

JUDGMENT OF THE COURT OF FIRST INSTANCE (Fourth Chamber)

12 September 2007\*

In Case T-291/03,

**Consorzio per la tutela del formaggio Grana Padano**, established in Desenzano del Garda (Italy), represented by P. Perani, P. Colombo and A. Schmitt, lawyers,

applicant,

supported by

**Italian Republic**, represented by G. Aiello, lawyer,

intervener,

v

**Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)**, represented by M. Buffolo and O. Montalto, acting as Agents,

defendant,

\* Language of the case: Italian.

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

**Biraghi SpA**, established in Cavallermaggiore (Italy), represented by F. Antenucci, F. Giuggia, P. Mayer and J.-L. Schiltz, lawyers,

ACTION brought against the decision of the First Board of Appeal of OHIM of 16 June 2003 (Case R 153/2002-1) relating to invalidity proceedings between Consorzio per la tutela del formaggio Grana Padano and Biraghi SpA,

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

composed of H. Legal, President, I. Wiszniewska-Białecka and E. Moavero Milanesi, Judges,

Registrar: J. Palacio González, Principal Administrator,

having regard to the application lodged at the Court Registry on 21 August 2003,

having regard to the responses lodged at the Court Registry by the intervener and OHIM on 23 December 2003 and 17 February 2004 respectively,

having regard to the observations by the applicant, OHIM and the intervener on the Italian Republic's application to intervene of 18 December 2003, lodged at the Court Registry on 29, 16 and 29 January 2004 respectively,

having regard to the Order of the President of the First Chamber of the Court of First Instance of 5 March 2004 granting the Italian Republic leave to intervene in support of the applicant's form of order sought,

having regard to the Italian Republic's statement in intervention and the intervener's observations thereon, lodged at the Court Registry on 16 April and 21 May 2004 respectively,

further to the hearing on 28 February 2007,

gives the following

## **Judgment**

### **Legal background**

- <sup>1</sup> Article 142 of Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark (OJ 1993 L 11, p. 1), in the version applicable to the present proceedings, states:

‘This Regulation shall not affect Council Regulation (EEC) No 2081/92 ..., and in particular Article 14 thereof.’

- 2 Council Regulation (EEC) No 2081/92 of 14 July 1992 on the protection of geographical indications and designations of origin for agricultural products and foodstuffs (OJ 1992 L 208, p. 1), in the version applicable to the present proceedings, defines, in Article 2, the notion of ‘designation of origin’ as follows:

‘2. For the purposes of this Regulation:

- (a) designation of origin: means the name of a region, a specific place or, in exceptional cases, a country, used to describe an agricultural product or a foodstuff:

— originating in that region, specific place or country, and

— the quality or characteristics of which are essentially or exclusively due to a particular geographical environment with its inherent natural and human factors, and the production, processing and preparation of which take place in the defined geographical area;

...

3. Certain traditional geographical or non-geographical names designating an agricultural product or a foodstuff originating in a region or a specific place, which fulfil the conditions referred to in the second indent of paragraph 2(a) shall also be considered as designations of origin.'

3 Article 3 of Regulation No 2081/92 provides inter alia:

'1. Names that have become generic may not be registered.

For the purposes of this Regulation, a "name that has become generic" means the name of an agricultural product or a foodstuff which, although it relates to the place or the region where this product or foodstuff was originally produced or marketed, has become the common name of an agricultural product or a foodstuff.

To establish whether or not a name has become generic, account shall be taken of all factors, in particular:

- the existing situation in the Member State in which the name originates and in areas of consumption,
  
- the existing situation in other Member States,
  
- the relevant national or Community laws.'

4 Article 13 of Regulation No 2081/92 provides *inter alia*:

‘1. Registered names shall be protected against:

- (a) any direct or indirect commercial use of a name registered in respect of products not covered by the registration in so far as those products are comparable to the products registered under that name or insofar as using the name exploits the reputation of the protected name;
  
- (b) any misuse, imitation or evocation, even if the true origin of the product is indicated or if the protected name is translated or accompanied by an expression such as “style”, “type”, “method”, “as produced in”, “imitation” or similar;
  
- (c) any other false or misleading indication as to the provenance, origin, nature or essential qualities of the product, on the inner or outer packaging, advertising material or documents relating to the product concerned, and the packing of the product in a container liable to convey a false impression as to its origin;
  
- (d) any other practice liable to mislead the public as to the true origin of the product.

Where a registered name contains within it the name of an agricultural product or foodstuff which is considered generic, the use of that generic name on the appropriate agricultural product or foodstuff shall not be considered to be contrary to (a) or (b) in the first subparagraph.

2. By way of derogation from paragraph 1(a) and (b), Member States may maintain national systems that permit the use of names registered under Article 17 for a period of not more than five years after the date of publication of registration ...

3. Protected names may not become generic.'

5 Article 14(1) of Regulation No 2081/92 states inter alia:

'Where a designation of origin or geographical indication is registered in accordance with this Regulation, the application for registration of a trade mark corresponding to one of the situations referred to in Article 13 and relating to the same type of product shall be refused, provided that the application for registration of the trade mark was submitted after the date of the publication provided for in Article 6(2).

Trade marks registered in breach of the first subparagraph shall be declared invalid.'

6 In respect of the adoption of the measures provided for by Regulation No 2081/92, Article 15(1) thereof provides:

'The Commission shall be assisted by a committee ...'

7 Article 17 of Regulation No 2081/92 states inter alia:

‘1. Within six months of the entry into force of the Regulation, Member States shall inform the Commission which of their legally protected names or, in those Member States where there is no protection system, which of their names established by usage they wish to register pursuant to this Regulation ... .

2. In accordance with the procedure laid down in Article 15, the Commission shall register the names referred to in paragraph 1 which comply with Articles 2 and 4. Article 7 shall not apply. However, generic names shall not be added.

...’

8 Article 1 of Commission Regulation (EC) No 1107/96 of 12 June 1996 on the registration of geographical indications and designations of origin under the procedure laid down in Article 17 of Regulation No 2081/92 (OJ 1996 L 148, p. 1) provides inter alia that ‘[t]he names listed in the Annex shall be registered as protected geographical indications (PGI) or protected designations of origin (PDO) pursuant to Article 17 of Regulation ... No 2081/92’. The Annex to Regulation No 1107/96 refers in point A (‘Products listed in Annex II to the EC Treaty, intended for human consumption’), under ‘Cheeses’, ‘Italy’, inter alia to the names ‘Grana Padano (PDO)’ and ‘Parmigiano Reggiano (PDO)’.

## Background to the dispute

- 9 On 2 February 1998, Biraghi SpA filed an application, pursuant to Regulation No 40/94, with the Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) for registration of the word mark GRANA BIRAGHI as a Community trade mark.
- 10 The goods in respect of which registration was sought are in Class 29 of the Nice Agreement concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, as revised and amended, and correspond to the following description: ‘Cheese, in particular cheese from cows’ milk, mature cheese, hard cheese, whole cheeses, portions of cheese with or without rind, packaged cheese of various sizes, grated and packaged cheese’.
- 11 The mark applied for was registered on 2 June 1999 and published in the *Community Trade Marks Bulletin* of 26 July 1999.
- 12 On 22 October 1999, the Consorzio per la tutela del formaggio Grana Padano (‘Consorzio’ or ‘the applicant’) filed an application with OHIM pursuant to Article 55 of Regulation No 40/94 for a declaration that the Community trade mark GRANA BIRAGHI was invalid. It maintained that the registration of that mark was contrary to the protection of the designation of origin ‘grana padano’ pursuant to Regulation No 2081/92 and Article 7(1)(g), Article 51(1)(a), Article 8(1) and Article 52(1)(a) of Regulation No 40/94, relying, as regards the latter provision, on the registration of the earlier national and international marks GRANA and GRANA PADANO.

- 13 By decision of 28 November 2001, the Cancellation Division of OHIM allowed Consorzio's application for a declaration of invalidity on the basis of Article 14 of Regulation No 2081/92.
- 14 On 24 January 2002, Biraghi appealed against that decision on the grounds of the generic and descriptive nature of the term 'grana'.
- 15 By decision of 16 June 2003 (Case R 153/2002-1, 'the contested decision'), the First Board of Appeal allowed Biraghi's appeal, annulling the Cancellation Division's decision and rejecting the application for a declaration that the Community trade mark GRANA BIRAGHI was invalid. The Board of Appeal found that the word 'grana' was generic and described an essential quality of the goods in question. Therefore, on the basis of Article 13(1) of Regulation No 2081/92, the existence of the PDO 'grana padano' did not preclude the registration of the sign GRANA BIRAGHI as a Community trade mark.

### **Forms of order sought**

- 16 The applicant, supported by the Italian Republic, claims that the Court should declare the registration of the Community trade mark GRANA BIRAGHI to be invalid.
- 17 OHIM and Biraghi contend that the Court should:

— dismiss the action;

— order the applicant to pay the costs.

- 18 At the hearing, the applicant added a head of claim to its form of order sought, by requesting that OHIM be ordered to pay the costs. At that time, OHIM, for its part, stated that the most recent case-law of the Court made it possible for it to concur with the form of order sought by the applicant and that it sought annulment of the contested decision. It furthermore stated that it accepted to bear its own costs. The Court took formal notice of those statements in the minutes of the hearing.

## **Admissibility**

### *The forms of order sought by the applicant and by OHIM*

- 19 It must be stated as a preliminary point that, although the form of order sought by the applicant refers, formally, to a declaration that the registration of the Community trade mark GRANA BIRAGHI is invalid, it is clear from the application, and was also confirmed at the hearing, that, by this action, the applicant essentially seeks the annulment of the contested decision on the ground that the Board of Appeal erred in finding that the existence of the designation of origin 'grana padano' did not preclude the registration of that mark.
- 20 As regards the form of order sought by OHIM, it must be stated that, in its response lodged at the Registry of the Court of First Instance on 17 February 2004, OHIM, whilst contending that the action should be dismissed, nevertheless maintained that

the Board of Appeal had not correctly applied the criteria for assessing the generic nature of one of the terms which formed part of the PDO in question and stated that it deferred to the Court's assessment in that regard.

- 21 At the hearing OHIM stated that, in view of the judgments in Case T-107/02 *GE Betz v OHIM — Atofina Chemicals (BIOMATE)* [2004] ECR II-1845; Case T-379/03 *Peek & Cloppenburg v OHIM (Cloppenburg)* [2005] ECR II-4633; and judgment of 12 July 2006 in Case T-97/05 *Rossi v OHIM — Marcorossi (MARCOROSSI)*, not published in the ECR, it was not required to defend systematically all the contested decisions of the Boards of Appeal. It therefore concurred with the form of order sought by the applicant and requested the annulment of the contested decision.
- 22 It must be pointed out that OHIM, although it cannot alter the terms of the dispute, may claim that the form of order sought by whichever one of the parties it may choose should be allowed and may put forward arguments in support of the pleas in law advanced by that party. However, it cannot independently seek an order for annulment or put forward pleas for annulment which have not been raised by the other parties (Case T-22/04 *Reemark v OHIM — Bluenet (Westlife)* [2005] ECR II-1559, paragraph 18).
- 23 In the present case, OHIM clearly expressed, in its response as well as at the hearing, its intention to support the form of order sought and the pleas in law put forward by the applicant. In its response, it expressly stated that it formally contended that the action should be dismissed only because it considered that Regulation No 40/94 did not allow it to seek annulment of a Board of Appeal decision. Given that, for the reasons set out in the preceding paragraph and in accordance with the case-law relied on by OHIM at the hearing, that analysis does not correspond to the current state of the law, it is necessary to amend the form of order sought by OHIM and to

take the view that it contended, essentially, that the Court should allow the form of order sought by the applicant. Since that amendment has been made, there is no inconsistency between the forms of order sought and the arguments submitted both in the response and at the hearing.

- 24 It follows from the foregoing that, in the present case, it is necessary to examine the lawfulness of the contested decision in the light of the pleas in law raised in the application, whilst also taking into account the arguments expounded by OHIM.

*The documents produced for the first time before the Court of First Instance*

- 25 Annexes 48 (decision of the Giurì di autodisciplina pubblicitaria (self-regulatory body for advertising) No 165/93 of 22 October 1993), 50 (note of 20 May 1997 from the Commission's Directorate-General for Agriculture) and 51 (note from the Italian Ministry of Agriculture and Forests No 64969 of 3 August 1993) to the application and Annexes 1 to 3 (extracts from internet pages relating to the Valle Grana and Castelmagno cheese and from the website [www.granapadano.com](http://www.granapadano.com)) to Biraghi's statement in intervention were not produced during the procedure before the Board of Appeal.
- 26 At the hearing, the applicant stated that it no longer wished Annexes 48, 50 and 51 to the application to be taken into consideration by the Court. OHIM, for its part, deferred to the Court's decision.
- 27 It follows from Article 63(2) of Regulation No 40/94 that facts not submitted by the parties before the departments of OHIM cannot be submitted at the stage of the appeal brought before the Court of First Instance, which is called upon to assess the legality of the decision of the Board of Appeal by reviewing the application of

Community law made by that board, particularly in the light of the facts which were submitted to the latter. By contrast, the Court of First Instance cannot carry out such a review by taking into account matters of fact newly produced before it unless it is proved that the Board of Appeal should have taken those facts into account of its own motion during the administrative procedure before adopting any decision in the matter (Case C-29/05 P *OHIM v Kaul* [2007] ECR I-2213, paragraph 54, and Case T-247/01 *eCopy v OHIM (ECOPY)* [2002] ECR II-5301, paragraph 46).

- 28 The Court cannot therefore take into consideration the abovementioned documents, which refer to facts of which the Board of Appeal had no knowledge, in order to review the legality of the contested decision under Article 63 of Regulation No 40/94. Consequently, those documents must be rejected without its being necessary to examine their evidentiary value.

## **Substance**

- 29 In support of its action, the applicant relies, in essence, on one plea in law alleging infringement of Article 142 of Regulation No 40/94 in conjunction with Article 14 of Regulation No 2081/92.

## *Arguments of the parties*

- 30 The applicant submits, first, that 'grana' is not a generic term on the basis of its distinctive character which stems from recognition of the PDO 'grana padano' both at national level, under Legge No 125, Tutela delle denominazioni di origine e

tipiche dei formaggi (Law No 125 of 10 April 1954 on the protection of designations of origin and typical designations of cheeses, GURI No 99 of 30 April 1954, p. 1294) ('Law No 125/54'), and at Community level under Regulation No 1107/96. That recognition means that all the producers who wish to use the PDO 'grana padano' have to follow particular rules laid down by the specifications for that PDO and intended to ensure the quality of the product sold to the public. Furthermore, the applicant observes that Biraghi, which until 1997 was one of the 200 producers who are members of the Consorzio, has not been part of it since then, with the result that it may not use the PDO 'grana padano' and is no longer required to comply with those specifications. The restriction of the use of the term 'grana' to the identification of the PDO 'grana padano' is also borne out by the Decreto del Presidente della Repubblica, Modificazione al disciplinare di produzione del formaggio 'Grana padano' (Decree of the President of the Republic of 26 January 1987 amending the specifications for the cheese grana padano, GURI No 137 of 15 June 1987, p. 4), under which permission to use the indication 'grana trentino' is granted only if the production specifications for the PDO 'grana padano' are complied with in their entirety.

31 The applicant and the Italian Republic state that the term 'grana' was originally a geographical expression, used to designate a small stream which was a tributary of the Po and was situated in a valley actually called Valle Grana. The Italian Republic observes that the legal basis for the protection of the term 'grana', to designate a cheese with a PDO, is thus to be found in Article 2(3) of Regulation No 2081/92.

32 The applicant further claims that the protection of the designation 'grana', even without the adjective 'padano', was already recognised prior to Regulation No 1107/96. In that regard, it states that the minutes of the meeting of the Regulatory Committee on the Protection of Designations of Origin and Geographical Indications of 22 November 1995 states that 'Member States [had] stated that Article 13 [of Regulation No 2081/92] should apply to the following designations: ..., grana, padano, parmigiano, reggiano'.

- 33 The applicant observes that the Court has already ruled against the argument that mere parts of complex names of origin are generic in nature in Case C-66/00 *Bigi* [2002] ECR I-5917, which excluded the possibility of the designation ‘parmesan’ having become generic in nature, as the Consorzio del Formaggio Parmigiano Reggiano wished.
- 34 The applicant further submits that, with the introduction in Italy of the system of designations of origin, the original kind of ‘grana’ was subdivided into two types, grana padano and parmigiano reggiano, each with a PDO. The former is produced in areas situated north of the Po, whilst the latter is produced in areas situated to the south of that river.
- 35 The applicant and the Italian Republic maintain that explicit recognition of the generic nature of the term ‘grana’ and general use of that term, without distinction, is contrary to the wording of Regulation No 2081/92, in particular to Article 13(1) thereof, which prohibits any use of designations, marks, names or indications which may be prejudicial to the attainment of the objectives pursued by the registration of designations of origin and of geographical indications protected under that regulation.
- 36 The applicant maintains that Article 10 of Law No 125/54 even imposes criminal sanctions on ‘any use of recognised designations of origin or typical designations altering or partially modifying them by adding, even if indirectly, qualifying terms, such as “type”, “produced in”, “taste” or the like’.
- 37 The applicant also refers to the case-law of the national courts and a number of notes recording infringements, drawn up in the years 1997 to 2000 by the Italian Ministry of Agriculture and Forests and notified to Italian producers who were

illegally marking their goods with the designation 'grana'. This conclusion is not affected by the judgment of the Corte di cassazione (Court of Cassation, Italy) No 2562 of 28 November 1989, according to which the use of the designation 'grana' is not subject to specific restrictions, since that judgment was delivered before designations of origin were introduced by Regulation No 2081/92.

- 38 Lastly, the Italian Republic concurs essentially with the applicant's arguments, adding that the term 'grana' may be regarded as a contraction which all consumers use to designate the cheese grana padano. Furthermore, it observes that the Italian Government, in its application for registration of the designation 'grana padano' under the procedure provided for in Article 17 of Regulation No 2081/92, did not make a footnote precluding the possibility of protecting each of the terms forming part of that designation. Therefore, it maintains that it must be held that even the term 'grana' alone is protected and allowed only with the PDO.
- 39 OHIM maintains that Article 3 of Regulation No 2081/92 states that, in order to establish whether or not a name has become generic, account must be taken of many factors and, in particular, a study of the existing situation in the Member State in which the name originates and in other Member States must be carried out. It is also necessary to carry out a study of the behaviour and opinion of the reference public. In that regard, OHIM notes, first, that the organisation of surveys is one of the instruments which is most used by the Commission and by Member States and, second, that under Article 76 of Regulation No 40/94, the Board of Appeal before which the case was brought could have asked the opinion of the Commission or of the national authorities.
- 40 OHIM observes that the Board of Appeal does not seem to have consulted the competent Italian or Community authorities or to have carried out an in-depth examination of the Italian market and the markets of other Member States. Rather, the Board of Appeal based its decision on an examination of Italian dictionaries in common use and on internet research.

- 41 OHIM further states that the Board of Appeal itself, in referring to the *Enciclopedia Zanichelli*, the *Dizionario della lingua italiana Le Monnier* and the *Vocabolario della lingua italiana Zingarelli*, stated that, for Italian consumers, the term ‘grana’ does not refer merely to ‘a semi-fat hard cheese, cooked’ but to a cheese characterised as being ‘from the typical areas of Emilia and Lombardy’. The fact that the dictionaries consulted refer to a particular region is sufficient in itself to preclude the possibility that the term ‘grana’ has become generic in nature.
- 42 Furthermore, the fact that some of those dictionaries and also some cooking recipes refer to the terms ‘grana’ and ‘grana padano’ as alternatives rather appears to substantiate the view that the term ‘grana’ is synonymous with ‘grana padano’ for Italian consumers.
- 43 OHIM observes that, under Article 13(3) of Regulation No 2081/92, once it has been registered, a PDO may not become generic. Thus, as long as the Commission or the competent Community or national judicial authorities have not decided that a PDO has become generic, the bodies of OHIM have to regard the registration of that PDO as valid and worthy of protection.
- 44 Biraghi submits that the term ‘grana’ is generic in nature and that it designates a type of cheese which is slowly matured, semi-fat, cooked, hard and granular. That term literally refers to the granular structure of the cheese, which owes its name to precisely that characteristic, and it does not in itself designate a geographical area or a specific area of origin. In that regard, Biraghi claims that only Castelmagno cheese, which has a PDO, is currently produced in the Valle Grana.

- 45 Furthermore, Biraghi observes that the judgment in *Bigi*, on which the applicant relies, related to a complex designation made up of two terms each of which referred to places of production: 'parmigiano' for the cheese produced in the area surrounding the city of Parma and 'reggiano' for that produced in the town of Reggio Emilia.
- 46 Biraghi also submits that granular cheese was called 'grana' long before the creation of the first cheese dairies in the mid-nineteenth century, as the applicant itself explains in one of its publications, in which it acknowledges that grana cheese was produced for the first time around 1135 and that its name, already in use in 1750, was based on the granular appearance of the cheese.
- 47 Biraghi disputes the assertion that with the introduction in Italy of the system of PDOs grana cheese was subdivided into only two types of the same kind, namely grana padano and parmigiano reggiano, both of which have a PDO. It adds that 'grana' does not designate a third type of cheese which differs from those PDOs either. On the contrary, the term 'grana' designates the same kind of hard and granular cheese which covers both grana Biraghi and the two PDOs referred to above. Thus, the fact that specific rules have been prescribed in respect of the production and marketing of grana padano and parmigiano reggiano does not mean that the cheese grana no longer exists.
- 48 From a legislative point of view, Biraghi observes that Commission Decision 96/536/EC of 29 July 1996 establishing the list of milk-based products in respect of which Member States are authorised to grant individual or general derogations pursuant to Article 8(2) of Directive 92/46/EEC and the nature of the derogations applicable to the manufacture of such products (OJ 1996 L 230, p. 12) mentions inter alia 'Dansk Grana' and 'Romonte — Typ Grana'.

- 49 Biraghi submits that the existence of grana cheese as a kind of cheese is borne out by a number of books and dictionaries, by the decisions to reject applications for the registration of the marks Grana Piemontese and Grana Reale taken by the Ufficio Italiano Brevetti e Marchi (Italian Patents and Trade Marks Office), by Bulletin No 1 of 4 January 1999 of the professional association Assolatte, which provides in the Annex thereto for three categories of grana, namely grana padano, parmiggiano reggiano and the ‘other granas’ and also by the fact that the latter category is also used by the Istituto Nazionale di Statistica (Italian National Institute of Statistics, ISTAT) for its records.
- 50 Biraghi submits, in contrast to the applicant and the Italian Republic, that the designation registered as a PDO for the purpose of Articles 9 and 10 of Law No 125/54 and Article 13 of Regulation No 2081/92 is solely the complex designation ‘grana padano’ and not also the term ‘grana’. According to Biraghi, under Article 3(1) of Regulation No 2081/92, the term ‘grana’ could not have been registered as a PDO on its own as it is generic in nature.
- 51 In that regard, Biraghi states that the issue of the use of the term ‘grana’ without the adjective ‘padano’ has already been broached in Italy by the Corte di Cassazione in its judgment No 2562 of 28 November 1989 in which it held that ‘while grana padano cheese enjoys recognition of origin and, consequently, protection under criminal law against improper use of the designation, cheese simply called ‘grana’ is not, under the legislation in force, recognised as a type of cheese, with the result that the use of that designation ... is not subject to specific restrictions and does not constitute an infringement of Law [No 125/54]’. Biraghi also adds that the Court of Justice, in Joined Cases C-129/97 and C-130/97 *Chiciak and Fol* [1998] ECR I-3315, concerning the PDO ‘époisses de Bourgogne’, stated that ‘as regards a “compound” designation of origin, [registered under the simplified procedure provided for in Article 17 of Regulation No 2081/92], the fact that there is no footnote in the Annex to ... Regulation [No 1107/96] specifying that registration is not sought for one of the parts of that designation does not necessarily mean that each of its parts is protected’. The possibility of protection of generic names was also excluded by the

Court in Case C-3/91 *Exportur* [1992] ECR I-5529, and Joined Cases C-321/94 to C-324/94 *Pistre and Others* [1997] ECR I-2343.

52 In view of those considerations, Biraghi submits that the use of the generic term 'grana' does not constitute an infringement of either Article 13(1) of Regulation No 2081/92 or of the national legislation on designations of origin. Law No 125/54 prohibits any use of designations of origin, altering or partially modifying them by adding terms such as 'type', 'use' or 'taste', but not the mere use of a generic term such as 'grana'.

### *Findings of the Court*

53 Article 142 of Regulation No 40/94 provides that that regulation is not to affect the provisions of Regulation No 2081/92, and in particular Article 14 thereof.

54 Article 14 of Regulation No 2081/92 provides that an application for registration of a trade mark corresponding to one of the situations referred to in Article 13 and relating to the same type of product is to be refused, provided that the application for registration of the trade mark was submitted after the date of the publication provided for in Article 6(2). Trade marks registered in breach of that provision are to be declared invalid.

- 55 It follows that OHIM is bound to apply Regulation No 40/94 in such a way as not to affect the protection granted to PDOs by Regulation No 2081/92.
- 56 Consequently, OHIM must refuse to register any mark which is covered by one of the situations described in Article 13 of Regulation No 2081/92 and, if the mark has already been registered, must declare that registration to be invalid.
- 57 Furthermore, first, under Article 13(3) of Regulation No 2081/92, protected names may not become generic and, second, the fact that Regulation No 1107/96 contains no footnote specifying that registration of the term 'grana' is not sought does not necessarily mean that each of the parts of the designation 'grana padano' is protected (see, to that effect, *Chiciak and Fol*, paragraph 39).
- 58 The second subparagraph of Article 13(1) of Regulation No 2081/92 also provides that 'where a registered name contains within it the name of an agricultural product or foodstuff which is considered generic, the use of that generic name on the appropriate agricultural product or foodstuff shall not be considered to be contrary to (a) or (b) in the first subparagraph'. It follows that, where a PDO is made up of several elements, one of which constitutes the generic indication of an agricultural product or foodstuff, the use of that generic name in a registered mark is to be considered as complying with Article 13(1)(a) and (b) of Regulation No 2081/92 and the application for annulment based on the PDO is to be rejected.
- 59 In that regard, it is apparent from *Chiciak and Fol* (paragraph 38) that, under the system of Community registration established by Regulation No 2081/92, questions concerning the protection to be accorded to the various constituent parts of a name,

in particular the question whether a generic name or a constituent part protected against the practices referred to in Article 13 of that regulation may be concerned, are subject to an assessment carried out on the basis of a detailed analysis of the facts at issue.

60 In that regard, it must be stated at the outset that the Board of Appeal was competent to carry out that type of analysis and, potentially, to refuse to grant protection to the generic part of a PDO. Since this is not a question of declaring a PDO to be invalid in itself, the fact that the second subparagraph of Article 13(1) of Regulation No 2081/92 precludes the protection of generic names in a PDO authorises the Board of Appeal to ascertain whether the term in question actually constitutes the generic name of an agricultural product or foodstuff.

61 Such an analysis assumes that it has been verified that a certain number of conditions have been met, which requires, to a great extent, detailed knowledge both of matters particular to the Member State concerned (see, to that effect, Case C-269/99 *Carl Kühne and Others* [2001] ECR I-9517, paragraph 53) and of the existing situation in other Member States (see, to that effect, Joined Cases C-289/96, C-293/96 and C-299/96 *Denmark and Others v Commission* [1999] ECR I-1541, paragraph 96).

62 In those circumstances, the Board of Appeal was required to carry out a detailed analysis of all the factors which could establish that generic character.

63 Article 3 of Regulation No 2081/92, after laying down that names that have become generic may not be registered, provides that to establish whether or not a name has

become generic, account is to be taken of all factors, in particular the existing situation in the Member State from which the name originates and in areas of consumption, the existing situation in other Member States and the relevant national or Community laws.

64 The same criteria must be applied for the purpose of implementing the second subparagraph of Article 13(1) of Regulation No 2081/92. The Court has held that the definition which the second subparagraph of Article 3(1) of Regulation No 2081/92 gives of the term 'name that has become generic' is also applicable to names which have always been generic (*Denmark and Others v Commission*, paragraph 80).

65 Thus, the legal, economic, technical, historical, cultural and social evidence which makes it possible to carry out the necessary detailed analysis is, inter alia, the relevant national and Community legislation, including its historical development, the perception which the average consumer has of the allegedly generic name, including the fact that the reputation of the name remains linked to the traditional matured cheese produced in a rural area as a result of the fact that it is not commonly used in other areas of the Member State or of the European Union, the fact that a product has been legally marketed under the name in question in certain Member States, the fact that a product has been legally produced under the name in question in the country where the name originated even though the traditional methods for the production thereof have not been complied with, the fact that such processes have endured over time, the quantity of goods which bear the name in question and are produced using non-traditional methods as against the quantity of goods produced using traditional methods, the market share held by goods bearing the name in question which were produced using non-traditional methods as against the market share held by goods produced using traditional methods, the fact that the goods produced using non-traditional methods are presented in such a way as to refer to the places of production of goods produced using traditional methods, the protection of the name in question under international agreements and the number of Member States which may rely on the allegedly generic nature of the name in question (see, to that effect, *Denmark and Others v Commission*, paragraphs 95, 96,

99 and 101; *Bigi*, paragraph 20; and Joined Cases C-465/02 and C-466/02 *Germany and Denmark v Commission* [2005] ECR I-9115, paragraphs 75, 77, 78, 80, 83, 86, 87, 93 and 94).

<sup>66</sup> Furthermore, the Court has not excluded the possibility of taking account (*Denmark and Others v Commission*, paragraphs 85 to 87), in an examination of the generic nature of a name, of a survey of consumers organised in order to understand their perception of the name in question or of an opinion of the committee set up by Commission Decision 93/53/EEC of 21 December 1992 setting up a scientific committee for designations of origin, geographical indications and certificates of specific character (OJ 1993 L 13, p. 16), which has since been replaced by the scientific group of experts for designations of origin, geographical indications and traditional specialities guaranteed, set up by Commission Decision 2007/71/EC of 20 December 2006 (OJ 2007 L 32, p. 177). That committee, made up of highly qualified experts in the fields of law and agriculture, has the task of examining, inter alia, the generic nature of names.

<sup>67</sup> Lastly, it is possible to take into consideration other factors, inter alia, the definition of a name as generic in the Codex alimentarius (on the indicative value of the rules of the Codex alimentarius see Case 286/86 *Deserbais* [1988] ECR 4907, paragraph 15, and Case C-448/98 *Guimont* [2000] ECR I-10663, paragraph 32) and the inclusion of the name on the list in Annex II to the international Convention for the use of designations of origin and names of cheeses, signed at Stresa on 1 June 1951, in that that inclusion permits the use of the name in any country signatory to the Convention, provided that the rules of manufacture are complied with and that the country of production is mentioned, without restricting that use to manufacturers in

the corresponding geographical area (see the Opinion of Advocate General Ruiz-Jarabo Colomer in *Germany and Denmark v Commission*, point 168).

- 68 Clearly the Board of Appeal overlooked the criteria identified by the Community case-law on PDOs and laid down in Article 3 of Regulation No 2081/92.
- 69 It did not take into consideration any of the factors which, according to the case-law referred to in paragraphs 65 to 67 above, make it possible to carry out the necessary analysis of the possibly generic nature of a name or of one of its components; nor has it called for any opinion polls of consumers or for the opinion of experts qualified in the subject area or requested information, both from Member States or from the Commission, which could, in turn, have brought the matter before the abovementioned scientific committee, although, as OHIM rightly states, it could have done so under the first part of Article 74(1) and under Article 76 of Regulation No 40/94.
- 70 The evidence substantiating the contested decision consists merely of extracts from dictionaries and internet research carried out of its own motion by the Board of Appeal.
- 71 The frequency with which a term appears on the internet is not, of itself, capable of establishing the generic nature of a name. Furthermore, all the definitions of the term 'grana' given in the dictionaries cited by the Board of Appeal refer to the place of production of grana padano, which is an area in the plain of the Po. Consequently, and contrary to the findings of the Board of Appeal, those dictionaries show that the name 'grana' is used in Italian as an abbreviated form of grana padano and that the

name ‘grana’ is linked in fact and in people’s minds with the Padanian origin of that product, which is borne out by the two German dictionaries referred to in paragraphs 50 and 51 of the contested decision. As regards the definition given in the *Enciclopedia Treccani*, that definition is irrelevant in so far as it dates from 1949, that is to say from a date prior to both Regulation No 1107/96 and Law No 125/54, which first acknowledged the name ‘grana padano’ as a PDO.

72 Furthermore, it must be stated that, if the Board of Appeal had duly taken into consideration all the evidence provided by the applicant and had applied the criteria identified by the case-law of the Court, it would have had to conclude that proof of the generic character of the name ‘grana’ had not been adduced to the requisite legal standard.

73 Among those factors, mention must be made, above all, of the legislative position as regards the protection of the name ‘grana padano’ in Italy and the historical development thereof.

74 In that regard, the Court notes that the first legislative recognition of the name ‘grana’ dates back to Regio Decreto Legge No 1177, Disposizioni integrative della disciplina della produzione e della vendita dei formaggi (Royal Decree-Law No 1177 of 17 May 1938 introducing provisions to supplement the rules on the production and sale of cheeses, GURI No 179 of 8 August 1938). In that decree, which lays down the minimum fat content in the different Italian cheeses, reference is made to grana parmigiano-reggiano, grana lodigiano, grana emiliano, grana lombardo and grana veneto. The Decree shows that grana was produced in a number of areas in

the Padanian Valley, near Parma, Reggio Emilia and Lodi, and in Emilia, Lombardy and Venetia. The name 'grana padano', by contrast, is not mentioned in the Decree.

- 75 Clearly those areas all come within the area of production of both parmigiano reggiano (Parma, Reggio Emilia, Modena, Bologna west of the Reno and Mantua east of the Po) and grana padano (Piedmont, Lombardy, Emilia-Romagna, Venetia and the province of Trento).
- 76 Following the introduction of the first system of designations of origin in Italy by Law No 125/54 and the Decreto del Presidente della Repubblica No 1269, Riconoscimento delle denominazioni circa i metodi di lavorazione, caratteristiche merceologiche e zone di produzione dei formaggi (Decree of the President of the Republic No 1269 of 30 October 1955 on the recognition of designations relating to methods of production, characteristics of marketing and areas of production of cheeses, GURI No 295, 22 December 1955, p. 4401) which recognised the designation of origin 'grana padano', parmigiano reggiano cheese lost its classification as grana, on account of its specific characteristics, whilst all the other grana cheeses were recognised under the designation 'padano'.
- 77 The fact that the Italian legislation of 1938 refers to different granas (parmigiano-reggiano, lodigiano, emiliano, lombardo and veneto), all produced in the area of the plain of the Po, without however mentioning grana padano, and also the fact that subsequent legislation introduced the name 'grana padano' whilst abandoning the earlier names indicates that grana is a cheese traditionally produced in numerous areas of the plain of the Po, which the Italian legislature therefore, at a certain point in time, identified by the term 'padano' so as to simplify the framework of rules and to include in one single name the various previous names, all originating in the Padanian Valley.

- 78 The qualifier 'padano' was therefore inserted not to restrict the scope of the PDO to certain granas only, but in order to place them all under the same increased protection, conferred initially by Italian legislation and subsequently by Regulation No 2081/92. It follows from this that the changes in the Italian legal context indicate that the name 'grana' is not generic.
- 79 None of the arguments submitted by Biraghi makes it possible to call those findings into question. First, as regards the existence of the name 'grana trentino', it must be stated that the Decree of the President of the Republic amending the specifications for the cheese grana padano, which is relied on by Biraghi, authorised the addition of the expression 'trentino' (from Trento) on the grana padano cheese produced in the territory of the province of Trento. The possibility of making that addition only strengthens the idea that it is possible to call a cheese 'grana' only if it is produced according to the specifications of grana padano.
- 80 Second, although it is true that the bulletin of the association Assolatte does show that there are 'other granas' in addition to grana padano, clearly, as is apparent from the table annexed to that bulletin, those 'other granas' were exported to countries other than the Member States of the European Community, inter alia the United States of America, Japan, Russia, Croatia and Slovenia, the latter not being a Member of the European Union at the time to which that data refers, namely 1999. As regards cheese intended for export to countries in which the name 'grana' had no specific legislative protection, that argument is irrelevant, in accordance with the principle of territoriality recognised by the Court in the area of intellectual property rights in *Exportur* (paragraph 12). The same is true of the statistical information put together by ISTAT and relied on by Biraghi, which is not conclusive given that it does not state the intended market of the 'other granas'.

81 Third, in claiming that the term ‘grana’ does not designate a geographical area as such, Biraghi essentially seeks to establish that the name ‘grana’ could not in any case have the protection granted by Regulation No 2081/92 given that it does not satisfy the definition of designation of origin given in Article 2 of that regulation. It is irrelevant whether the name ‘grana’ is based on the fact that the cheese which it designates has a granular structure or on the fact that it was originally produced in the Valle Grana, since, under Article 2(3) of Regulation No 2081/92, a PDO may also be constituted by a traditional non-geographical name designating a foodstuff originating in a region or specific place which presents homogenous natural factors which distinguish it from the areas adjoining it (*Germany and Denmark v Commission*, paragraphs 46 to 50). In that regard, it is not disputed that grana cheese originates in the region of the plain of the Po. On that basis, it meets the conditions provided for in Article 2(3) of Regulation No 2081/92.

82 Fourth, Biraghi’s reference to *Germany and Denmark v Commission* in support of its argument is irrelevant inasmuch as the Court does not find fault with the possibility that a non-geographical name may constitute a PDO, but merely disputes the size of the area of production for the non-geographical name ‘feta’. On the basis of that consideration, Biraghi’s argument that only Castelmagno cheese is produced in the Valle Grana must also be rejected. Likewise, Biraghi’s reference to *Pistre and Others* must be rejected in that, as is apparent from paragraph 35 of that judgment, it concerns a name (mountain) which does not meet the conditions to be regarded as covering a designation of origin within the meaning of Article 2 of Regulation No 2081/92 in so far as there is no direct link between the quality or characteristics of the product and its specific geographical origin.

83 Fifth, Decision 96/536, which refers to the Danish cheese 'Dansk Grana' and the German cheese 'Romonte — Typ Grana' was adopted in the context of the implementation of Council Directive 92/46/EEC of 16 June 1992 laying down the health rules for the production and placing on the market of raw milk, heat-treated milk and milk-based products (OJ 1992 L 268, p. 1). In so far as Decision 96/536 refers only to the authorisation of exemptions from compliance with the health rules laid down by Directive 92/46, it can have no influence on the protection of an industrial property right such as a protected designation of origin (see, to that effect, *Germany and Denmark v Commission*, paragraph 96). Even if that citation were to establish the generic nature of the name 'grana' in Denmark and Germany, it would not be possible to extend such a finding to the entire territory of the Community or at the very least to a substantial part thereof. Furthermore, Decision 96/536 refers to Danish grana and to a German cheese of which it is stated that it is a 'type' of grana, which suggests that in Denmark and Germany the name 'grana', by itself, has in any event retained its connotation of 'grana padano' (see, to that effect, *Germany and Denmark v Commission*, paragraph 92). Lastly, Decision 96/536, referred to by Biraghi, dates from 1996, a time when Member States could still avail themselves of the exception provided for in Article 13(2) of Regulation No 2081/92, which authorised them to maintain national systems permitting the use of names registered under Article 17 for a period of not more than five years after the date of publication of the regulation.

84 Sixth, the judgment of the Corte di cassazione of 28 November 1989 was delivered in connection with criminal proceedings and in that judgment the court expressly states that the acquittal of the accused was due to an absence, at that time, of criminal penalties applicable in the event of improper use of the name 'grana'. Furthermore, that judgment was delivered before the entry into force of Regulation No 2081/92 and Regulation No 1107/96, that is to say, before the level of protection of PDOs had been established at Community level. Lastly, it is apparent from numerous formal fraud reports by the Ispettorato centrale repressione frodi (Central Bureau for the Suppression of Fraud) of the Italian Ministry of Agriculture and Forests, produced by the applicant, all of which are subsequent to the judgment of the Corte di cassazione and to Regulation No 1107/96, that the Italian authorities systematically carry out seizures of cheeses bearing only the indication 'grana' in

view of the fact that such a practice constitutes an infringement of the PDO ‘grana padano’ as protected by Regulation No 1107/96.

- 85 Moreover, the dictionaries cited by Biraghi are not relevant either. Contrary to what Biraghi maintains, it may be noted that, although it is true that the *Dictionnaire des fromages Larousse* defines granas as ‘Italian cheeses which have (some) common characteristics’, it subsequently states that a number of Italian laws have defined the designation by distinguishing the cheeses produced in certain provinces (parmigiano reggiano) from those produced in certain other provinces (grana padano), thus supporting the argument that the name ‘grana’ is not generic in nature. However, no conclusion may be drawn from the *Guide du fromage Androuët-Stock*, which does not even refer to grana padano.
- 86 The Italian legislative framework was not, moreover, the only evidence which the Board of Appeal had for rejecting the generic nature of the name ‘grana’. It had knowledge of the fact that no Member State had raised the question of the allegedly generic nature of the name ‘grana’ within the regulatory committee which the Commission consulted with a view to the adoption of Regulation No 1107/96. Furthermore, it had been provided with no evidence of the marketing of a cheese named ‘grana’ in the European Community.
- 87 Lastly, in the light of its obligation to obtain, of its own motion, information about the applicable national law (see, to that effect, Case T-318/03 *Atomic Austria v OHIM — Fabricas Agrupadas de Muñecas de Onil (ATOMIC BLITZ)* [2005] ECR II-1319, paragraph 35), the Board of Appeal could also have taken account of the existence of national laws transposing the international Convention for the use of designations of origin and names of cheeses and of the bilateral international conventions protecting the name ‘grana’.

88 It is apparent from the above that the Board of Appeal was not in a position to come to the conclusion that registration of the mark GRANA BIRAGHI did not constitute an infringement of the PDO 'grana padano' for the purpose of the first subparagraph of Article 13(1) of Regulation No 2081/92.

89 It must thus be held that the action is well-founded in that the Board of Appeal erred in finding that the name 'grana' was generic and that the existence of the PDO 'grana padano' did not preclude the registration of the mark GRANA BIRAGHI for the purpose of Article 14 of Regulation No 2081/92. Consequently, the contested decision must be annulled.

## **Costs**

90 Under Article 87(2) of the Rules of Procedure, the unsuccessful party is to be ordered to pay the costs if they have been applied for in the successful party's pleadings. Under the first subparagraph of Article 87(4) of the Rules of Procedure, Member States which intervene in the proceedings are to bear their own costs.

91 At the hearing, the applicant applied for OHIM to be ordered to pay the costs.

- 92 According to settled case-law, the fact that the successful party did not ask for costs until the hearing does not debar the Court from awarding them (Case 113/77 *NTN Toyo Bearing and Others v Council* [1979] ECR 1185; Case T-64/89 *Automec v Commission* [1990] ECR II-367, paragraph 79; and Case T-278/04 *Jabones Pardo v OHIM — Quimi Romar (YUKI)*, not published in the ECR, paragraph 75).
- 93 Since the decision of the Board of Appeal must be annulled and OHIM must on that basis be regarded as having been unsuccessful, notwithstanding its form of order sought, it must be ordered to pay the applicant's costs in accordance with the form of order sought by the applicant. The interveners shall bear their own costs.

On those grounds,

THE COURT OF FIRST INSTANCE (Fourth Chamber)

hereby:

- 1. Annuls the decision of the First Board of Appeal of the Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) of 16 June 2003 (Case R 153/2002-1);**

- 2. Orders OHIM to bear its own costs and to pay those incurred by Consorzio per la tutela del formaggio Grana Padano;**
  
- 3. Orders the Italian Republic and Biraghi SpA to bear their own costs.**

Legal                      Wiszniewska-Białecka    Moavero Milanese

Delivered in open court in Luxembourg on 12 September 2007.

E. Coulon

Registrar

H. Legal

President