2018,

gives the following

Judgment

- 1 This request for a preliminary ruling concerns the interpretation of Article 5 of Directive 2008/95/EC of the European Parliament and of the Council of 22 October 2008 to approximate the laws of the Member States relating to trade marks (OJ 2008 L 299, p. 25), and of Article 9 of Council Regulation (EC) No 207/2009 of 26 February 2009 on the European Union trade mark (OJ 2009 L 78, p. 1).
- 2 The request has been made in proceedings between Mitsubishi Shoji Kaisha Ltd ('Mitsubishi') and Mitsubishi Caterpillar Forklift Europe BV ('MCFE'), on the one hand, and Duma Forklifts NV ('Duma') and G.S. International BVBA ('GSI') on the other, concerning a request that, inter alia, the latter cease removing signs identical to the marks of which Mitsubishi is the proprietor and affixing new signs on Mitsubishi forklift trucks acquired outside the European Economic Area (EEA).

Legal context

- 3 Recitals 1 and 2 of Directive 2008/95 state as follows:
 - '(1) The content of 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)] has been amended. In the interests of clarity and rationality the said Directive should be codified.
 - (2) The trade mark laws applicable in the Member States before the entry into force of Directive 89/104/EEC contained disparities which may have impeded the free movement of goods and freedom to provide services and may have distorted competition within the common market. It was therefore necessary to approximate the laws of the Member States in order to ensure the proper functioning of the internal market.'
- 4 Article 5 of that directive, entitled 'Rights conferred by a trade mark', provides:
 1. The registered trade mark shall confer on the proprietor exclusive rights therein. The proprietor shall be entitled to prevent all third parties not having his consent from using in the course of trade:
 - (a) any sign which is identical with the trade mark in relation to goods or services which are identical with those for which the trade mark is registered;
 - (b) any sign where, because of its identity with, or similarity to, the trade mark and the identity or similarity of the goods or services covered by the trade mark and the sign, there exists a likelihood of confusion on the part of the public, which includes the likelihood of association between the sign and the trade mark.
 - ...
 3. The following, inter alia, may be prohibited under [paragraph 1]:
 - (a) affixing the sign to the goods or to the packaging thereof;
 - (b) offering the goods, or putting them on the market or stocking them for these purposes under that sign, or offering or supplying services thereunder;
 - (c) importing or exporting the goods under that sign;
 - (d) using the sign on business papers and in advertising.
 - ...
- 5 Article 7(1) of the directive, entitled 'Exhaustion of the rights conferred by a trade mark', provides:

'The trade mark shall not entitle the proprietor to prohibit its use in relation to goods which have been put on the market in the [European Union] under that trade mark by the proprietor or with his consent.'

6 Regulation No 207/2009 codified Council Regulation (EC) No 40/94 of 20 December 1993 on the [European Union] trade mark (OJ 1994 L 11, p. 1). Article 9 of Regulation No 207/2009, entitled ‘Rights conferred by an [EU] trade mark’, provided:

‘1. An EU trade mark shall confer on the proprietor exclusive rights therein. The proprietor shall be entitled to prevent all third parties not having his consent from using in the course of trade:

- (a) any sign which is identical with the [EU] trade mark in relation to goods or services which are identical with those for which the [EU] trade mark is registered;
- (b) any sign where, because of its identity with, or similarity to, the [EU] trade mark and the identity or similarity of the goods or services covered by the [EU] trade mark and the sign, there exists a likelihood of confusion on the part of the public; the likelihood of confusion includes the likelihood of association between the sign and the trade mark;

...

2. The following, inter alia, may be prohibited under paragraph 1:

- (a) affixing the sign to the goods or to the packaging thereof;
- (b) offering the goods, putting them on the market or stocking them for these purposes under that sign, or offering or supplying services thereunder;
- (c) importing or exporting the goods under that sign;
- (d) using the sign on business papers and in advertising.

...’

7 Article 13(1) of that Regulation, entitled ‘Exhaustion of the rights conferred by an [EU] trade mark’, provided:

‘The [EU] trade mark shall not entitle the proprietor to prohibit its use in relation to goods which have been put on the market in the [European Union] under that trade mark by the proprietor or with his consent.’

8 Regulation No 207/2009 was amended by Regulation (EU) 2015/2424 of the European Parliament and of the Council of 16 December 2015 amending Regulation No 207/2009 and Commission Regulation (EC) No 2868/95 implementing Council Regulation (EC) No 40/94 on the [European Union] trade mark, 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) (OJ 2015 L 341, p. 21) entered into force on 23 March 2016 and is applicable to the facts in the main proceedings with effect from that date.

9 Regulation No 2015/2424 introduced a new paragraph 4 into Article 9 of Regulation No 207/2009, which reads as follows:

‘Without prejudice to the rights of proprietors acquired before the filing date or the priority date of the EU trade mark, the proprietor of that EU trade mark shall also be entitled to prevent all third parties from bringing goods, in the course of trade, into the Union without being released for free circulation there, where such goods, including packaging, come from third countries and bear without authorisation a trade mark which is identical with the EU trade mark registered in respect of such goods, or which cannot be distinguished in its essential aspects from that trade mark.

The entitlement of the trade mark proprietor pursuant to the first subparagraph shall lapse if, during the proceedings to determine whether the registered trade mark has been infringed, initiated in accordance with Regulation (EU) No 608/2013 [of the European Parliament and of the Council of 12 June 2013 concerning customs enforcement of intellectual property rights and repealing Council Regulation (EC)

No 1383/2003 (OJ 2013 L 181, p. 15)], evidence is provided by the declarant or the holder of the goods that the proprietor of the registered trade mark is not entitled to prohibit the placing of the goods on the market in the country of final destination.’

- 10 An analogous provision is laid down by Article 10(4) of Directive (EU) 2015/2436 of the European Parliament and of the Council of 16 December 2015 to approximate the laws of the Member States relating to trade marks (OJ 2015 L 336, p. 1) which recast Directive 2008/95 and repealed it with effect from 15 January 2019, but is not applicable to the facts in the main proceedings.

The dispute in the main proceedings and the questions referred for a preliminary ruling

- 11 Mitsubishi, established in Japan, is the proprietor of the following marks (‘the Mitsubishi marks’):
- The EU word mark MITSUBISHI, registered on 24 September 2001 under number 118042 for, inter alia, goods in Class 12 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, including motor vehicles, electric vehicles and forklift trucks;
 - The EU figurative mark, represented below, registered on 3 March 2000 under number 117713, designating in particular the products in Class 12 of that Agreement, including motor vehicles, electric vehicles and forklift trucks:



- The Benelux word mark MITSUBISHI registered on 1 June 1974 under the number 93812, designating inter alia the goods in Class 12, including land vehicles and means of transport and Class 16, including books and printed matter;
 - The Benelux figurative mark MITSUBISHI registered on 1 June 1974 under the number 92755, designating inter alia the goods in Class 12, including land vehicles and means of transport and Class 16, including books and printed matter, identical to the EU figurative mark.
- 12 MCFE, established in the Netherlands, is exclusively authorised to manufacture and place on the market in the EEA forklift trucks supplied under the Mitsubishi mark.
- 13 Duma, established in Belgium, has as its main activity the worldwide purchase and sale of new and second hand forklift trucks. It also offers for sale its own forklift trucks under the names ‘GSI’, ‘GS’ and ‘Duma’. It was previously an official subdealer of Mitsubishi forklift trucks in Belgium.
- 14 GSI, also established in Belgium, is affiliated with Duma, whose administration and head office it shares. It constructs and repairs the forklift trucks that it imports and exports wholesale, with their components, on the world market. It adapts them to the applicable European standards, gives them their own serial numbers and delivers them to Duma, providing EU declarations of conformity.
- 15 It is stated in the order for reference that, in the period from 1 January 2004 to 19 November 2009, Duma and GSI proceeded to make parallel imports in the EEA of forklift trucks bearing the Mitsubishi marks, without the consent of the proprietors of those marks.
- 16 Since 20 November 2009, Duma and GSI have acquired from a company within the Mitsubishi group, outside the EEA, forklift trucks that they bring into EEA territory where they place them under a customs warehousing procedure. They then remove from those goods all the signs identical to the Mitsubishi marks, make the necessary modifications to render those goods compliant with European Union standards, replacing the identification plates and serial numbers with their own signs. They import those goods and then market them both within and outside the EEA.

- 17 Mitsubishi and MCFE applied to the Rechtbank van koophandel te Brussel (Commercial Court, Brussels, Belgium) seeking, in particular, that the court order the cessation of those activities. Their applications were rejected by a judgment of 17 March 2010, and so they appealed to the Hof van beroep te Brussel (Court of Appeal, Brussels, Belgium), before which they sought the prohibition of both the parallel trade in forklift trucks bearing the Mitsubishi mark and the importation and marketing of forklift trucks on which signs identical to those marks have been removed and new signs affixed.
- 18 Before that court, Mitsubishi submitted that the removal of the signs and affixing of new signs on forklift trucks purchased outside the EEA, the removal of identification plates and serial numbers, and the importation and marketing of those forklift trucks in the EEA, infringed the rights conferred on them by the Mitsubishi marks. It submitted in particular that the removal of the signs identical to those marks, without its consent, was an infringement of the right of the proprietor of the mark to control the first placing on the market in the EEA of the goods bearing that mark and harmed the mark's functions of indicating origin and quality, as well as the functions of investment and advertising. It observed, in that regard, that despite that removal, the Mitsubishi forklift trucks remained recognisable to the consumer.
- 19 Duma and GSI submitted in particular that they must be regarded as the manufacturers of the forklift trucks that they purchased outside the EEA because they made modifications to those trucks in order to render them compliant with European Union regulation, and they were therefore entitled to affix their own signs.
- 20 As regards the parallel import into the EEA of forklift trucks bearing the Mitsubishi marks, the referring court held that that was a breach of the law on trade marks and upheld the applications made by Mitsubishi and MCFE. With regard to the importation and marketing in the EEA, with effect from 20 November 2009, of Mitsubishi forklift trucks originating in countries that are not members of the EEA on which the signs identical to the Mitsubishi marks were removed and new signs affixed, it observed that the Court had not yet ruled on the question of whether actions, such as those undertaken by Duma and GSI, constituted a use that the proprietor of the mark could prohibit, while observing that the Court's case-law gave indications that led it to suppose that that question called for a positive response.
- 21 It was in those circumstances that the Hof van beroep te Brussel (Court of Appeal, Brussels) (Belgium) decided to stay the proceedings and to refer the following questions to the Court of Justice for a preliminary ruling:

- ‘(1) (a) Do Article 5 of Directive 2008/95 and Article 9 of Council Regulation No 207/2009 cover the right of the trade mark proprietor to oppose the removal, by a third party, without the consent of the trade mark proprietor, of all signs identical to the trade marks which had been applied to the goods (debranding), in the case where the goods concerned have never previously been traded within the EEA, such as goods placed in a customs warehouse, and where the removal by the third party occurs with a view to importing or placing those goods on the market within the EEA?
- (b) Does it make any difference to the answer to question (a) above whether the importation of those goods or their placing on the market within the EEA occurs under its own distinctive sign applied by the third party (rebranding)?
- (2) Does it make any difference to the answer to the first question whether the goods thus imported or placed on the market are, on the basis of their outward appearance or model, still identified by the relevant average consumer as originating from the trade-mark proprietor?’

The request for the oral procedure to be reopened

- 22 By document lodged at the Court Registry on 20 June 2018, Mitsubishi requested an order re-opening the oral part of the procedure, under Article 83 of the Rules of Procedure of the Court of Justice. In support of that request, Mitsubishi submitted in essence that the Opinion of the Advocate General rested on an incorrect finding that use in the course of trade, within the meaning of Article 5(1) of Directive 2008/95 and Article 9(1) of Regulation No 207/2009, presupposes a positive and visible act.

It considers, furthermore, that that Opinion does not respond to its arguments that the removal of the signs infringes the various functions of the mark.

- 23 Pursuant to Article 83 of its Rules of Procedure, the Court may at any time, after hearing the Advocate General, order the reopening of the oral part of the procedure, in particular if it considers that it lacks sufficient information or where a party has, after the close of that part of the procedure, submitted a new fact which is of such a nature as to have a decisive bearing on the decision of the Court, or where the case must be decided on the basis of an argument which has not been debated between the parties or the interested persons referred to in Article 23 of the Statute of the Court of Justice of the European Union.
- 24 That is not the situation in the present case. A new fact has not been claimed to exist. Furthermore, Mitsubishi, in the same way as the other interested parties who participated in these proceedings, was able to set out, in both the written and the oral stages, the elements of fact and law that it regarded as relevant in answering the questions asked by the referring court, in particular the concept of ‘in the course of trade’ within the meaning of Article 5(1) of Directive 2008/95 and Article 9(1) of Regulation No 207/2009. Therefore, the Court considers, after hearing the Advocate General, that it has all the necessary information to give judgment.
- 25 Furthermore, as regards the criticisms made by Mitsubishi of the Advocate General’s Opinion, it must be borne in mind, first, that the Statute of the Court of Justice of the European Union and the Rules of Procedure of the Court make no provision for interested parties to submit observations in response to the Advocate General’s Opinion (judgment of 20 December 2017, *Acacia and D’Amato*, C-397/16 and C-435/16, EU:C:2017:992, paragraph 26 and the case-law cited).
- 26 Secondly, under the second paragraph of Article 252 TFEU, it is the duty of the Advocate General, acting with complete impartiality and independence, to make, in open court, reasoned submissions on cases which, in accordance with the Statute of the Court of Justice of the European Union, require the Advocate General’s involvement. In that regard, the Court is not bound either by the Opinion delivered by the Advocate General or by the reasoning which led to that Opinion. As a consequence, the fact that a party disagrees with the Advocate General’s Opinion, irrespective of the questions examined in the Opinion, cannot in itself constitute grounds justifying the reopening of the oral part of the procedure (judgment of 20 December 2017, *Acacia and D’Amato*, C-397/16 and C-435/16, EU:C:2017:992, paragraph 27 and the case-law cited).
- 27 In the light of the foregoing, the Court considers that there is no need to reopen the oral part of the procedure.

Consideration of the questions referred

- 28 By its two questions, which it is appropriate to consider together, the referring court asks, in essence, whether Article 5 of Directive 2008/95 and Article 9 of Regulation No 207/2009 must be interpreted as meaning that the proprietor of a mark may oppose a third party removing all the signs identical to that mark and affixing other signs, without its consent, on products placed in the customs warehouse, such as in the main proceedings, with a view to importing them or trading them in the EEA where they have never yet been marketed.
- 29 Article 5(1) of Directive 2008/95 and Article 9(1) of Regulation No 207/2009, which are identical in their content, must be interpreted in the same way (see, to that effect, the order of 19 February 2009, *UDV North America*, C-62/08, EU:C:2009:111, paragraph 42).
- 30 For that purpose, it should be recalled that Directive 2008/95, which codified Directive 89/104, is intended, as its recitals 1 and 2 show, to eliminate disparities between the trade mark laws of the Member States which may impede the free movement of goods and the freedom to provide services and distort competition within the common market. Trade mark rights constitute an essential element in the system of undistorted competition which EU law is intended to establish and maintain. In such a system, undertakings must be able to attract and retain customers by the quality of their goods or services, which is made possible only by distinctive signs allowing them to be identified (judgment of

12 November 2002, *Arsenal Football Club*, C-206/01, EU:C:2002:651, paragraphs 46 and 47, and the case-law cited).

- 31 It must also be recalled that Article 7(1) of Directive 2008/95 and Article 13(1) of Regulation No 207/2009 limit the exhaustion of the rights conferred on the proprietor of a trade mark to cases where goods are put on the market in the EEA. They allow the proprietor to market his products outside the EEA without thereby exhausting his rights within it. By specifying that the placing of goods on the market outside the EEA does not exhaust the proprietor's right to oppose the importation of those goods without his consent, the EU legislature thus allowed the proprietor of the trade mark to control the initial marketing in the EEA of goods bearing the mark (see, to that effect, the judgments of 16 July 1998, *Silhouette International Schmied*, C-355/96, EU:C:1998:374, paragraph 26; of 20 November 2001, *Zino Davidoff and Levi Strauss*, C-414/99 to C-416/99, EU:C:2001:617, paragraphs 32 and 33, and of 18 October 2005, *Class International*, C-405/03, EU:C:2005:616, paragraph 33).
- 32 In that regard, the Court has repeatedly noted that, in order to ensure the protection of the rights conferred by the trade mark, it is essential that the proprietor of the trade mark registered in one or several Member States can control the first placing of goods bearing that mark on the market in the EEA (judgments of 15 October 2009, *Makro Zelfbedieningsgroothandel and Others*, C-324/08, EU:C:2009:633, paragraph 32; of 12 July 2011, *L'Oréal and Others*, C-324/09, EU:C:2011:474, paragraph 60, and of 16 July 2015, *TOP Logistics and Others*, C-379/14, EU:C:2015:497, paragraph 31). It also follows from the Court's case-law that that right of the proprietor applies to every individual type of that product (see, to that effect, the judgments of 1 July 1999, *Sebago and Maison Dubois*, C-173/98, EU:C:1999:347, paragraphs 19 and 20, and of 3 June 2010, *Coty Prestige Lancaster Group*, C-127/09, EU:C:2010:313, paragraph 31).
- 33 Furthermore, the first sentence of Article 5(1) of Directive 2008/95 and the first sentence of Article 9(1) of Regulation No 207/2009 confer on the proprietor of the registered trade mark an exclusive right, which, according to Article 5(1)(a) and (b) of that directive and Article 9(1)(a) and (b) of that regulation, entitles the proprietor to prevent all third parties from using, in the course of trade, without his consent, a sign identical to the mark in relation to the goods or services identical to those for which it has been registered of a sign which, because of its identity with, or similarity to, the trade mark and the identity or similarity of the goods or services covered by the trade mark and the sign, there exists a likelihood of confusion on the part of the public, a likelihood of confusion that includes the likelihood of association between the sign and the trade mark.
- 34 The Court has held on many occasions that that exclusive right of the proprietor of the mark was conferred in order to enable him to protect his specific interests as proprietor, namely to ensure that the trade mark can fulfil its function, and that the exercise of that right must therefore be reserved to cases in which a third party's use of the sign affects, or is liable to affect, the functions of the trade mark. Amongst those functions is not only the essential function of the mark which is to guarantee to consumers the origin of the product or service, but also the other functions of the mark, such as, in particular, that of guaranteeing the quality of the product or service, or those of communication, investment or advertising (see the judgments of 12 November 2002, *Arsenal Football Club*, C-206/01, EU:C:2002:651, paragraph 51; of 18 June 2009, *L'Oréal and Others*, C-487/07, EU:C:2009:378, paragraph 58; of 23 March 2010, *Google France and Google*, C-236/08 to C-238/08, EU:C:2010:159, paragraphs 77 and 79, and of 22 September 2011, *Interflora and Interflora British Unit*, C-323/09, EU:C:2011:604, paragraphs 37 and 38).
- 35 As regards those functions, it must be borne in mind that the essential function of a trade mark is to guarantee the identity of the origin of the marked goods or service to the consumer or end user by enabling him to distinguish the goods or service from others which have another origin (judgment of 23 March 2010, *Google France and Google*, C-236/08 to C-238/08, EU:C:2010:159, paragraph 82 and the case-law cited). It serves in particular to guarantee that all the goods or services bearing it have been manufactured or supplied under the control of a single undertaking which is responsible for their quality, which it does in order to fulfil its essential role in the system of undistorted competition (see, to that effect, the judgments of 12 November 2002, *Arsenal Football Club*, C-206/01, EU:C:2002:651, paragraph 48, and of 12 July 2011, *L'Oréal and Others*, C-324/09, EU:C:2011:474, paragraph 80).

- 36 The function of investment of the mark includes the possibility for the proprietor of a mark to employ it in order to acquire or preserve a reputation capable of attracting customers and retaining their loyalty, by means of various commercial techniques. Thus, when the use by a third party, such as a competitor of the trade mark proprietor, of a sign identical to the trade mark in relation to goods or services identical with those for which the mark is registered substantially interferes with the proprietor's use of its trade mark to acquire or preserve a reputation capable of attracting consumers and retaining their loyalty, the third party's use adversely affects that function of the trade mark. The proprietor is, as a consequence, entitled to prevent such use under Article 5(1)(a) of Directive 2008/95 or, in the case of an EU trade mark, under Article 9(1)(a) of Regulation No 207/2009 (see, to that effect, the judgment of 22 September 2011, *Interflora and Interflora British Unit*, C-323/09, EU:C:2011:604, paragraphs 60 to 62).
- 37 As to the function of the advertising of the mark, it is that of using a mark for advertising purposes designed to inform and persuade consumers. Accordingly, the proprietor of a trade mark is, in particular, entitled to prohibit a third party from using, without the proprietor's consent, a sign identical with its trade mark in relation to goods or services which are identical with those for which that trade mark is registered, where that use adversely affects the proprietor's use of its mark as a factor in sales promotion or as an instrument of commercial strategy (see, to that effect, the judgment of 23 March 2010, *Google France and Google*, C-236/08 to C-238/08, EU:C:2010:159, paragraphs 91 and 92).
- 38 As regards the concept of 'use in the course of trade', the Court has already held that the list of types of use that the proprietor of the trade mark may prohibit, contained in Article 5(3) of Directive 2008/95 and Article 9(2) of Regulation No 207/2009, is not exhaustive (see judgments of 12 November 2002, *Arsenal Football Club*, C-206/01, EU:C:2002:651, paragraph 38; of 25 January 2007, *Adam Opel*, C-48/05, EU:C:2007:55, paragraph 16, and of 23 March 2010, *Google France and Google*, C-236/08 to C-238/08, EU:C:2010:159, paragraph 65), and that it refers exclusively to active behaviour on the part of the third party (see judgment of 3 March 2016, *Daimler*, C-179/15, EU:C:2016:134, paragraph 40).
- 39 The Court also found that use, in the course of trade, of a sign identical or similar to the mark presupposes that the use occurs in the context of commercial activity with a view to economic advantage and not as a private matter (see the judgment of 16 July 2015, *TOP Logistics and Others*, C-379/14, EU:C:2015:497, paragraph 43 and the case-law cited). It has clarified that the terms 'use' and 'in the course of trade' cannot be interpreted as meaning that they refer only to immediate relationships between a trader and a consumer and, in particular, that there is use of a sign identical to the mark where the economic operator concerned uses the sign in its own commercial communications (see the judgment of 16 July 2015, *TOP Logistics and Others*, C-379/14, EU:C:2015:497, paragraphs 40 and 41 and the case-law cited).
- 40 In the present case, the order for reference states that, without Mitsubishi's consent, Duma and GSI acquire, outside the EEA, Mitsubishi forklift trucks that they bring into EEA territory where they place them under a customs warehousing procedure. Whilst those goods are still under that procedure, they entirely remove the signs identical to the Mitsubishi trade marks, make alterations in order to render them compliant with the standards in force in the European Union, replace the identification plates and serial numbers and affix their own signs, then import them into the EEA, and market them both within and outside the EEA.
- 41 Unlike the cases that gave rise to the judgments cited in paragraph 31 above, the goods concerned in the case in the main proceedings do not therefore bear the marks at issue when they are imported into and marketed in the EEA, after having been placed under the customs warehousing procedure. Also unlike the other judgments cited in paragraphs 34 to 39 above, the third parties do not appear to use in any way at that time the signs identical or similar to the marks at issue, in particular in their commercial communications. The case in the main proceedings is also different from the circumstances envisaged in paragraph 86 of the judgment of 8 July 2010, *Portakabin* (C-558/08, EU:C:2010:416), mentioned by the referring court, in which the Court held that, where a reseller, without the consent of the trade mark proprietor, removes the trade mark from the goods and replaces it with a label bearing the reseller's name, with the result that the trade mark of the manufacturer of the goods in question is entirely concealed, the trade mark proprietor is entitled to prevent the reseller from

using that mark to advertise that resale, since that adversely affects the essential function of the trade mark.

42 Nevertheless, it must be observed, first, that the removal of signs identical to the mark prevents the goods for which that mark is registered from bearing that mark the first time that they are placed on the market in the EEA and, hence, deprives the proprietor of that trade mark of the benefit of the essential right, which is conferred on him by the case-law recalled in paragraph 31 above, to control the initial marketing in the EEA of goods bearing that mark.

43 Secondly, the removal of the signs identical to the mark and the affixing of new signs on the goods with a view to their first placing on the market in the EEA adversely affects the functions of the mark.

44 As regards the function of the indication of origin, it suffices to recall that, in paragraph 48 of the judgment of 16 July 2015, *TOP Logistics and Others* (C-379/14, EU:C:2015:497), the Court has already held that any act by a third party preventing the proprietor of a registered trade mark in one or more Member States from exercising his right to control the first placing of goods bearing that mark on the market in the EEA, by its very nature undermines that essential function of the trade mark.

45 The referring court wonders whether it makes any difference that goods thus imported or placed on the market can still be identified by the relevant average consumer as originating from the trade mark proprietor, on the basis of their outward appearance or model. It suggests, in effect, that despite the removal of the signs identical to the mark and the affixing of new signs on the forklift trucks, the relevant consumers continue to recognise them as Mitsubishi forklift trucks. In that regard, it must be observed that, while the essential function of the mark may be harmed irrespective of that fact, that fact is likely to accentuate the effects of such harm.

46 Moreover, the removal of the signs identical to the mark and the affixing of new signs on the goods precludes the trade mark proprietor from being able to retain customers by virtue of the quality of its goods and affects the functions of investment and advertising of the mark where, as in the present case, the product in question is not still marketed under the trade mark of the proprietor on that market by him or with his consent. The fact that the trade mark proprietor's goods are placed on the market before that proprietor has placed them on that market bearing that trade mark, with the result that consumers will know those goods before being able to associate them with that trade mark, is likely substantially to impede the use of that mark, by the proprietor, in order to acquire a reputation likely to attract and retain consumers, and to serve as a factor in sales promotion or as an instrument of commercial strategy. In addition, such actions deprive the proprietor of the possibility of obtaining, by putting the goods on the EEA market first, the economic value of the product bearing that mark and, therefore, of its investment.

47 Thirdly, by infringing the trade mark proprietor's right to control the first placing of goods bearing that mark on the market in the EEA and by adversely affecting the functions of the mark, the removal of the signs identical to the mark and affixing of new signs on the goods by a third party, without the consent of the proprietor, with a view to importing into or placing those goods on the market in the EEA and with the aim of circumventing the proprietor's right to prohibit the importation of those goods bearing its mark, is contrary to the objective of ensuring undistorted competition.

48 Finally, having regard to the case-law recalled in paragraph 38 above concerning the concept of 'use in the course of trade', it must be held that an operation consisting, on the part of the third party, of removing signs identical to the trade mark in order to affix its own signs, involves active conduct on the part of that third party, which, since it is done with a view to importing those goods into the EEA and marketing them there and is therefore carried out in the exercise of a commercial activity for economic advantage, within the meaning of the case-law recalled in paragraph 39 of this judgment, may be regarded as a use in the course of trade.

49 For all of those reasons, it must be held that the trade mark proprietor is entitled, under Article 5 of Directive 2008/95 and Article 9 of Regulation No 207/2009, to oppose such actions.

50 It makes no difference to that conclusion that the removal of the signs identical to the mark and the affixing of new signs took place when the goods were still placed under the customs warehousing

procedure, since those operations were carried out for the importing and placing on the market of those goods in the EEA, as is demonstrated, in the case in the main proceedings, by the fact that Duma and GSI made alterations to the forklift trucks in order to render them compliant with the standards in force in the European Union and, moreover, by the fact that they are then, at least in part, actually imported and placed on the market in the EEA.

- 51 In that context, it must also be observed that Article 9(4) of Regulation No 207/2009, as amended by Regulation No 2015/2424, which applies to the facts in the main proceedings with effect from 23 March 2016, entitles the proprietor from that date to prevent all third parties from bringing goods, in the course of trade, into the European Union without being released for free circulation there, where those goods, including packaging, come from third countries and bear without authorisation a trade mark which is identical to the EU trade mark registered in respect of such goods, or which cannot be distinguished in its essential aspects from that trade mark. That entitlement of the trade mark proprietor lapses only if, during the proceedings to determine whether the registered trade mark has been infringed, evidence is provided by the declarant or the holder of the goods that the proprietor of the registered trade mark is not entitled to prohibit the placing of the goods on the market in the country of final destination.
- 52 In the light of the foregoing considerations, the answer to the questions referred is that Article 5 of Directive 2008/95 and Article 9 of Regulation No 207/2009 must be interpreted as meaning that the proprietor of a mark is entitled to oppose a third party, without his consent, removing all the signs identical to that mark and affixing other signs on the products placed in the customs warehouse, such as in the main proceedings, with a view to importing them or trading them in the EEA where they have never yet been marketed.

Costs

- 53 Since these proceedings are, for the parties to the main proceedings, a step in the action pending before the national court, the decision on costs is a matter for that court. Costs incurred in submitting observations to the Court, other than the costs of those parties, are not recoverable.

On those grounds, the Court (Second Chamber) hereby rules:

Article 5 of Directive 2008/95/EC of the European Parliament and of the Council of 22 October 2008 to approximate the laws of the Member States relating to trade marks and Article 9 of Council Regulation (EC) No 207/2009 of 26 February 2009 on the European Union trade mark must be interpreted as meaning that the proprietor of a mark is entitled to oppose a third party, without its consent, removing all the signs identical to that mark and affixing other signs on products placed in the customs warehouse, as in the main proceedings, with a view to importing them or trading them in the European Economic Area (EEA) where they have never yet been marketed.

[Signatures]

* Language of the case: Dutch.

[i](#) The wording of paragraph 40 of this document has been modified after it was first put online.