EUIPO Boards of Appeal in the Light of the Principle of Fair Trial

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The EUIPO's Boards of Appeal are called upon to decide on appeals against decisions by the bodies of 'first instance'.

However, their judicial function has always been denied. Conversely, the essay tends to place the Boards of Appeal of the EUIPO in any case within the concept of 'court', as defined by the ECtHR, within the framework of Article 6 ECtHR, because it assesses their independence, impartiality, and in general the guarantees required by the 'fair trial', until concluding that it is a paradigmatic model in the overall administration and judicial system.

Keywords: EUIPO Boards of Appeal, European Court of Human Rights, Court of Justice of the Eurpean Union, EU Charter of Fundamental Rights, Fair trial

1 FRAMING THE ISSUE

The EUIPO's Boards of Appeal are called upon to decide on appeals against decisions of the Office's services (so-called initial decisions, issued by the bodies of 'first instance').

As regards the function of the Boards of Appeal it has long been considered that

> Since a Board of Appeal enjoys, in particular, the same powers as the examiner, where it exercises them, it acts as the administration of the Office. An action before the Board of Appeal therefore forms part of the administrative registration procedure, following an interlocutory revision by the first department to carry out an examination of Regulation No 40/94.
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> In the light of the foregoing, the Boards of Appeal cannot be classified as tribunals. Consequently, the applicant cannot properly rely on a right to a fair hearing before the Boards of Appeal of the Office.[1]

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[1] Court of First Instance, case T-63/01, 12 Dec. 2002 *Procter & Gamble v. OHIM*, ECLI:EU:T:2002:317, paras 22–23.
All of this is based on the consideration that 'the Boards of Appeal form part of the Office […] […] and also contribute, within the limits set by that regulation, to the completion of the internal market', para. 20. It is also based on the consideration 'that there is continuity in terms of their functions between the various departments of the Office and that the Boards of Appeal enjoy, in particular, the

Greco, Ginevra. 'EUIPO Boards of Appeal in the Light of the Principle of Fair Trial'. *European Public Law* 28, no. 1 (2022): 19–34.

The subsequent case-law on EUIPO (formerly OHIM) also followed that approach, based on functional continuity, both with reference to challenges to the actions of the 'examiners' dealing with the registration of a Community trade mark, and also with reference to challenges to decisions of other divisions (opposition and annulment), which are required to resolve disputes between private operators.[2] It has thus been reiterated that the Boards of Appeal of the Office are not judicial but administrative in nature,[3] and are subject to the principle laid down in Article 41 of the Charter of Fundamental Rights.[4]

In particular, the inapplicability of the principles of fair trial,[5] along with the related procedural guarantees, as asserted on numerous occasions, is not explained by the impact of the European Convention on Human Rights and Fundamental Freedoms on institutions of EU law. Conversely, according to the nature and type of the activity carried out by the boards of appeal (which is in theory identical to that carried out by first instance bodies), it may be concluded that, in functional terms, it is not covered by the right to a fair trial.

This is a settled interpretation, which arouses more than a little perplexity. This is not only because a quite different view was recognized with regard to the Boards of Appeal of another Intellectual Property Office (the CPVO qualified as a '*quasi-judicial body*'),[6] but also and above all because the Boards of Appeal of

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same powers in determining an appeal as the examiner. Thus, while the Boards of Appeal […] constitute a department of the Office responsible for controlling […] the activities of the other departments of the administration to which they belong', as held in the judgment cited in para. 21.

2 The procedures concerning the invalidity or revocation of an EU mark are considered as an alternative remedy to a similar application that may be filed with a national court within trade mark infringement proceedings (Art. 63, para. 3 of Regulation 2017/1001/EU).

3 Court of First Instance, case T-273/02, 20 Apr. 2005, *Krüger v. OHIM (CALPICO)*, ECLI:EU:T: 2005:134, para. 62 excluding infringement of Art. 6, No. 1 ECHR, on the right to a fair trial.
See also General Court, cases T-828/14 and T-829/14, 16 Feb. 2017, *Antrax It/EUIPO – Vasco Group (Thermosiphons pour radiateurs)*, para. 38 and, more recently, General Court, case T-727/ 16, 21 Feb. 2018, *Repower*, ECLI:EU:T: 2018:88, para. 86.

4 *See* e.g., on the latter aspect, General Court, cases T-828/14 and T-829/14, 16 Feb. 2017 cit., paras 38–40.
See also General Court, cases T-159/15, 9 Sep. 2016, *Puma v. EUIPO*, ECLI:EU:T: 2016:457, para. 18, which recalls the right to good administration.
See also Court of Justice, Case C-564/16P, 28 Jun. 2018, *Puma v. EUIPO*, ECLI:EU:C: 2018:509, paras 60 et seq., para. 87, which refers to the principle of good administration.

5 *See also* Court of First Instance, case T-273/02, 20 Apr. 2005, para. 62; General Court, 22 May 2014, Case T-228/13, *NIIT Insurance Technologies Ltd v. OHIM (EXACT)*, ECLI:EU:T: 2014:272, para. 52; General Court, case T-197/12, 11 Jul. 2013, *Metropolis Inmobiliarias y Restauraciones v. OHIM – MIP Metro (METRO)*, ECLI:EU:T: 2013:375, para. 53 and General Court, case T-284/11, 25 Apr. 2013, *Metropolis Inmobiliarias y Restaurants v. OHIM — MIP Metro (METROINVEST)*, ECLI:EU:T: 2013:218, para. 62 (all cited in M. Ricolfi, *Trade Marks Treaty. European and National Law* 86 (Turin 2015).

6 It is stated in another more recent judgment of the General Court that the Board 'Is a quasi-judicial body', which is under the obligation to examine carefully and impartially all the relevant elements of the case concerned, ensuring compliance with the general principles of law and with the applicable rules of procedure governing the burden of proof and the taking of evidence' *see* General Court, cases

EUIPO are nevertheless preordained to rule on disputes[7] and therefore have certain judicial functions.

Precisely on account of that judicial function, the Boards of Appeal of the EUIPO fall in any case within the concept of 'court', as defined by the ECtHR, within the framework of Article 6 ECHR. Indeed, the case-law of ECtHR does not necessarily require that, in order for guarantees under Article 6 to apply, that it must be 'a court of law integrated with the standard judicial machinery'; it is rather sufficient that it is a body vested with decision-making powers to resolve a dispute, on the basis of rules of law and on the basis of a suitably structured procedure.[8] Thus, the guarantees of a 'fair trial' are also imposed on administrative procedures concerning a 'contestation' between private entities or between a private and a public administration,[9] which determine its outcome in a binding manner.

It is also known that in this context the (French) notion of '*contestation*' (or the corresponding Italian 'controversie', or the English '*disputes*') must be understood in a broad and functional sense,[10] such as to include various administrative procedures, even if they do not concern disputes in a technical sense.[11] All the more so, procedures aimed at resolving actual disputes,[12] as those decided by the

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T-133/08, T-134/08, T-177/08 and T-242/09, 18 Sep. 2012, *Ralf Schräder v. OCVV*, ECLI:EU:T:2012:430, paras 135, 137 and 190.
The judgment was confirmed on this point by the Court of Justice: 'In paragraph 137 of the judgment under appeal, the General Court justified the application by analogy of the principles established in the judgment in ILFO v High Authority (51/65, EU:C: 1966:21) to the Board of Appeal on the ground that it is a quasi-judicial body. In paragraph 137 of the judgment under appeal, the General Court justified the application by analogy of the principles established in the judgment in *ILFO v High Authority* (51/65, EU:C: 1966:21) to the Board of Appeal on the ground that it is a quasi-judicial body. Therefore, the General Court cannot be criticised for having found that the appellant should have presented to the Board of Appeal prima facie evidence in order to secure from it the adoption of a measure of enquiry' (Court of Justice, Case C-546/12P, 21 May 2015, *CPVO v. Schräder*, ECLI:EU:C: 2015:332, paras 73, 75 and 76).
Compare also the Opinion of the Advocate General of 13 Nov. 2014 (ECLI:EU:C: 2014:2373), para. 76, delivered in the last case cited.

7 As is clear, e.g., from Court of First Instance, case T-407/05, 6 Nov. 2007, para. 51, where it is stated inter alia that 'The review undertaken by the Boards of Appeal is not limited to the lawfulness of the contested decision, but, by virtue of the devolutive effect of the appeal proceedings, it requires a reappraisal of the dispute as a whole, since the Boards of Appeal must re-examine in full the initial application and take into account evidence produced in two times'. Compare also Court of Justice, Case C-625/15P, 8 Jun. 2017, *Schnigal v.*, ECLI:EU:C: 2017:435, para. 83.

8 *See* ECtHR, 5 Feb. 2009, case no. 22330/05, *Olujc v. Croatia*, para. 37.

9 On the scope of the term '*contestation*' *see* ECtHR, 23 Jun. 1981, case no. 6878/75 and 7238/75, *Le Compte, Van Leuvent et De Meyere, v. Belgium*, paras 44 et seq.

10 Compare ECtHR, 23 Jan. 2003, case no. 23379/94, *Kienast v. Austria*, para. 39.

11 Compare on this issue *see* M. Allena, *Art. 6 ECHR. Procedure and Administrative Process* 171 et seq. (Naples 2012), who argues that they should apply to certain authorization, concession or expropriation procedures, etc., as well as to sanctions procedures. Compare also S. Mirate, *Giustizia amministrativa e Convenzione europea dei diritti dell'uomo* 219 et seq. (Naples 2007).

12 This may concern not only the existence of a right, but also the way in which it is exercised and its scope (cf. ECtHR, 23 Oct. 1985, case no. 8848/80, *Bethem v. Belgium*).

boards of appeal at issue in this case actually are,[13] should fall within the scope of Article 6 ECHR.

Moreover, there are a number of cases in which the ECtHR has subjected appeal procedures present in the various legal systems of the signatory States to the Convention to the Article 6 review procedure.[14] This should apply all the more so to the Boards of Appeal of EUIPO, which are often called upon to rule on the legitimacy of initial decisions of the Office, which also have judicial functions.[15]

It is therefore important to establish, according to a perspective already developed in another paper,[16] whether the Boards of Appeal of the EUIPO have all of the characteristics typical of a fair trial and provide the related guarantees. These are, as is well-known, the requirements of independence, impartiality,

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See more generally, ECtHR, 5 Oct. 2000, case no. 33804/96, *Mennitto v. Italy*, para. 23: 'The Court reiterates that, according to the principles laid down in its case-law, it must first ascertain whether there was a "dispute" ("contestation") over a "right" which can be said, at least on arguable grounds, to be recognised under domestic law. The dispute must be genuine and serious; it may relate not only to the actual existence of a right but also to its scope and the manner of its exercise. The outcome of the proceedings must be directly decisive for the right in question (*see* the following judgments: *Acquaviva v. France, 21 November 1995, Series A no. 333-A, p. 14, § 46; Balmer-Schafroth and Others v. Switzerland, 26 August 1997, Reports of Judgments and Decisions 1997-IV, p. 1357, § 32; Le Calvez v. France, 29 July 1998, Reports 1998-V, pp. 1899-900, § 56; and Athanassoglou and Others v. Switzerland [GC], no. 27644/95, § 43, ECHR 2000-IV).* Lastly, the right must be a civil right'. *See also* ECtHR, 28 Apr. 2009, case nos. 17214/05, 20329/05, 42113/04, *Savino and others v. Italy*, para. 73.

[13] According to the settled case law cited *above* in footnote 7.
The current legislation also refers to 'dispute' or 'case' (cf. Art. 170, para. 4 of Reg. 2017/1001/EU and Art. 27, para. 4, point A, Reg. 2018/625 on EUIPO). Nor could it be otherwise, since they are appeals against decisions of the offices that are deemed to be detrimental to the rights of the applicants.

[14] A careful review has been carried out by M. Pacini, *Diritti umani e amministrazioni pubbliche* 129 (Milan 2012).
For example, in cases concerning an appeal to an independent Austrian administrative board against the imposition of administrative sanctions (ECtHR, 5 Oct. 2006, case no. 12555/03*, Muller v. Austria*.), an appeal against the transfer of a civil servant lodged before a committee established at the Austrian Ministry of Labour (cf. ECtHR, 9 Nov. 2006, case no. 30003/02, *Stojacovic v. Austria*), an appeal against an order for the demolition of buildings lodged before an English inspectorate, cf. ECtHR (22 Nov. 1997, case no. 19178/91, *Bryan v. United Kingdom*), and an appeal against a refusal to register a trade mark lodged before a division of the Dutch Patent Office (ECtHR, 20 Nov. 1995, case no. 19589/92, *British-American Tobacco v. Netherlands*), etc.

[15] Indeed, as regards Art. 170, para. 4, of Reg. 2017/1001/EU, when dealing with the different institution of mediation, it expressly states '*In the case of disputes subject to the proceedings pending before the Opposition Divisions, Cancellation Divisions or before the Boards of Appeal of the Office* […]': this accordingly constitutes confirmation – on the basis of express legislative classification – not only of the fact that the EUIPO boards of appeal are called upon to resolve disputes, but also of the fact that proceedings pending before opposition and annulment divisions (relating specifically to oppositions and applications for invalidity and annulment) are also aimed at resolving actual disputes. Compare also Court of Justice, Case C-29/05P, 13 Mar. 2007, *OHIM v. Kaul*, ECLI:EU:C: 2007:162, para. 48, with reference to the 'initial' decision on an opposition to the registration of a trade mark, and hence *a fortiori* with regard to the task of the Boards of Appeal.

[16] G. Greco, *Le commissioni di ricorso nel sistema di giustizia dell'Unione europea* (Milan 2020).

equality of arms and protection of the right to make oral representations, publicity and reasonable duration of the proceedings, as well as appropriate decision-making authority to alter any finding of fact or of law in the contested decision).

2 ARTICLE 58 *A* OF THE STATUTE OF THE COURT

The interest in the inquiry is increased by the recent reform of the Statute of the Court of Justice, which introduced the institute of the 'filter' for access to the Court of Justice.[17] Article 58 *a* states that:

> An appeal brought against a decision of the General Court concerning a decision of an independent board of appeal of one of the following offices and agencies of the Union [these are the Boards of Appeal of EUIPO, CPVO, ECHA and EASA, author's note] shall not proceed unless the Court of Justice first decides that it should be allowed to do so.[18]

Therefore, the 'filter' of access to the Court of Justice also applies to the Boards of Appeal of the EUIPO, on the assumption that '*decisions which have already been examined by an independent administrative authority*',[19] or by an '*'independent administrative body*', meaning a body *'whose members are not bound by any instructions when taking their decisions'*.[20] Such intervention by the Boards of Appeal, together with the subsequent one by the General Court, would guarantee, *in fact, 'a two-tier review of legality*', such as to render unnecessary under normal circumstances a further instance of jurisdiction before the Court.

In other words, those Boards of Appeal perform a function that is in some way comparable (and in any case fungible) with that at first instance normally performed by the Court of First Instance (and, where applicable, by the specialized court). Thus, the normal sequence of two instances of jurisdiction constituted by the judgments of the Court of First Instance and then by those of the Court of Justice would be replaced by the different sequence of two instances of jurisdiction

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17 Reform approved by Regulation (EU, Euratom) 2019/629 of the European Parliament and of the Council of 17 Apr. 2019 amending Protocol No. 3 on the Statute of the Court of Justice of the European Union.

18 This is not a completely new procedural institution, given that a similar mechanism is already provided for, with regard to judgments issued by the General Court concerning appeals against the decisions of specialized courts. In fact, Art. 256, para. 2, second paragraph, TFEU, provides that 'Decisions given by the General Court under this paragraph may exceptionally be subject to review by the Court of Justice, under the conditions and within the limits laid down by the Statute, where there is a serious risk of the unity or consistency of Union law being affected'.
The parallelism between these institutes (although very different from each other) is not without implications for the role, if not for the nature, of those Boards of Appeal.

19 *See* the letter from the President of the Court of Justice to the President of the Council of the European Union dated 26 Mar. 2018, interinstitutional file 2018/0900 (COD).

20 *See* Commission Opinion of 11 Jul. 2018, COM (2018) 534 final.

constituted by the decisions of Boards of Appeal and judgments of the General Court.

It must be taken into account that an appeal before the Boards of Appeal is a 'preliminary ruling' with respect to the possible intervention of the EU court. Thus, by limiting the focus to the Boards of Appeal of EUIPO, which moreover have predominant significance in establishing the scope of the relevant litigation,[21] as has been clarified since the first regulation concerning this matter:

> Whereas it is necessary to ensure that parties who are affected by decisions made by the Office are protected by the law in a manner which is suited to the special character of trade mark law; whereas to that end provision is made for an appeal to lie from decisions of the examiners and of the various divisions of the Office; whereas if the department whose decision is contested does not rectify its decision it is to remit the appeal to a Board of Appeal of the Office, which is to decide on it; whereas decisions of the Boards of Appeal are, in turn, amenable to actions before the Court of Justice […]; which has jurisdiction to annul or to alter the contested decision.[22]

Within this context, the assessment of the structural, procedural and decision-making characteristics of the EUIPO Boards of Appeal, in the light of the right to a fair trial, can also have a paradigmatic significance for other boards of appeal[23] set up by other agencies,[24] which share the feature that their interventions have the status of 'preliminary rulings'. And it could provide useful insights on more general issues of the European Union's judicial system, at least as regards judgments on annulment appeals.

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[21] It is sufficient to note that the number of decisions of the Boards of Appeal of EUIPO covers almost all of the overall litigation of all Boards of Appeal set up with other agencies, with the further consequence that the appeals cover more than 30% of the entire litigation before the General Court. For data on EUIPO Boards of Appeal updated to Dec. 2020 *see* https://euipo.europa.eu/tunnel-web/secure/webdav/guest/document_library/contentPdfs/about_euipo/the_office/appeal_statistics/appeal_stats_2020_en.pdf. In addition, for a comparative analysis of the number of disputes before the different Boards of Appeal of the different agencies/offices: *see* the table published in J. Alberti, *The Draft Amendments to CJEU's Statute and the Future Challenges of Administrative Adjudication in the EU*, in *federalismi.it*, no. 3, 18–19 (2019).

[22] *See* the preamble to Regulation 40/94/EC. Now, instead, the 30th recital to Regulation 2017/1001 states that: 'It is necessary to ensure that parties who are affected by decisions made by the Office are protected by the law in a manner which is suited to the special character of trade mark law. To that end, provision should be made for an appeal to lie from decisions of the various decision-making instances of the Office. A Board of Appeal of the Office should decide on the appeal. Decisions of the Boards of Appeal should, in turn, be amenable to actions before the General Court, which has jurisdiction to annul or to alter the contested decision'.

[23] In this regard, Court of Justice, Case C-546/12P, 21 May 2015, para. 23, of the findings in fact concerning the '*Procedure before the General Court nd the judgment under appeal*'.

[24] On the Agencies of the European Union, *see* P. Craig, *EU Administrative Law* 151 et seq. (Oxford 2018).

3 INDEPENDENCE AND IMPARTIALITY OF THE BOARDS OF APPEAL AND THEIR MEMBERS

According to the settled case law of the ECtHR, 'in order to establish whether a tribunal can be considered as "independent", regard must be had, inter alia, to the manner of appointment of its members and their term of office, the existence of guarantees against outside pressures and the question whether the body presents an appearance of independence'.[25]

With regard to the EUIPO, Article 166, paragraph 7, of Reg. 2017/1001 formally proclaims, with all-encompassing scope, that 'the President of the Boards of Appeal and the chairpersons and members of the Boards of Appeal shall be independent. In their decisions, they shall not be bound by any instructions'. This must be verified, at least briefly.

Article 166, paragraph 1, stipulates that the President of the Boards of Appeal and the chairpersons of the Boards shall be applied by the Council of the European Union on the basis of a list of not more than three candidates, compiled by the Board of Directors of the EUIPO (in accordance with the procedure laid down in Article 158 for the appointment of the Executive Director). Conversely, the other members of the Boards of Appeal are appointed directly by the Management Board (Article 166, paragraph 5).

Overall, this seems to guarantee a good standard of structural independence. In fact, although it is difficult to consider that the Boards of Appeal have all the characteristics required in order to be recognized as a 'court' within the meaning of Article 267 TFEU,[26] for the purposes of fair trial guarantees *pursuant* to Article 6 ECHR, the fact that these boards are structurally linked to the relevant body is not an insurmountable obstacle.[27]

As regards impartiality, it is known that for the ECtHR, its existence 'must be determined according to a subjective test, that is on the basis of the personal conviction of a particular judge in a given case, and also according to an objective

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[25] Compare ECHR, *Factsheet – Independence of the Justice System* (Dec. 2020), https://www.echr.coe.int/Documents/FS_Independence_justice_ENG.pdfand in particular ECtHR, 21 Jul. 2009, case no. 34197/02, *Luka v. Romania*,§37.

[26] *See* Greco, *supra* n. 16, at 98 et seq.

[27] Compare ECtHR, 28 Jun. 1984, case nos. 7819/77; 7878/77, cit., para. 79: '*Members of Boards are appointed by the Home Secretary, who is himself responsible for the administration of prisons in England and Wales* […].
The Court does not consider that this establishes that the members are not independent of the executive: to hold otherwise would mean that judges appointed by or on the advice of a Minister having responsibilities in the field of the administration of the courts were also not "independent". Moreover, although it is true that the Home Office may issue Boards with guidelines as to the performance of their functions […]*, they are not subject to its instructions in their adjudicatory role*'.
See also ECtHR, 22 Nov. 1995, case no. 19178/91, cit., para. 38, and ECtHR, 24 Nov. 1994, case no. 15287/89, *Beaumartin v. France,* para. 38.

test, that is ascertaining whether the judge offered guarantees sufficient to exclude any legitimate doubt in this respect'[28]: the legislation and institutions briefly reviewed (and particularly the ban on receiving instructions) appear to effectively provide such assurances.

In relation to the EUIPO Boards of Appeal, Article 166, paragraph 9 of Reg. 2017/1001 states, regarding the issue of incompatibility, that the members of the Boards of Appeal must not at the same time belong to another division of the same Office. This strengthens the independence of the Boards of Appeal *vis-à-vis* the other bodies of the same Office, which are then those that issue the acts liable to be challenged before the Boards themselves.

Particular attention must then be paid to the issue of conflicts of interest. In fact, Article 169 (which in actual fact is applicable not only to members of the Boards of Appeal) imposes an obligation to abstain from procedures in which they have a personal interest or on matters in which they have been involved in various ways. In particular, 'Examiners and members of the Divisions set up within the Office or of the Boards of Appeal may not take part in any proceedings if they have any personal interest therein, or if they have previously been involved as representatives of one of the parties' (Article 169, paragraph 1).

The obligation to refrain from participation reflects the power of the participants to the appeal proceedings to require recusal, even '*if suspected of partiality*' (Article 169, paragraph 3). This is subject to the dual limitation that 'an objection shall not be admissible if, while being aware of a reason for objection, the party has taken a procedural step'[29] and that in any case 'no objection may be based upon the nationality of examiners or members'.

The provisions applicable to abstentions and recusal are supplemented by Article 44 of the Delegated Regulation (2018/625, cited above), which provides that 'Before a decision is taken by a Board of Appeal pursuant to Article 169(4) of Regulation (EU) 2017/1001, the chairperson or member concerned shall be invited to present comments as to whether there is a reason for exclusion or objection'. Article 169, paragraph 4, cited, provides, in fact, that:

> the Divisions and the Boards of Appeal shall decide as to the action to be taken in the cases specified in paragraphs 2 and 3 without the participation of the member concerned. For the purposes of taking this decision the member who withdraws or has been objected to shall be replaced in the Division or Board of Appeal by his alternate.

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[28] ECtHR, 24 Feb. 1993, case no. 14396/88, *Fey v. Austria*, para. 28. To that end, the Court states that subjective impartiality must be presumed until established otherwise, whereas '*even appearances may be of a certain importance*' in relation to objective impartiality.

[29] For an application of this type, in which the applicant had carried out procedural acts incompatible with recusal, *see* Court of First Instance, case T-63/01, 12 Dec. 2002, *Procter & Gamble v. OHIM*, ECLI:EU:T: 2002:317, para. 25, which will be reported in the following note.

As may be noted, these provisions are detailed and thorough, which undoubtedly guarantee a high standard of impartiality and guarantee the rights of defence in this respect.[30] The provisions are supplemented by those on immovability, since both the chairperson and the other members cannot be relieved of their duties, except on serious grounds by a decision of the Court of Justice, which must be adopted in accordance with the procedures set out in paragraph 1[31] and paragraph 6 respectively[32] of Article 1 166.

4 EQUALITY OF ARMS, PROTECTION OF THE RIGHT TO MAKE ORAL REPRESENTATIONS, PUBLICITY AND THE REASONABLE DURATION OF THE PROCEEDINGS

Proceedings before the Boards of Appeal are subject to stringent procedural requirements from the introductory stage onwards. The requirements of procedural admissibility and the substantive admissibility conditions largely correspond to the usual conditions applicable within judicial proceedings, which thus constitute a reference parameter.

Also as regards the role of private parties and their defence counsel, the right to make oral representations is broadly guaranteed, according to certainly high-quality standards. In fact, pursuant to Article 94, paragraph 1, of Reg. 2017/1001/EU 'decisions of the Office shall state the reasons on which they are based. They

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30 It was held, specifically with reference to the EUIPO Boards of Appeal, that 'the rights of the defence in proceedings before the Boards of Appeal are guaranteed by Article 132 of Regulation No 40/94, which sets out the situations in which members of the Boards may be excluded or objected to and, in particular, which provides, at paragraph 3, that members suspected of partiality may be objected to by any party.
However, under that provision an objection is not admissible if the party concerned has taken a procedural step while being aware of a reason for objection. As the Office rightly submits, that is the case here. First, the applicant failed to plead possible partiality on the part of the Board of Appeal in question or of the member who Rapporteur in the present case was and who was also Rapporteur when the first decision of the same Board was taken in the present case when invited by that Rapporteur to submit observations. Second, by submitting its observations to the Board of Appeal, the applicant took a procedural step within the meaning of the second sentence of Article 132 (3) of Regulation No 40/94 and, accordingly, forfeited the right to demand that the members of the Board of Appeal in question withdraw' (Court of First Instance, case T-63/01, 12 Dec. 2002, *supra* n. 1, paras 24–25).

31 Compare the text of the legislation: 'They shall not be removed from office during this term, unless there are serious grounds for such removal and the Court of Justice, on application by the institution which appointed them, takes a decision to this effect'.

32 Compare the text of the legislation: 'The members of the Boards of Appeal shall not be removed from office unless there are serious grounds for such removal and the Court of Justice, after the case has been referred to it by the Management Board on the recommendation of the President of the Boards of Appeal, and after consulting the chairperson of the Board to which the member concerned belongs, takes a decision to this effect'.

shall be based only on reasons or evidence on which the parties concerned have had an opportunity to present their comments'.[33]

This requirement is in fact directed primarily at the divisions of 'first instance' of the EUIPO. However, it is certainly applicable – one might say, *a fortiori* – also to the Boards of Appeal, pursuant to Article 48 of Regulation 2018/625, which stipulates that 'Unless otherwise provided in this title, the provisions relating to proceedings before the instance of the Office which adopted the decision subject to appeal shall be applicable to appeal proceedings *mutatis mutandis*'.

According to that principle, the applicant must state, inter alia, 'the grounds of appeal on which the annulment of the contested decision is requested', and 'the facts, evidence and arguments in support of the grounds invoked' (Article 22, paragraph 1, Reg. 2018/625/EU). In turn 'the defendant may file a response within two months of the date of notification of the appellant's statement of grounds' (Article 24, paragraph 1, Reg. 2018/625/EU). Furthermore, it can make by cross-appeal 'where the defendant seeks a decision annulling or altering the contested decision on a point not raised in the appeal' (Article 25, paragraph 1, of the same Regulation).

The defendant's rights to a defence only apply within '*inter partes*' proceedings, i.e., those involving more than one private party. On the other hand, they do not apply to proceedings '*ex parte*' and, that is, with only one private party, due to the salient consideration that the Office, whose decision has been contested before the individual Board of Appeal, is not in turn a 'party' to the appeal proceedings.

The absence of the Office from the appeal procedure – which is an exception within the context of the procedures of the other Boards of Appeal set up by various Union agencies – seems to be a result of the consideration that, in the field of trademarks, the dispute mainly concerns entrepreneurs in opposing positions, whereas the position of the Office is entirely secondary.[34] It thus considered any participation by it in appeal procedures to be superfluous, in spite of the fact that

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[33] This is the same principle that applies in general to the EU courts, as Art. 64 of the Rules of Procedure of the General Court provides that 'the General Court shall take into consideration only those procedural documents and items which have been made available to the representatives of the parties and on which they have been given an opportunity of expressing their views'. In fact, 'it would infringe a fundamental principle of law to base a judicial decision on facts or documents of which the parties, or one of them, have not been able to take cognisance and in relation to which they have not therefore been able to state their views'. The fact that these parameters are identical shows that the principle of the right to make representations, which is applicable to the Boards of Appeal, is construed in its 'strongest' meaning providing the greatest guarantees, out of the ways in which it can be understood (Court of Justice, case 42/59, 23 Mar. 1961, *S.N.U.P.A.T. v. High Authority*, ECLI:EU:C: 1961:5 and Court of Justice, Case C-480/99P, 10 Jan. 2002, *Plant and Others. v. Commission,* ECLI: EU:C: 2002:8, para. 24.
On this issue *see also* J. Mendes, *Participation in EU Rule-Making: A Rights-Based Approach* (Oxford 2011), in particular, at 161 et seq.

[34] Compare P. Biavati & F. Carpi, *Diritto processuale comunitario* 340 (2nd ed., Milan 2000), which deals mainly with subsequent appeals before the General Court; however, the observations are valid even more so for prior administrative appeals. Within this context, it is also relevant to observe that 'the

the object of the appeal is specifically a decision issued by the bodies of the 'first instance' of the Office itself.

In other words, the Office is not in a position to defend its actions. And although that absence is partly offset by the special powers of the Boards of Appeal and by mechanisms for referring to the bodies of 'first instance',[35] it is undoubtedly an anomaly, which entails serious inconvenience both for the Office (the right of which to equality of arms in defending the contested act is undermined), and for the correct application of the legislation on EU marks, considered in itself. So much so, in order to remedy the most serious drawbacks, the intervention of the Office itself was envisaged to present 'comments on questions of general interest' (Article 29 Regulation 2018/625), that counsel for the private parties had not raised.

In any event, the above-mentioned configuration of the appeal procedure implies that the individual Board of Appeal does not have 'third party status' in relation to the Office.

In this context it might be thought that the Board of Appeal absorbs the Office within itself and replaces it, taking over the same functions. This would strengthen the thesis of the so-called 'functional continuity' but would detract beyond any measure the judicial aspect as a body responsible for resolving disputes, which cannot in any way be disregarded.

It is clear that the guarantees of a fair trial apply to private parties and not to the Office that adopted the contested act. Moreover, this applies not only to the introductory phase of the appeal procedure, but also to subsequent phases (which are distinguished by the law into the examination phase and the decision on the appeal), which, moreover, present the typical characteristics of a normal *procedural* progression of the case.

In fact, the development of the procedure, both with regard to the investigation and the final oral stage (including the public hearing), is inspired by criteria not dissimilar from those applicable to proceedings before the Court of First Instance (for example as regards the burden of proof and the limits of the application) and provides similar guarantees also in terms of publicity. The duration of the procedure also appears in practice to be very limited, except for the application of certain *ex officio* powers, which could lead to a referral to the body of the first instance, resulting in delays that are not always foreseeable.

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institutional interest is to ensure that it is only one operator that uses that trade mark, whereas it is less important which of the parties in dispute this one operator is'.

[35] These are ex officio powers, which allow them to raise questions that were not taken into account in the contested ('initial') decision (Art. 27, paras 1 and 2, Reg. 2018/625). Moreover, they may involve the Office, requiring a reconsideration of absolute impediments to registration (Art. 30, Reg. 2018/625).

In conclusion – leaving aside the comments made above concerning the fact that the Office does not participate in the procedure – the principles of a fair trial as regards the private parties are widely respected in terms of the conduct of the procedure itself. This is all the more so considering that there is still a residual requirement (also applicable to the Boards of Appeal), whereby 'In the absence of procedural provisions in this Regulation or in acts adopted pursuant to this Regulation, the Office shall take into account the principles of procedural law generally recognised in the Member States' (Article 107 Reg. 2017/1001/EU).

5 POWERS OF COGNISANCE AND DECISION-MAKING (REVIEW OF TECHNICAL ASSESSMENTS)

As has been stressed, decisions of EUIPO's departments and divisions (first instance decisions) are challenged before the Boards of Appeal. These are often characterized by technical aspects and specialist assessments.

Boards of Appeal are therefore often called upon to review these assessments, which may also be based on indeterminate concepts. Moreover, the legislation itself provides that 'The examination of the appeal shall include the following claims or requests […]: a) distinctiveness [of the trade mark] acquired through use […]; b) recognition of the earlier trade mark on the market acquired through use […]; c) proof of use […]' of the European mark, in cases where time priority is relevant (Article 27, paragraph 3 of Delegated Regulation (EU) 2018/625).

These are, therefore, evaluations relating to indeterminate concepts concerning specialist knowledge (of an artistic, economic and sociological type), which are however compatible with specialist legal activity. Moreover, they concern interests that are in some cases limited essentially to disputes between private parties that do not affect basic public interests. Thus, it is possible to understand the attitude of the relevant Boards of Appeal to a very stringent review, considering also that the composition of the Boards of Appeal is normally extended to technical and non-legal members ('the decisions of the Boards of Appeal shall be taken by three members, at least two of whom are legally qualified' Article 165, paragraph 2, Reg. 2017/1001/EU).

It is now established that, according to the ECtHR case law, every 'court' should be able to decide on any matter of fact and law, and have the possibility to replace the assessments made by public authorities, without being subject to any exclusion in terms of decision-making as if those assessments were intangible ('*ipse dixit*').[36] And this breadth of review also applies in relation to complex technical

[36] In fact, 'The right guaranteed an applicant under Article 6, § 1, of the Convention to submit a dispute to a court or tribunal in order to have a determination of questions of both fact and law cannot be

assessments, since it cannot be admitted – unless we give up the central core of the guarantees of a fair trial – that it is the administration (and not the court) that has the final say in terms of the prerequisites for the exercise of power.[37]

In fact, according to ECtHR, Article 6, paragraph 1 of the Convention is violated in 'cases in which the national courts have not been in a position or have refused to examine a central issue of the dispute because they were considered to be bound by the factual or legal findings of the administrative authorities and were prevented from conducting an independent examination of those matters'.[38]

It is therefore necessary to verify whether the Boards of Appeal are able to carry out such a review (and actually carry it out), with the intensity required by the ECtHR. Moreover, the case law offers us various reasons to answer this question in the affirmative.[39]

In fact, given the mixed technical and legal composition and their specialization, the Boards of Appeal should always be able to enter into the 'merits' of technical assessments (whether complex or not) of the offices of the first instance,[40] piercing the veil of immunity to review (the so-called '*ipse dixit*'), which runs contrary to the principles of a fair trial.

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displaced by *ipse dixit* of the executive' (ECtHR, 10 Jul. 1998, Case No. 20390/92 and 21322/92, *Tinnelly and Sons Ltd and Others and McElduff and Others v. United Kingdom*, para. 77).

37 For example it was held that that 'Although […] the decision to be taken necessarily had to be based on technical data of great complexity – a fact does not in itself prevent Article 6 being applicable – the only purpose of the data was to enable the Federal Council to verify whether the conditions laid down by law for the grant of an extension had been met' (ECtHR, 26 Aug. 1997, case 22110/93, *Balmer Schafroth and Others v. Switzerland*, para. 37).

38 *See* G. Raimondi, President of the European Court of Human Rights, in the article *L'intensità del sindacato giurisdizionale sui provvedimenti amministrativi nella giurisprudenza della Corte europea dei diritti dell'uomo*, in *P.A. Person and Administration* 9 et seq. at 19 (2018).

39 There have thus been cases in which the competent Board of Appeal 'found the goods covered by the requested and earlier trade marks to be identical and having compared the two signs at issue from a visual, phonetic and conceptual standpoint, then carried out a global assessment of the likelihood of confusion'. Compare General Court, Case T- 402/07, 25 Mar. 2009, *Kaul v. OHIM – Bayer (ARCOL)*, ECLI:EU:T: 2009:85, para. 10. And again cases in which the Board of Appeal has found that the products concerned had '*similaires, à un degré moyen*', that the signs examined had '*a degré moyen*' of visual similarity, a degree of aural similarity '*supérieure à la moyenne*', that the conceptual comparison was '*neutral*' and that the earlier mark had an inherent '*normal*' distinctive character, concluding that there was therefore a likelihood of confusion '*dans l'esprit du public pertinent faisant preuve d'un niveau d'attention moyen*'. *See* General Court, Case T-647/17, 8 Feb. 2019, *Serendipity and s. C. EUIPO – CKL Holdings (CHIARA FERRAGNI)*, para. 10.
As will be apparent, the review conducted by the Boards of Appeal of the EUIPO can be very extensive, where required by the circumstances. It may also result in a reversal of the evaluations made by the body of first instance, as in the case where'the Board of Appeal […] annulled the decisions of the Cancellation Division on the ground that, contrary to the conclusions they had reached, the proof of genuine use of the earlier national trade mark at issue had been adduced by the proprietor of that'. *See* Court of Justice, case C-418/16P, 28 Feb. 2018, *mobile.de/ EUIPO*, ECLI:EU:C: 2018:128, para. 102.

40 If necessary, it may also receive advice from external experts, whose scientific knowledge they share.

This is certainly not a peculiarity of EUIPO's Boards of Appeal alone. For instance, the Board of Appeal of ECHA (also of mixed composition) had no difficulty in asserting that:

> the Board of Appeal can inter alia replace a decision under appeal with a different decision. Moreover, in conducting its administrative review of Agency decisions, the Board of Appeal possesses certain technical and scientific expertise which allows it to enter further into the technical assessment made by the Agency than would be possible by the European Union Courts. As a result, when examining whether a decision adopted by the Agency is proportionate, the Board of Appeal considers that it should not be limited by the need to establish that the decision is "manifestly" inappropriate to the objective pursued.[41]

All of this, moreover, has been repeatedly established within the case law of the Court, which has recognized, specifically with reference to EUIPO, that:

> through the effect of the appeal brought before it, the Board of Appeal may exercise any power within the competence of the department which was responsible for the contested decision and is therefore called upon, in this respect, to conduct a new, full examination as to the merits of the appeal, in terms of both law and fact.[42]

This recognition occurred within the framework of the so-called functional continuity of EUIPO boards, understood as administrative activity without any judicial aspect. Since, moreover, EUIPO Boards of Appeal are called upon to resolve real disputes (as is also confirmed by the amended Article 58a of the Statute of the Court), the examination *'in terms of both law and fact'* of such disputes may be appreciated in the context of the fair trial and as a manifestation of that intensity of intrinsic union, which is required for this purpose by the ECtHR.

6 IMPLICATIONS ON THE OVERALL SYSTEM OF PROTECTION (ADMINISTRATIVE AND JUDICIAL)

As is known, the right to a fair trial 'constitutes a fundamental right which the European Union respects as a general principle under Article 6(2) EU'.[43] It is also known that, in the absence of formal accession to the Convention, 'fundamental rights, as guaranteed by the European Convention for the Protection of Human

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41 *See* Board of Appeal, 23 Sep. 2015, case no. A-005-2014, para. 54.
On another occasion the board held that 'the fact that the Agency has a wide margin of discretion does not, however, prevent the Board of Appeal from examining whether the Agency, when exercising its discretion, took into consideration all the relevant factors and circumstances of the situation the act was intended to regulate' (Board of Appeal, 10 Jun. 2015, case no. A-001-2014, para. 74.

42 Court of Justice, case C-634/16P, 24 Jan. 2018, *EUIPO/ European Food*, ECLI:EU:C: 2018:30, para. 37. For a similar ruling *see* Court of Justice, case C-29/05P,13 Mar. 2007, para. 57.

43 *See* Court of Justice, 1 Jul. 2008, cases C-341/06P and C-342/06P, *Chronopost and La Poste v. UFEX et al.*, ECLI:EU:C: 2008:375, para. 44. Compare also Court of Justice, Case C-305/05, 26 Jun. 2007, *Ordre des barreaux francophones and germanophone and Others*, ECLI:EU:C: 2007:383, para. 29.

Rights and Fundamental Freedoms […] shall constitute general principles of the Union's law'. (Article 6, paragraph 3 TEU).

This is certainly not the appropriate forum to consider the scope of these general principles in greater detail.[44] It is certain that, if the ECtHR case-law was to be applied to trade mark disputes, it would have to be borne in mind that, again according to that case law, it is not necessary that guarantees of a 'court' are also present in the administrative phase of the litigation: this means that any deficiencies in the administrative procedure could be remedied by subsequent judicial intervention, provided that the judicial body has powers of cognisance and decision-making that are suitable to enter into the merits of the case and to ascertain any question of fact and of law, and that it also has the ability to also replace technical assessments with its own assessment.[45]

In our case, however, the overall body of these guarantees cannot be found either in the initial decisions of the divisions of EUIPO (when they take on a judicial nature, as they are intended to resolve a dispute), or in any intervention by the Court of First Instance, following an appeal against a decision of the Boards of Appeal.

It is not apparent in the decisions of the divisions of the EUIPO because they lack adequate independence and are subject to the directions of the Office, which still has as its main purpose '*administration and promotion of the EU trade mark system*' (Article 151, paragraph 1, letter a, of Reg. 2017/1001/EU). It is not apparent in the proceedings before the Court of First Instance because, as has recently been held (albeit in relation to state aid):

> it is settled case-law that the examination which it falls to the Commission to carry out, when applying the private operator principle, requires a complex economic assessment and that, in the context of a review by the Courts of the European Union of complex economic assessments made by the Commission in the field of State aid, it is not for those Courts to substitute their own economic assessment for that of the Commission.[46]

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[44] On the issue of the non-accession of the European Union to ECHR, *see* E. Berry, M. J. Homewood & B. Bogusz, *Complete EU Law* 447 et seq. (Oxford 2019).

[45] Compare ECtHR, 28 May 2002, case no. 34605/97, *Kingsley v. United Kingdom*, para. 32: 'Even where an adjudicatory body determining disputes over "civil rights and obligations" does not comply with Article 6 § 1, there is no breach of the Convention if the proceedings before that body are subject to subsequent control by a judicial body that has full jurisdiction and does provide the guarantees of Article 6 § 1'.
Again, 'The Court recalls that even where an adjudicatory body determining disputes over "civil rights and obligations" does not comply with Article 6 § 1 in some respect, no violation of the Convention can be found if the proceedings before that body are "subject to subsequent control by a judicial body that has full jurisdiction and does provide the guarantees of Article 6 §1" *Albert and Le Compte v. Belgium*, 10 Feb. 1983, § 29, Series A no. 58)' (ECtHR, 27 Oct. 2009, case no. 42509/05, *Crompton v. United Kingdom*, para. 70).

[46] Court of Justice, Case C-160/19P, 10 Dec. 2020, *City of Milan v. Commission*, ECLI:EU; C; 2020:1012, para. 100.

In truth, specifically in the field of trade mark litigation, the Court – which applies a special procedure and which also has a (limited) power to amend rulings – has not shirked back from conducting far-reaching reviews of technical assessments.[47] However, such review has been limited to a mere control for manifest errors in cases involving '*highly technical assessments*'.[48]

Limits of this kind do not exist for the Boards of Appeal of EUIPO. They largely provide (except as noted regarding the failure of the Office to participate in the proceedings) all of the guarantees required for a fair trial.

This is not without significance in the system of administrative and judicial protection that has arisen thanks to the compulsory intervention of the Boards of Appeal (c.d. preliminary ruling) and the reform of Article 58a of the Statute of the Court. This is intended in the sense that the decisions of the Boards of Appeal can constitute a relevant model, allowing the rules of the fair trial to be introduced into that system, according to the dictates of the ECtHR.

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[47] Consider, e.g., the judgment in which it is stated that 'in contrast to the Board of Appeal's finding […]the diversification of the intervener's business […]was not demonstrated […]'; 'in contrast to the Board of Appeal's findings, "screwdrivers", […], bear no similarity to the "Laguiole du routard" model […]'; 'The Board of Appeal wrongly held that […]the business name […]had acquired, for knives, an unusually high level of distinctiveness […]'; 'accordingly, […]] the contested decision must be annulled in so far as the Board of Appeal found that there was a likelihood of confusion […]' cf. Trib., 21 Oct. 2014, in Case T-453/11, *Szajner v OHIM - Forge de Laguiole (LAGUIOLE)*, ECLI: EU:T: 2014:901, paras 71, 93, 160 and 166.
Compare *see also* inter alia, General Court, case T-385/09, 17 Feb. 2011, *Annco / OHIM - Freche e fils (ANN TAYLOR LOFT)*, para. 41–42, where it is stated that: 'The Board of Appeal held, by contrast, […] that "loft" was the dominant element of the mark applied for, so that there was a likelihood of confusion, since the goods were identical'.
Compare again General Court, 8 Feb. 2019, in Case T-647/17, para. 84.

[48] Indeed, it was held that 'the General Court can carry out a full review of the legality of the decisions of OHIM's Boards of Appeal, if necessary, examining whether those boards have made a correct legal classification of the facts of the dispute or whether their assessment of the facts submitted to them was flawed'. However, 'Admittedly, the General Court may afford OHIM some latitude, in particular where OHIM is called upon to perform highly technical assessments, and restrict itself, in terms of the scope of its review of the Board of Appeal's decisions […], to an examination of manifest errors of assessment' Court of Justice, 18 Oct. 2012, cases C-101/11P and C-102/11P, *Neuman and Galdeano del Sel v. José Manuel Baena Group*, ECLI:EU:C: 2012:641, paras 39 and 41.