

BLO/054/22

IN THE MATTER OF THE TRADE MARKS ACT 1994

IN THE MATTER OF TRADE MARK APPLICATION NUMBER 3,217,920 IN THE NAME OF VIÑEDOS EMILIANA SA

AND IN THE MATTER OF THE OPPOSITION UNDER NUMBER 409,347 BY (1) CONSORZIO TUTELA VINI EMILIA, (2) CHIARLI 1860 – PR.I.V.I SRL AND (3) MEDICI ERMETE E FIGLI SRL

AND IN THE MATTER OF AN APPEAL FROM THE DECISION OF LEISA DAVIES (O/407/21) DATED 1 JUNE 2021

DECISION

Introduction

1. This is an appeal from the decision of Ms Leisa Davies, for the Registrar, dated 1 June 2021 (O/407/21). Consorzio Tutela Vini Emilia, Chiarli 1860 – PR.I.V.I SRL and Medici Ermete E Figli SRL, the Appellants, opposed the application of Viñedos Emiliana SA to register the trade mark EMILIANA (No 3,217,920) for wines in class 33. The application was opposed under sections 3(3)(b), 3(4) and 5(4)(a) of the Trade Marks 1994.
2. The opposition was primarily based on the First Appellant's Protected Geographical Indication (PGI) EMILIA, which was on the relevant date protected under Regulation (EU) No 1308/2013 establishing a common organisation of the markets in agricultural products.
3. The application in suit was filed on 10 March 2017 and published on 24 March 2017. On 19 May 2017, the Appellants filed their opposition to the application.
4. Since that time the Trade Marks Act 1994 has been amended numerous times. The first relevant amendments were made as a result of the implementation of Directive (EU) 2015/2436 to approximate the laws of the Member States relating to trade marks to implement and then subsequently further amendments were made by reason of the United Kingdom leaving the European Union. Furthermore, significant amendments were made to Regulation (EU) No 1308/2013 when it was amended and retained pursuant to the European Union (Withdrawal) Act 2018.
5. These changes all involve transnational arrangements which make determining which law applies to these proceedings somewhat complicated. In simple terms, the Hearing Officer's decision, dated 1 June 2021, applied the law as it was on the date of filing the application in suit.

6. The Appeal was heard on 11 November 2021 and lasted the full day. The parties put their case on the basis that the Hearing Officer was correct in applying the law as it was in 2017. However, during the hearing, I raised the issue of the transitional provisions inserted into the retained version of Regulation (EU) No 1308/2013.
7. As these had not been considered below or by the parties beforehand, I invited written submissions. These were filed on 30 November 2021. At that time, it was suggested by one of the parties, and I agreed, that the registrar's view of the law should also be sought. Accordingly, written submissions were received from the registrar on 14 January 2022.
8. Therefore, before considering the merits of the appeal it is necessary to determine what law applies, but first, I remind myself of the standard of appeal.

Standard of appeal

9. The standard of appeal is by way of review. Neither surprise at a Hearing Officer's conclusion nor a belief that he or she has reached the wrong decision will suffice to justify interference in this sort of appeal. Before that is warranted, it is necessary for me to be satisfied that there was a distinct and material error of principle in the decision in question or that the Hearing Officer was wrong. The relevant principles were set out in *TT Education Ltd v Pie Corbett Consultancy* [2017] RPC 17 by Daniel Alexander QC and subsequently by the Supreme Court in *Actavis Group PTC EHF v ICOS Corporation* [2019] UKSC 15, [2019] RPC 9.
10. When considering this appeal, and applying these principles, it is important to remember the high bar set.

Transitional arrangements

11. Turning to the transitional arrangements, as a starting point, on 10 March 2017 section 3(4) of the Trade Marks Act 1994 read:

A trade mark shall not be registered if or to the extent that its use is prohibited in the United Kingdom by any enactment or rule of law or by any provision of EU law.

12. The Hearing Officer acknowledged that the Trade Mark Regulations 2018 (SI 2018/825), which implemented the new Directive, came into force on 14 January 2019 and that these Regulations amended section 3 of the 1994 Act. However, as the Hearing Officer stated (Decision, [40]), the parties:

Both accepted that these changes did not materially affect the proceedings. Since these proceedings commenced on 19 May 2017 (prior to the SI coming into force) I do not consider that the amended wording introduced to section 3(4) and section 3(4A) apply and the decision will proceed based on the law as it stood as at the commencement of proceedings

13. As there were no relevant transitional provisions in the 2018 Regulations it is not apparent, without more, why the new amendments in those Regulations do not apply to this case (the matter would turn on the application of section 16 and 23 of the Interpretation Act 1978 and whether the presumption against retrospectively applies). As will become clear this issue has been overtaken by events.

14. The Hearing Officer also applied Regulation (EU) No 1308/2013 in the form it was before the United Kingdom left the EU. This approach appears to be in accordance with Tribunal Practice Notice (2/2020), which includes the following:

Practice for:

Invalidation actions launched on, or after, IP Completion Day
Oppositions filed after IP Completion Day against trade mark applications that were filed on, or after, IP Completion Day

5. The Trade Marks (Amendment etc.) (EU Exit) Regulations 2019 updates the references to EU law at sections 3(4) and 3(4A-4D) (Absolute Grounds for refusal of registration) of the Act. This will now point to UK law. Thus, for such proceedings, claims must comply with the Act as amended.

6. Information about the new GI Schemes that will apply after IP Completion Day is available.

7. The transitional provisions provide that any opposition or invalidation proceedings filed before 11pm on 31 December 2020, will continue to be dealt with under the Act, as it existed before IP Completion Day (i.e. the old law continues to apply).

15. The transitional provisions were also discussed in *Gravity Products LLC v Senso-Rex Ltd* [2021] ETMR 56.

16. In the closing days of 2020, two instruments (the Agricultural Products, Food and Drink (Amendment etc.) (EU Exit) Regulations 2020 (SI 2020/1637) and the Agricultural Products, Food and Drink (Amendment) (EU Exit) Regulations 2020 (SI 2020/1661)) were made to amend Regulation (EU) No 1308/2013 and put it into its retained form, as well as amend paragraph 7 of Schedule 5 to the 2018 Regulations (as to the retention of EU Legislation: see European Union (Withdrawal) Act 2018, ss 2 to 7).

17. The Agricultural Products, Food and Drink (Amendment etc.) (EU Exit) Regulations 2020 (SI 2020/1637) inserted Article 102a into the retained version of Regulation No 1308/2013. This Article provides transitional provisions in relation to, amongst other things, any “application to register a trade mark that was pending immediately before IP completion day” (IP completion day being 31 December 2021). The phrase is further defined in Article 102a(13)(b):

an application to register a trade mark that was ‘pending immediately before IP completion day’ is a reference to an application that was neither refused, nor resulted in the registration of the trade mark that is the subject of the application, before IP completion day

18. There are different transitional provisions depending on the category of PGI. It is clear that the PGI at issue in these proceedings is ‘category A’ (see Article 102a(b) and Article 93A) and so Article 102a(1) is the relevant transitional provision.

19. The registrar takes the view that while the definition in Article 102a(13)(b) might at first appear to include opposition proceedings, in fact it does not. The Appellants submit that this definition incompletely captures the trade mark applications that could exist, but suggest it covers the present proceedings. The Respondent did not address this aspect expressly.

20. The registrar’s rationale as to why the definition does not cover the current proceedings is twofold. First, the registrar argues there is a general presumption that new legislation

does not apply to pending actions. Secondly, the reference to applications being “accepted” in Part 3 of Annex 9A to Schedule 3 to Retained Regulation (EU) No 1308/2013 excludes those under opposition, and this clarifies the meaning in Article 102a itself.

Retrospectivity

21. The leading explanation of the retrospective application of legislation is by Lord Mustill in *L'Office Cherifien des Phosphates v Yamashita-Shinnihon Steamship Co. Ltd* [1994] 1 AC 486 at 524-5:

I must own up to reservations about the reliability of generalised presumptions and maxims when engaged in the task of finding out what Parliament intended by a particular form of words, for they too readily confine the court to a perspective which treats all statutes, and all situations to which they apply, as if they were the same. This is misleading, for the basis of the rule is no more than simple fairness, which ought to be the basis of every legal rule. True it is that to change the legal character of a person's acts or omissions after the event will very often be unfair; and since it is rightly taken for granted that Parliament will rarely wish to act in a way which seems unfair it is sensible to look very hard at a statute which appears to have this effect, to make sure that this is what Parliament really intended. This is, however, no more than common sense, the application of which may be impeded rather than helped by recourse to formulae which do not adapt themselves to individual circumstances, and which tend themselves to become the subject of minute analysis, whereas what ought to be analysed is the statute itself.

22. The touchstone is therefore fairness; as Sir Ross Cranston said in *Christchurch Borough Council, R (On the Application Of) v Secretary of State for Housing Communities and Local Government* [2018] EWHC 2126 (Admin), [57]: “Incantations against...retrospective legislation disappear into the ether if there is no unfairness.”

23. Lord Mustill continued in *L'Office Cherifien* (at 525) adopting the comments of Staughton LJ in *Secretary of State for Social Security v. Tunncliffe* [1991] 2 All ER 712, 724:

In my judgment the true principle is that Parliament is presumed not to have intended to alter the law applicable to past events and transactions in a manner which is unfair to those concerned in them, unless a contrary intention appears. It is not simply a question of classifying an enactment as retrospective or not retrospective. Rather it may well be a matter of degree - the greater the unfairness, the more it is to be expected that Parliament will make it clear if that is intended.

24. In the instant case the relevant legislation does not change the law retrospectively in the strictest sense, but rather, it changes the law only prospectively, but by reference to past events (that is, in relation to an ongoing case). Nevertheless, it is the case that the substantive rights of the party to civil proceedings will usually fall to be determined by the law as existed when the claim was started: *Royse v Royse* [1985] Ch 22 at 29, Ackner LJ (also see Interpretation Act 1978, s 16). However, where an enactment is intended to be retrospective then it will apply to pending actions including appeals.

25. It is clear beyond argument that Article 102A(13)(b) applies to at least *some* pending proceedings and so has some retrospective application (in the sense mentioned in the previous paragraph). The registrar submits it applies to ongoing examination proceedings, but not ongoing opposition proceedings. However, it is not clear how the presumption against retrospectivity leads to it applying to the former and not the latter.

26. In any event, if the application in suit were already registered and invalidity proceedings were started today, there could be no dispute that section 3(4A) of the 1994 Act and the Retained Regulation in its current form would apply. It would not matter that the trade mark was applied for in 2017 and, as section 3(4A) is an absolute ground, it could be raised by any person as a ground of invalidity. Furthermore, it is at least arguable that if the opposition is unsuccessful the registrar would have still been obliged by section 40(1) to reject the application if the registrar was on notice that it offended either sections 3(4) or 3(4A) or the Retained Regulation. I say it is only arguable as the temporal aspect of section 40(1) is somewhat ambiguous in that it appears to suggest that the new information has to make it clear that the application should not have been accepted in the first place; however, if it is abundantly clear that at the time of registration the application would be invalid upon absolute grounds then it would be a strange to expect the registrar knowing this fact to go ahead and put it on the register anyway.
27. I raise invalidity and section 40 only to highlight that an application or mark which might be invalidated or would otherwise be in jeopardy might not be thought to suffer a great deal of unfairness in terms of any retrospective application of a transitional provision to a similar effect.

Vires point

28. The registrar points out that the Agricultural Products, Food and Drink (Amendment etc.) (EU Exit) Regulations 2020 were made under section 8 of the European Union (Withdrawal) Act 2018 and section 8(7)(b) provides that such regulations cannot “make retrospective provision”. It is my view that this express provision must only apply to strict retrospectivity. It does not prohibit changes to the law which are prospective by reference to past events. Indeed, if I am wrong about this construction, then some of the 2019 Regulations mentioned above would also be *ultra vires*.

“Accepted”

29. The registrar also suggests that the reference to “accepted” in Part 3 of Annex 9A to Schedule 3 to Regulation No 1308/2013 means that the definitions in Article 102a(13)(b) only extends to applications which are first examined after IP Completion Day (that is after 31 December 2021) when the Retained Regulation starts to apply (and EU law does not).
30. In this regard, the registrar’s written submissions state:
The Registrar’s understanding of the main purpose underlying the transitional provisions contained in Schedule 3 to SI 2020/1637 was to ensure that the criteria against which trade mark applications filed in the 9 month period following IP completion day took account of the various permutations in the way in which GIs may obtain protected status on the GB register, whilst retaining their original filing date e.g. if the application was to the EU for a GI which was pending registration at IP completion day or was a GI protected under a TAC agreement. In addition to covering off this period, it was also necessary to address the scenario where a trade mark application was filed prior to IP completion day but was not examined and therefore only accepted or rejected after IP completion day. In that case, the criteria according to which the application is to be examined is as per Article 102a; “an application ... must be refused”
31. While this might be the registrar’s understanding, it seems to ignore a number of things. First, the word “accepted” is not used in Annex 9A in relation to established designations of origin (such as EMILIA) which are covered by Article 102a(1). It is

used only in relation to geographical indications defined so as to apply Article 102a(2) and (3).

32. Secondly, Article 102a(2) provides that an application which was pending on IP Completion Day (and those filed during the relevant period) must be refused when certain conditions are met. In setting those conditions there is a temporal element so that it applies “after the application for the trade mark is accepted but before the trade mark is registered” (there is also similar wording in Article 102a(3)). A trade mark is “accepted” after it has been examined by the office (Trade Marks Act 1994, s 37(5)) and this acceptance triggers publication of the application (s 38(1)) and that publication in turn starts the opposition period (s 38(2)). The temporal element in Article 102a(2) – “after acceptance” – means that it clearly applies only to *examined* trade mark applications and the registrar’s suggestion is clearly wrong. There is no reason why examined applications would be covered by Article 102a(2) and (3) but not Article 102a(1).
33. Overall, I reject the registrar’s submissions. It is clear that the application in suit is an “application to register a trade mark that was ‘pending immediately before IP completion day’”. Accordingly, Article 102a(1) applies to these proceedings (and in any event, paragraph 4 mentioned in the extract below does not). Article 102a(1) reads:
Unless paragraph 4 applies, an application to register a trade mark that was pending immediately before IP completion day or filed during the relevant period must be refused where, if the trade mark is registered, the use of the trade mark will contravene Article 103(2) in relation to a category A designation of origin or geographical indication.
34. There are also some amendments made to the 1994 Act in relation to transitional cases by Article 102B, but none seem relevant to this case. Indeed, the application of Article 102a(1) is pertinent not in itself but because of an amendment made to the 2019 Regulations by the Agricultural Products, Food and Drink (Amendment etc.) (EU Exit) Regulations 2020. These inserted sub-paragraph (1A) into paragraph 7 of Schedule 5 (the final words were later added by SI 2020/1661; and it has been amended again as discussed below):
- (1) Any application or proceeding under the 1994 Act which was made or commenced before the coming into force of these Regulations shall be dealt with under the 1994 Act as it had effect before regulation 4 came into force.
 - (1A) Sub-paragraph 1 does not apply to an application to register a trade mark that was pending immediately before the coming into force of these Regulations referred to in—
...
(b) Article 102a of Regulation (EU) No 1308/2013 of the European Parliament and of the Council establishing a common organisation of the markets in agricultural products, or that Article as applied by Article 102d of that Regulation
35. Thus, by reason of sub-paragraph (1A), the amendments made by the 2019 Regulations (including those to section 3 of the 1994 Act) apply to any application referred to in Article 102a. Such a reference includes the application in suit.
36. As paragraph 2 of Schedule 3 to the 2019 Regulations amends section 3(4A) of the 1994 Act and that subsection was inserted by the 2018 Regulations, it must follow that section 3(4A) (and section 3(4)) in its fully amended form applies to this appeal. This position seems to be accepted by both parties (albeit the Respondent submits that on

appeal the Appellants should not be able to object to registration on an entirely new ground).

37. For the sake of completeness, after the hearing of the appeal, but before the filing of the written submissions, Schedule 5 was amended again by the coming into force of the Trade Marks and International Trade Marks (Amendment) (EU Exit) Regulations 2021 (SI 2021/1235) which inserted a new paragraph 8. As paragraph 8 does not apply to the current proceedings, because they are “excluded proceedings” within the meaning of that paragraph, it need not be considered further.
38. As section 3(4A) of the 1994 Act in its current form applies to this appeal, the Appellants request that they should be able to amend their case to oppose under section 3(4A). The Respondent suggests this would be unfair. Section 3(4A) makes it clear any restriction on registering a trade mark found in Regulation No 1308/2013 is an absolute ground of refusal. Ms Reid argued before me and below that Article 102 of that Regulation is a standalone restriction on registration. Only if I conclude that the application should be refused under Article 102 does the question arise over whether it needs section 3(4A) to be a gateway. I will therefore turn to this issue.

Article 102: one or two grounds of refusal

39. Ms Reid submits that Article 102 of the Regulation No 1308/2013 includes two grounds of refusal, which are divided by the “or” (my underlining):

Article 102

Relationship with trade marks

1. The registration of a trade mark that contains or consists of a protected designation of origin or a geographical indication which does not comply with the product specification concerned or the use of which falls under Article 103(2), and that relates to a product falling under one of the categories listed in Part II of Annex VII shall be:
 - (a) refused if the application for registration of the trade mark is submitted after the date of submission of the application for protection of the designation of origin or geographical indication to the Commission and the designation of origin or geographical indication is subsequently protected; or
 - (b) invalidated....

40. Thus, Ms Reid submits that an application for a trade mark which “contains or consists of a protected designation of origin or a geographical indication which does not comply with the product specification concerned” should be refused whether or not it falls under Article 103(2). Additionally, she says, an application can be refused where its use is prohibited under Article 103(2). The Respondent’s case is that an application can be refused only where its use is prohibited under Article 103(2) (and so the “contains or consists” is only an entry point for Article 103(2) and not an independent ground).
41. This two-limb approach, Ms Reid submits, is evident from the fact that Article 102 is an implementation of Article 23(2) of the Agreement on Trade Related Aspects of Intellectual Property (TRIPS). It is also apparent that in this case (Decision, [51]) and in *Brosecco* (O/341/21), [25] the Hearing Officers used this two-limb approach. I accept that on a literal reading of Article 102 it appears that there are two limbs of rejection divided by the “or”. However, it is my view that this literal reading does not reflect the intention of the legislators for the following reasons.

42. First, Article 102 was a replacement for article 118l of Regulation (EC) No 1234/2007 establishing a common organisation of agricultural markets and on specific provisions for certain agricultural products (which was inserted by Regulation (EC) No 491/2009):

Article 118l

Relationship with trademarks

1. Where a designation of origin or a geographical indication is protected under this Regulation, the registration of a trademark corresponding to one of the situations referred to in Article 118m(2) and relating to a product falling under one of the categories listed in Annex XIb shall be refused if the application for registration of the trademark is submitted after the date of submission of the application for protection of the designation of origin or geographical indication to the Commission and the designation of origin or geographical indication is subsequently protected.

Trademarks registered in breach of the first subparagraph shall be invalidated.

43. As it can be seen, the predecessor provision to art 102 clearly provides that registration would only be refused where the products fall under one of the categories listed in Article 118m(2) (the equivalent to article 103(2) in the current Regulation). It does not provide two grounds of objection. There is nothing to suggest that Article 102 was intending to go further than Article 118l in the earlier legislation.

44. Secondly, none of the other regimes for the protection of geographical indications is worded to suggest there are two grounds of objection. For example, (Retained) Regulation (EU) 2019/787 on the protection of geographical indications for spirit drinks reads:

Article 36

Relationship between trade marks and geographical indications

1. The registration of a trade mark the use of which corresponds or would correspond to one or more of the situations referred to in Article 21(2) shall be refused or invalidated.

...

45. While different wording is used in each instrument, this one tier approach is used in both (Retained) Regulation (EU) No 251/2014 on the definition, description, presentation, labelling and the protection of geographical indications of aromatised wine products, art 19 and in (Retained) Regulation (EU) No 1151/2012 on quality schemes for agricultural products and foodstuffs, art 14. It is true that (Retained) Commission Delegated Regulation (EU) 2019/33 supplementing Regulation (EU) No 1308/2013, art 32 is closer to Article 102 of Regulation No 1308/2013, but the regime for traditional terms is different in numerous respects from that for geographical indications.

46. There is no reason why wines should get broader protection than spirits or aromatised wines as all three are covered by TRIPS, art 23(2). If the Appellants are right, then only Regulation (EU) No 1308/2013 is compliant with TRIPS and the other regimes are not. I do not think this is right. It is my view that the protection granted by Article 103(2) as it applies to registration is much broader than that required by TRIPS.

47. Thirdly, the Appellants have identified no authority supporting their interpretation of Article 102. Ms Reid tried to support her submissions by relying upon T-237/08 *Abadía Retuerta, SA* [2010] ECR II-01583 (and in particular, [115]). However, this case relates to the interrelationship between article 7(1)(j) of Regulation (EC) 40/94 on the Community trade mark (which reads “trade marks for wines which contain or consist of a geographical indication identifying wines or for spirits which contain or consist of a geographical indication identifying spirits with respect to such wines or spirits not having that origin”) and geographical indication laws. This wording is no longer used

in the equivalent EU Regulation (Regulation (EU) 2017/1001 on the European Union trade mark, art 7(1)(j) to (l)) and has never been in any of the trade marks Directives and, in particular, it is not in Directive (EU) 2015/2436 to approximate the laws of the Member States relating to trade marks, art 4(i) to (k). The wording has therefore never been used in the Trade Marks Act 1994.

48. Furthermore, the decision of the General Court also related to the now superseded Regulation (EC) No 1493/1999 on the common organization of the market in wine. This Regulation had no equivalent to article 103 and so cannot provide any assistance in analysing the relationship between article 102 and 103.
49. Fourthly, the drafting of Article 102a(1) of (Retained) Regulation No 1308/2013 was clearly based on the understanding that the only ground of opposition for geographical indications is that based on article 103(2) (and the equivalent provisions).
50. Fifthly, this seems to be the interpretation of the EUIPO (Guidelines B.4.10.1) which includes falling within as Article 103(2) as one of the cumulative conditions for Article 7(1)(j) of Regulation (EU) 2017/1001 to be engaged.
51. Finally, if Ms Reid's interpretation of Article 102 were correct then much of article 103(2) would be redundant in terms of registration.
52. Accordingly, the question before me is whether the PGI EMILIA would make the use of the mark EMILIANA unlawful under Article 103(2) of Regulation No 1308/2013. This issue was fully argued below and before me. It is now the case that this should properly be an objection under section 3(4A) of the 1994 Act, rather than section 3(4) (as acknowledged in *Brosecco* (O/341/21), [21]). But it is quite clear that it would be unfair to the Appellants to prevent them from arguing the point on the basis of transitional provisions coming into effect and shuffling the appropriate grounds. Therefore, it is to Article 103(2) I now turn.

Article 103(2)

53. In relation to the prohibition on use, the Hearing Officer and the Appellants both concentrated on Article 103(2)(b):

A protected designation of origin and a protected geographical indication, as well as the wine using that protected name in conformity with the product specifications, shall be protected against:

-
- (c) any misuse, imitation or evocation, even if the true origin of the product or service is indicated or if the protected name is translated, transcribed or transliterated or accompanied by an expression such as "style", "type", "method", "as produced in", "imitation", "flavour", "like" or similar;

54. There was no criticism of the Hearing Officer's view of the law albeit Ms Reid set out further principles not mentioned in the Hearing Officer's decision. She made four criticisms of the decision. First, that the Hearing Officer considered only the end consumer and not those further up the supply chain (that is, there should have been two different average consumers). Secondly, there was a flaw in the aural comparison between the PGI and the mark. Thirdly, there was a flaw in the Hearing Officer's conceptual comparison. Finally, the Hearing Officer improperly took into account the reputation (or lack of reputation) of the PGI. I will consider each of these in turn.

Average consumer

55. Ms Reid submits that while the Hearing Officer rightly considered the average consumer to be members of the general public over 18 years of age (Decision, [57]) she failed to take account of those further up the supply chain (eg wine merchants) who would have more knowledge of the trade. In trade mark cases it is common to consider only the reaction of the general public to the goods despite the fact that there will be many others in the supply chain (for wine it might include importers, distributors, wholesalers, retailers and so forth). This is because those further up the supply chain are more sophisticated and more educated in the product market and therefore more likely to be aware of difference and so less likely to be confused (unless there is additional knowledge about the market in question that, say, distributors have from the general public which can change their reaction to goods).
56. While there is no need for confusion in terms of evocation (*C-87/97 Consorzio per la tutela del formaggio Gorgonzola* [1999] ECR I-1301, [26]) it is still necessary for there to be some similarity between the marks and for there to be a link created in the mind of the average consumer. This link has been explained by the Court of Justice as being found “when the consumer is confronted with a disputed designation, the image triggered directly in his or her mind is that of the product covered by the [PGI]”: *C-490/19 Syndicat interprofessionnel de défense du fromage Morbier*, EU:C:2020:1043, [26]. Further, more recently it was said in *C-783/19 Comité Interprofessionnel du Vin de Champagne*, EU:C:2021:731, [65] that the link found must be direct and unequivocal and although this case is not binding in the United Kingdom it makes sense within the scope of the regime and so I adopt it.
57. In general, while someone further up the supply chain may have greater understanding regarding the characteristics of products and a wider knowledge of the market, this alone cannot mean that a PGI is more likely to be evoked. Indeed, wider knowledge of the industry may make *unequivocal* links less likely as there are more factors and complexities in the product market to suggest against a link. Furthermore, the Appellants did not identify anything particular to this PGI which means it is more likely to be evoked by traders than the general public. Thus, I do not think this is a case where it is necessary to consider evocation further up the supply chain.

58. I therefore reject this challenge to the decision.

Aural comparison

59. Ms Reid’s next submission was that the Hearing Officer was mistaken in finding that there was a low level of aural similarity between the mark and the PGI when the first three syllables of each are identical. She referred to the fact that consumers usually place more emphasis on the beginning of words (see *T-183/02 El Corte Inglés v OHIM* [2004] ECR II-965, [81]) and often slur the end of the word.
60. The Hearing Officer set out her reasoning on aural comparison at Decision, [59]:
I do, however, agree with Ms Clark (even accounting for different pronunciations) that the pronouncement of the respective words will differ as a result of the emphasis being placed on different syllables. I consider EMILIA will be pronounced as EM-EEL-EE-IA whereas the application will be pronounced as EM-IL-IAH-NA. The verbal emphasis will therefore be on the second and third vowel sounds in the PGI and the third and fourth syllables in the application. The aural similarity is therefore low.

61. Thus, the Hearing Officer considered the matter and took the view that the first three syllables are not the same (contrary to Ms Reid’s current assertion). I can see nothing wrong with her reasoning and so I reject this challenge to the decision.

Conceptual assessment

62. Ms Reid also makes a series of criticisms stemming from the Hearing Officer’s view that she could take judicial notice of the fact that EMILIA is a girl’s name (Decision, [60]). It was suggested that this is wrong because it took the word out of the context of being a protected geographical indication. She submits that the Hearing Officer should have considered the word in the context of the wine coming from the Emilia Romagna region. When assessing the conceptual similarity of two marks, this is usually done without reference to the goods or services in question (the similarity of goods coming into the assessment at the stage of determining the overall likelihood of confusion). I see no reason why the approach should be different for PGIs just because the test is one of evocation rather than confusion.

Requirement to reputation

63. The Appellants’ challenge to the Hearing Officer’s finding that the absence of a strong reputation or familiarity of the PGI in minds of the UK public is material to assessing whether it might be evoked by the average consumer (Decision, [66]). Ms Reid submits that it is entirely wrong to consider the reputation of the PGI when assessing evocation.

64. The Hearing Officer’s reasons for including reputation were set out in Decision, [64]:
Whilst accepting that reputation is not a stipulated requirement of Article 103(2)(b) it is still a matter to be taken into account in my assessment, given that, in my view, there is a direct correlation between how well known the PGI is to the UK consumer and whether it will be evoked or not. If the PGI has a high reputation in the UK then this increases the likelihood of a similar sign evoking the PGI. Otherwise its degree of protection must be determined on a notional assessment of the likelihood of evocation etc. based on the degree of similarity between the PGI and the mark and the identity/similarity of the goods.

65. It is apparent that Regulation No 1308/2013 is intended to protect the reputation built up by the relevant PGIs (see Recital (97) and C-490/19 *Syndicat interprofessionnel de défense du fromage Morbier*, EU:C:2020:1043, [35] and the cases cited therein).

66. It is also clearly the case that when assessing whether there is a link for the purposes of section 5(3) of the Trade Marks Act 1994 the extent of the reputation is material: C-252/07 *Intel v CPM* [2008] ECR I-8823, [53]. The courts have expressly acknowledged that the image transfer that occurs with dilution is more likely to occur when the mark has a stronger reputation. Logically this too would apply to the evocation of geographical indications.

67. However, Ms Reid points to T-510/15 *Mengozzi*, EU:T:2017:54 where it was argued that the PGI at issue was not “well known” and so the average consumer would not confuse the PGI and the mark and so in turn it would not evoke the relevant PGI. The General Court rejected this succinctly:

As for the applicant’s argument that the PGI at issue is not well known, and assuming that such an argument would be admissible before the Court, it is irrelevant since, as EUIPO states in its pleadings, the reputation of a PGI is not a condition for its protection.

68. I do not take this to mean that the reputation of a geographical indication is entirely irrelevant for assessing evocation; rather, I take it to mean that it is not possible to argue there would be no evocation simply because an indication has no reputation.
69. The purpose of Article 103(2) is to protect reputation and so it would be odd if the extent of that reputation is entirely immaterial to assessments under it (whether it is expressly mentioned in the relevant paragraph of that provision or not). Furthermore, as a matter of fact, it is clear that an incredibly well-known indication (such as say Champagne) is likely to be evoked in a wider range of situations than one that is less well-known simply because the word is so familiar to the general public.
70. Therefore, I agree with the Hearing Officer, it would be wrong for the law to turn its back on the factual reality and adopt a notional assessment. Critically, and what I think *Mengozzi* tells us, is that reputation can increase the likelihood of evocation when confronted with a similar mark, but as already mentioned the converse is not true and it is not possible to argue that an indication with no reputation can never be evoked.
71. Accordingly, I think it was perfectly acceptable for the Hearing Officer to give some weight to the reputation of EMILIA when assessing evocation. It is true that the Hearing Officer gives a lot of weight to reputation (see Decision, [66]) but it is clear that it was only one of the factors she used to decide the PGI would not be evoked. The relevant weight to give to each factor is a value judgment and her assessment is not wrong on its face and so I do not think an appellate tribunal should interfere with it.
72. Finally, Ms Reid suggests that in the absence of reputation the Hearing Officer indicated that she should undertake a “notional” assessment (see Decision, [64] set out above). My reading of the passage is that a notional assessment is inappropriate, and actual reputation should be considered. Therefore, I do not consider this point to need further consideration.
73. Accordingly, I agree with the Hearing Officer that the use of EMILIA would not evoke EMILIANA. I therefore dismiss the Appellants’ appeal based on Article 103(2) (whether it is under section 3(4) or under section 3(4A) of the 1994 Act).

Section 3(3)

74. The Appellants also appealed the Hearing Officer’s decision in relation to section 3(3) of the 1994 Act. Essentially, this was on the basis that the use of a mark similar to EMILIA other than on goods complying with the PGI would be deceptive. Ms Reid accepted in the hearing before me that if the Appellants did not succeed on the evocation ground then it would be in no better position under section 3(3). The concession was clearly right and so I do not need to consider this ground any further.

Section 5(4)(a)

75. The opposition under section 5(4)(a) of the 1994 Act was essentially one of extended passing off. The Hearing Officer set out the relevant law (Decision, [82 to 87]). It was found by the Hearing Officer that the second and third Appellants (Chiarli 1860 – PR I V.I. SRL and Medici Ermete E Figli SRL) were members of a class who would be entitled to bring a claim for the extended form of passing off on the grounds they had a collective interest in the goods traded under the designation EMILIA (Decision, [88]).

76. The Hearing Officer went on and rightly indicated that the law of passing off only protects the work EMILIA if it can be demonstrated that those opponents (now Appellants) have acquired a reputation and goodwill in the name EMILIA by dint of the qualities or characteristics which they possess (see *Diageo North America Inc v Intercontinental Brands (ICB) Ltd* [2010] EWCA Civ 920, [27]; stated in slightly different words by the Hearing Officer: Decision, [84]).
77. Thus, if consumers see the word EMILIA on wine and think it just means the product comes from a particular region (but has no other particular qualities or characteristics because of it) this does not generate goodwill (Decision, [84] and *Chocosuisse Union des Fabricants Suisses de Chocolat v Cadbury Ltd* [1999] RPC 826 at 832, Chadwick LJ).
78. The Hearing Officer found that there was no goodwill in the designation EMILIA because almost all the trading that had occurred had led to any goodwill to be accrued in the designation LAMBRUSCO (Decision, [94]) and, further, that while the labels displayed EMILIA or DELL' EMILIA this would be taken by consumers to be their geographical origin and nothing more (Decision, [97]).
79. As there was no evidence regarding advertising and promotion, the Hearing Officer could consider only the label of the various bottles to know what might be communicated to the end consumer.
80. Mr Chiarli exhibited labels (Exhibit AC/2) marked with "Sainsbury's", "Lambrusco", "Dell 'Emilia" and then some further description of the wine. The reverse label states that the wine is made from Lambrusco grapes in the vineyards of the Emilia Romagna region of central Italy. The Sainsbury's labels exhibited as Exhibit AC/3 are similar save they include the words "Indicazione geografica protetta" whereas those in this same exhibit for Tesco do not.
81. The Exhibits from Mr Medici are similar. Exhibit GM/2 includes the word "Lambrusco" followed by Rose or Bianco, then "Dell'Emilia", and then "Indicazione geografica tipica" (with Marks & Spencer at the bottom). The reverse label mentions the winemaker working with a local expert to blend native varieties from the Emilia Romagna in Central Italy. Exhibit GM/4 has "Lambrusco" in larger bolder letters above "Emilia" and once more the words "Indicazione geografica tipica" (and the Winemakers Choice below that).
82. While it is reasonable to assume that some customers would understand Indicazione geografica tipica/protetta are some form of accreditation (whether they understand geographical indications or not) it is not clear from the labels that this would relate to EMILIA rather than LAMBRUSCO. There is also nothing suggesting that customers would see Emilia as anything more than a geographical place within the region where Lambrusco is made (in the same way Montagne de Reims is for Champagne). This is of course all speculation, but in the absence of advertising directed to consumers or any promotion of the mark EMILIA (or Dell 'Emilia) I essentially agree with the Hearing Officer's conclusion that:
- Even if the Opponents have sufficiently demonstrated that they trade in a class of wines which can be defined with reasonable precision, the name by which the products are known is, in my view, Lambrusco and not Emilia – this is how they are described on the invoices which make up a substantial part of the Opponents' evidence. Even accepting that the labels display the PGI

EMILIA/ Dell' EMILIA sign, there is no indication that consumers would associate it with a particular characteristic of the wines beyond their geographical origin..

83. Ms Reid went on to argue that those in the wine trade would know more about regions and so forth. There is no evidence before me from anyone in the wine trade (save the parties). However, in light of the fact that the evidence suggests only a small number of retailers stock the Second and Third Opponent's wine (Mr Chirali appears to stock Sainsburys and Tesco; and Mr Medici, Marks and Spencer and Winemakers Choice) it is not something where it would be right to impute knowledge to more or less identifiable people based on what the trader "should" be expected to know. If the Appellants had wanted to establish that one or more of the buyers from these companies bought the wine based on it being Emilia rather than Lambrusco, then evidence could have been obtained. It was not. Indeed, more generally, when a party seeks to rely on a class of consumers having specialist knowledge then it needs to be proved; by its nature it will seldom be notorious enough to be judicially noticed.
84. Finally, as I have accepted the Hearing Officer's conclusion that the mark EMILIA does not evoke EMILIANA, it more or less follows, had I concluded sufficient goodwill exists, that consumers would not be confused as to a link between the two for the purpose of passing off. In this respect, I would therefore have come to the same conclusion as the Hearing Officer did (Decision, [98]).
85. I therefore dismiss the appeal under section 5(4)(a) of the 1994 Act.

Conclusion

86. I therefore dismiss the appeal in its entirety. I also order the Appellants pay the Respondent £1,000 as a contribution towards the Respondent's costs. This is to be paid within 21 days of the date of order.

PHILLIP JOHNSON
APPOINTED PERSON
21 JANUARY 2022

Representation:

For the Appellants: Ms Jacqueline Reid (instructed by Haseltine Lake Kempner LLP)
For the Respondent: Ms Fiona Clark (instructed by Burgess Salmon)