

## CANCELLATION No C 46 269 (INVALIDITY)

**Consorzio di Tutela della Denominazione di Origine Controllata Prosecco**, Piazza Filodrammatici, 3, 31100 Treviso, Italy (applicant), represented by **Studio Legale Bird & Bird**, Via Borgogna, 8, 20122 Milan, Italy (professional representative)

a g a i n s t

**Manufaktur Jörg Geiger GmbH**, Eschenbacher Str. 1, 73114 Schlat, Germany (EUTM proprietor), represented by **Kleiner Rechtsanwälte Partg MbB**, Alexanderstr. 3, 70184 Stuttgart, Germany (professional representative).

On 08/06/2022, the Cancellation Division takes the following

### DECISION

1. The application for a declaration of invalidity is upheld.
2. European Union trade mark No 14 224 083 is declared invalid in its entirety.
3. The EUTM proprietor bears the costs, fixed at EUR 1 080.

### REASONS

On 03/09/2020, the applicant filed a request for a declaration of invalidity against European Union trade mark No 14 224 083 PriSecco (word mark) (the EUTM). The request is directed against all the goods in Class 32 covered by the EUTM. The application is based on protected designation of origin 'Prosecco', registered in the European Union under registration No PDO-IT-A0516 (the earlier PDO). The applicant invoked Article 59(1)(a) EUTMR in conjunction with Article 7(1)(g) EUTMR, and Article 60(1)(d) EUTMR in conjunction with Article 8(6) EUTMR.

### SUMMARY OF THE PARTIES' ARGUMENTS

The applicant argues that the contested mark misuses, imitates and evokes the PDO Prosecco in the sense of Article 103(2)(a)(b)(c) & (d) of Regulation (EU) No 1308/2013, and should therefore be invalidated.

In this regard, the applicant claims the following:

- the PDO Prosecco, as earlier sign invoked pursuant to Article 60(1)(d) EUTMR, obtained recognition and protection in the European Union prior to the Italian Legislative Decree No. 61/2010 (published on Italian Official Gazette No. 96 of 26 April 2010) – Protection of the protection of designations of origin and geographical indications for wines, now replaced by Article 41, Law No. 238 of 12 December 2016. The task assigned to the Applicant to protect the PDO Prosecco has been confirmed by Ministerial Decree of 1 June 2015 of the Italian Republic.

- The applicant is authorized and entitled under the applicable laws to file the present invalidity action and to bring action for the protection of the wine designation of origin Prosecco, as already verified and confirmed in several proceedings, before the EUIPO.
- The PDO Prosecco enjoys a very strong reputation in the whole territory of the European Union.
- The challenged mark 'PriSecco' is almost identical to 'Prosecco'.
- With respect to the comparison of the respective goods, the 'cocktails, non-alcoholic' of the challenged mark and the 'wines' of the PDO Prosecco are comparable and are at any rate similar to a very high degree. The respective goods, in fact, have the same liquid form, same containers, same method of use, are in competition and can be also complementary, are distributed and sold through the same channels (often sold/displayed side by side both in shops, bars and on drinks menus) and, for the public that consumes alcohol, share the same end-users. In addition 'cocktails, non-alcoholic' can feature, or be based on, non-alcoholic wines, including non-alcoholic sparkling wines. In other words, 'cocktails, non-alcoholic' is a category that encompasses non-alcoholic wines, including non-alcoholic sparkling wines, namely goods that are comparable to wines.
- The high degree of reputation enjoyed by the PDO Prosecco, as well as the fact that the relevant public only rarely has the chance to make a direct comparison between the signs and must rely on an imperfect recollection of them, it is correct to conclude that the challenged mark 'PriSecco' amounts to a direct use of the PDO Prosecco pursuant to Article 103(2)(a) of Regulation (EU) No 1308/2013, which applies when the disputed sign is used in a form that is either identical to the protected geographical indication, or phonetically and/or visually similar to it.
- The challenged mark 'PriSecco' imitates the PDO Prosecco and that when consumers will be confronted with the challenged mark the image directly triggered in their minds will be that of the Prosecco wine.
- Therefore, the challenged mark falls also within the situations described in Article 103(2)(b) of Regulation (EU) No 1308/2013, which protects the PDO Prosecco against any imitation and evocation, where the latter can be established even in the absence of any likelihood of confusion between the products concerned, since what matters is that an association of ideas regarding the origin of the products is not created in the mind of the public, and that a trader does not take undue advantage of the reputation of a protected designation of origin or geographical indication. Evocation can be established also when the goods (or services) of the contested mark are not comparable with the goods of the protected geographical indication/designation of origin.

Also, the applicant claims that the contested EUTM has been registered contrary to the provisions of Article 7 EUTMR. In particular, the challenged mark has been registered contrary to Article 7(1)(g) EUTMR, since it is of such a nature as to deceive the public.

In support of its arguments, the applicant submits a series of documents related to the PDO (product specification, graphic representation of the production area, Ministerial Decree recognizing the PDO, register extract from 'e-Ambrosia'), to its entitlement (Italian Legislative Decree), to the reputation of the PDO (brochures, presentation, information sheets, export figures, abstract from a market report, press clips, advertisements, sponsorships and other promotional actions, as well as a previous decisions acknowledging the reputation of the

earlier mark), to the EUTM proprietor and the way in which it uses the EUTM (printout from its website showing the 'PriSecco' range of products, pictures of bottles and labels).

On 18/01/2021, the EUTM proprietor declares a partial surrender of the contested EUTM and the Office sets a time limit for the applicant to show a legitimate interest in obtaining a decision on the merits.

On 19/01/2021 the EUTM proprietor submits observations in which it is claimed that:

- Contrary to the applicant's submission, the contested EUTM 'PriSecco', No. 014224083 (hereinafter 'PriSecco'), is not to be declared invalid pursuant to Article 60(1)(d) and Article 8(6) EUTMR in connection with Article 103(2) of Regulation (EU) No. 1308/2013 or Article 59(1)(a) and Article 7(1)(g) EUTMR. The requirements for a declaration of invalidity are not fulfilled. In accordance with applicable law on the examination guidelines EUIPO has examined the EUTM 'PriSecco' and has not found any absolute grounds of refusal and as a consequent result registered the trade mark 'PriSecco'.
- The EUTM proprietor is a leading manufacturer of non-alcoholic sparkling fruit wines/beverages made of apple juice and or pear juice. The trade mark 'PriSecco' is a neologism/abbreviation of the German words 'Prickelnder Secco ohne Alkohol' that means 'bubbleing like a dry secco but without alcohol.'
- In 2007 the EUTM proprietor started distributing the 'PriSecco' in Germany with carbonated apple and pear juice without alcohol. On 20/04/2008, the defendant filed the German trade mark 'PriSecco' for goods in Class 32 'cocktails, non-alcoholic'. The trade mark is registered since 25/07/2008. One year later, on 01/08/2009 the PDO Prosecco was registered for wine. After many years of a peaceful coexistence, 'PriSecco' was registered without any objections on 24/09/2015 for goods in Class 32.
- The EU regulations protect geographical indications and designations of origin throughout the whole territory of the European Union so it must be considered that the concept of consumer concerns the European consumer, and not just a consumer in the Member State in which the product giving rise to the evocation of the PDO is produced.
- The EUTM 'PriSecco' does not make use of the protected geographical indication itself. 'PriSecco' cannot be linked to PDO Prosecco. The signs 'PriSecco' and 'Prosecco' can be clearly dissociated from each other. The signs clearly bear difference form a visual, aural and conceptual perspective.
- As regards the second word element 'Secco', it is to be noted that the word element is no abbreviation for the PDO Prosecco but a well understood Italian word with the meaning of 'dry'. Usually the word 'secco' indicates the residual sugar content of beverages. According to the German guidelines for wine-like and sparkling wine-like beverages from 27/11/2002 (Leitsätze für weinähnliche und schaumweinähnliche Getränke) published by the German Federal Ministry of Food and Agriculture) 'Secco' is used with beverages containing at 15g/l- 35g/l residual sugar. In addition, there exist many fruit beverages containing the phrase 'Secco'.
- The products are not comparable. It should be noted that PDO Prosecco and 'PriSecco' are made from entirely different products. While Prosecco is made from grapes, 'PriSecco' is made from apple and pear juice. The basic ingredients vary massively. This is also linked to strong differences in taste. Furthermore many

beverages are packed in glass bottles. Wine-like and Sparkling wine-like beverages are poured in the bottle shape characteristic of sparkling wines. The shape of the bottle is not exclusive to Prosecco, but is also used for other sparkling wines, like Champagne for instance. The 'PriSecco' bottle is very different from the PDO bottle. The neck of the bottle is much longer. There is also a clear embossing on the bottle that is missing on the other bottles. In addition, the products are aimed at different consumers. It is not true that alcoholic and non-alcoholic sparkling wines are consumed on the same occasions. Consumer behavior has changed considerably in recent years. A distinction is made between the consumption of alcoholic and non-alcoholic beverages. Depending on the occasion, the consumption of one or the other drink is the main focus. 'Prosecco' is mainly consumed as an aperitif and at social occasions. 'PriSecco', on the other hand, contains no alcohol and can therefore be consumed all day. Different feelings are addressed with alcoholic and non-alcoholic beverages. While the consumption of alcoholic beverages is more for pleasure, non-alcoholic beverages are associated with a healthy life-style. Once again, consumer behavior has changed dramatically in recent years. 'PriSecco' as non-alcoholic beverage can be consumed by consumers who are not allowed to drink alcohol, like minors or due to religious reasons or for health reasons (like alcoholics or people with liver damage), Prosecco not. It is to be stated that the defendant does not want to create any proximity to the PDO, but to avoid any proximity. Furthermore, alcoholic and non-alcoholic beverages are regularly separated in supermarkets. While alcoholic beverages, especially sparkling wines, are placed near wines or champagne, non-alcoholic sparkling wines can be found near juices. There is a clear spatial separation.

- Probably the PDO Prosecco enjoys a high reputation. Consumers maybe associate certain expectations with the label. Contrary to the applicant's opinion, however, 'PriSecco' does not benefit from the reputation of Prosecco. The reputation of the PDO Prosecco refers exclusively to alcoholic sparkling wines. The PDO Prosecco is protected for alcoholic sparkling wines and wines in a broader sense. The PDO Prosecco is - in other words - reserved for good in Class 33. It is obvious, that the PDO Prosecco does not enjoy any reputation for non-alcoholic drinks. This would be in contradiction with the specification of the PDO. 'PriSecco' is registered/limited for goods in Class 32, namely 'non- alcoholic cocktails whose main ingredients are apple and or pear juices based on old meadow fruit varieties (WiesenObst)' In this respect, 'PriSecco' does not take advantage of the quality and prestige expectations of the PDO Prosecco.
- There is a considerable difference between the PDO Prosecco and 'PriSecco', both visually and phonetically. 'Pri' and 'Pro' at the beginning of the word diverge strongly. An averagely attentive consumer will perceive this change. This is all the truer since the products are alcoholic and non-alcoholic. For this reason alone, the consumer acts more attentively. Further, an evocation in the mind of an average European consumer is not enhanced by the fact that 'Prosecco' is the name which has been used over centuries, for a wine originally originating from the area of 'Prosecco' in the region of Trieste, and which nowadays enjoys a reputation for the wines which are now protected by the PDO 'Prosecco'. In addition, the bottle of 'PriSecco' is decorated in a completely different way than the bottle of 'Prosecco'. As said before, the shape of the bottles is not exclusive to 'Prosecco'. The shape of the bottle is in contrast also used for other sparkling wines, like Champagne for instance.
- There is no risk of misleading consumers. 'PriSecco' and 'Prosecco' are to be classified in different product categories. Consumers make a clear distinction between alcoholic and non-alcoholic beverages. The consumer associates 'Prosecco' with an alcoholic beverage. However, 'PriSecco' is not the 'non-alcoholic

brother' of 'Prosecco' from the consumer's point of view. A connection to this effect does not occur with consumers. The ingredients of both products differ completely.

- There is also no absolute invalidity according to Article 59(1)(a) EUTMR in conjunction with Article 7(1)(g) EUTMR. Risk of deception presupposes that the trade mark applied for contains incorrect statements about the goods or services claimed in the list of goods and services regarding their nature, quality or geographical origin. For this to be the case, there must be a genuine risk of consumers being misled or a sufficiently serious risk of misleading them. The assumption is that the consumer is 'an average consumer who is reasonably observant and circumspect'.
- It should be mentioned that the contested EUTM has already been registered since 24/09/2015. Thus, since 2015 the applicant was aware of the existence of the trade mark 'PriSecco'. Nevertheless, the applicant did not take action against the EUTM 'PriSecco'. The PDO Prosecco and the trade mark 'PriSecco' coexisted for at least five years. Moreover, the applicant knows about the existence of 'PriSecco' and accepted the EUTM. In the recent past, there have been repeated trade fair visits by representatives of the applicant's to the EUTM proprietor's booth. The sales manager of the defendant confirmed that there were no objections to 'PriSecco'.
- It should also be noted that a German word trade mark has been registered for 'PriSecco' since 25/07/2008. The German word trade mark has therefore existed longer than the applicant's designation of origin, which has been registered since 01/08/2009. For more than ten years, the marks have existed side by side.
- According to Article 61 EUTMR, the enforcement of rights because of an EU trade mark is limited by the fact of forfeiture by acquiescence. The applicant has accepted the existence of EUTM 'PriSecco' for almost five years (2015 - 2020). It is therefore incompatible with the principles of good faith for 'Prosecco' to file an application for invalidity after more than five years. 'PriSecco' was entitled to rely on the fact that his trade mark would not be attacked.

The EUTM proprietor submits several documents together with its observations, in particular a guidelines for wine-like and sparkling wine-like beverages, printouts showing the use of the words 'Secco' and 'Cuvée' in the wine market and an affidavit signed by the sale manager of EUTM proprietor in which it is claimed that the applicant was aware of the existence of the alcohol free 'PriSecco' products due to the visits made by the Consortium at a German wine fair.

In its reply the applicant requests that the cancellation proceedings continue with the entire list of goods covered by the challenged EUTM, namely '*Cocktails, non-alcoholic*'. The applicant claims that it has a legitimate interest in obtaining a decision on the merits, so as to obtain a finding that the contested EUTM is fully invalid *ex tunc* and therefore it has never had effect for all the goods, including the surrendered goods.

Such legitimate interest is claimed to be substantiated by the circumstance that on 23/09/2020 the applicant filed before the Court of Milan a preliminary injunction (PI) application against the EUTM proprietor to object to line of 'PriSecco' non-alcoholic beverages.

According to the applicant, the PI application, which has been docketed under number No. 32767/2020, is currently pending. The Applicant has in particular a legitimate interest to continue the cancellation action against the entire list of goods to avoid that the EUTM proprietor may claim in such proceedings or in other proceedings that for the contested mark 'PriSecco' they had a valid EU registration for the surrendered goods.

The EUTM proprietor reiterates its arguments adding that no legitimate interest of the applicant arises from the preliminary injunction before the Court of Milan No. 32767/2020 since the preliminary injunction has no prospect of success because the preconditions on which the claim is based are not met in this respect either.

In their final submissions the parties mainly reiterate their arguments.

## **PRELIMINARY REMARKS**

### ***On the applicable law***

Regulation (EU) 2015/2424 amending Regulation (EC) No 207/2009 on the Community trade mark (Amending Regulation) introduced Article 53(1)(d) of Regulation No 207/2009 in conjunction with Article 8(4a) of Regulation No 207/2009 [now Article 60(1)(d) EUTMR in conjunction with Article 8(6) EUTMR] as a specific ground for invalidity for designations of origin and geographical indications (GIs) protected under EU or national law.

Prior to that, GIs could form the basis of an application for invalidity pursuant to Article 53(1)(c) of Regulation No 207/2009 in conjunction with Article 8(4) of Regulation No 207/2009. However, the introduction of this specific ground means that as of the entry into force of Article 53(1)(d) of Regulation No 207/2009, GIs can only be invoked under the new ground. GIs can no longer form the basis of an application for invalidity under Article 53(1)(c) of Regulation No 207/2009, even though the wording of that provision has not changed. Nevertheless, if an invalidity request based on a GI is filed after entry into force of the Amending Regulation, incorrectly indicating Article 53(1)(c) of Regulation No 207/2009 as a ground for invalidity, the Office will examine the request to the extent that it is clearly based on a GI, as if the ground invoked were Article 53(1)(d) of Regulation No 207/2009. In such a case, there is no doubt as to the intention of the invalidity applicant to invoke the provision protecting earlier GIs.

Article 53(1)(c) of Regulation No 207/2009, in conjunction with Article 8(4) of Regulation No 207/2009, continues to apply in invalidity proceedings based on GIs pending at the time of entry into force of the Amending Regulation.

As stated above, only Article 8(4a) of Regulation No 207/2009 can be invoked in applications for invalidity based on GIs as of the date of entry into force of the Amending Regulation. In the absence, on the one hand, of any transitory provisions and temporal restrictions as regards contested European Union trade marks in the Amending Regulation, and, on the other, considering that GIs were also a ground for refusal under the previous regime and that their use in the course of trade is inherent in their function, as of its entry into force, Article 53(1)(d) of Regulation No 207/2009 in conjunction with Article 8(4a) of Regulation No 207/2009 can be invoked against EUTMs regardless of their filing or priority date, and therefore even against EUTMs filed and registered with the Office before the entry into force of the Amending Regulation.

### ***On the legitimate interest alleged by the applicant***

On 18/01/2021, the EUTM proprietor declared a partial surrender of the contested mark.

In its communication on 21/01/2021, the Office informed the parties that it intended to register the partial surrender and continue the cancellation proceedings with the remaining goods unless the applicant expressly request that the cancellation proceedings continue with the entire list of goods and show a legitimate interest in obtaining a decision on the merits.

On 26/02/2021, the applicant replied and submitted observations in support of its legitimate interest.

On 10/06/2021, the Office communicated to the parties its finding in relation to the legal interest of the cancellation applicant to obtain a declaratory decision and that as a consequence, the cancellation proceedings will continue with the whole list of the goods.

The Cancellation Division will now take a formal decision on the claim of legitimate interest, maintaining the suspension of the surrender until the decision becomes final.

### ***Assessment of the legitimate interest***

In its reply of 26/02/2021, the applicant claims that it has a legitimate interest in obtaining a decision on the merits, so as to obtain a finding that the contested EUTM is fully invalid *ex tunc* and therefore it has never had effect for all the goods, including the surrendered goods.

Such legitimate interest is claimed to be substantiated by the circumstance that on 23/09/2020 the applicant filed before the Court of Milan a preliminary injunction (PI) application against the EUTM proprietor to object to line of 'PriSecco' non-alcoholic beverages.

According to the applicant, the PI application, which has been docketed under number No. 32767/2020, is currently pending. The Applicant has in particular a legitimate interest to continue the cancellation action against the entire list of goods to avoid that the EUTM proprietor may claim in such proceedings or in other proceedings that for the contested mark 'PriSecco' they had a valid EU registration for the surrendered goods.

It has to be noted that when a contested mark pending invalidity proceedings is surrendered, those proceedings lose their object and should, in principle, be promptly closed as having become devoid of purpose (principle of efficiency of proceedings). Nevertheless, the applicants may prove that those proceedings have not become devoid of purpose in view of any residual legitimate interest they may retain in obtaining a decision on the merits. Accordingly, Article 17(5) EUTMDR provides that the invalidity proceedings (not covered by the specific provision of Article 57(2) EUTMR which relates exclusively to revocation proceedings) should be closed if the contested EU trade mark is surrendered, except if the applicants show a legitimate interest in obtaining a decision on the merits. The legitimate interest must be real, direct and present.

In the present case, the applicant wishes to pursue its request for a declaration of invalidity regardless of the EUTM proprietor's surrender. Such a wish is legitimate, considering that the effects of a surrender and those of a declaration of invalidity are not the same. An EUTM which has been surrendered ceases to have effect only from the registration of that surrender, whereas a mark that has been declared invalid will be deemed not to have had any effect from the outset. Consequently, in so far as the present proceedings could procure an advantage for the applicants, they retain a legal interest in obtaining a decision on the merits.

In the present case, in the Cancellation Division's view, the arguments submitted by the applicant do prove a sufficient legitimate interest in obtaining a decision on the merits. It is clear that the parties have been engaged in past and current disputes in proceedings before the National Courts on account of the PDO 'Prosecco' and the trade mark 'PriSecco'.

This has been also implicitly confirmed by the EUTM proprietor itself. The EUTM proprietor, although in this case denying the legitimate interest, confirmed the existence of a preliminary

injunction. However, in its opinion this action has no prospect of success because the preconditions on which the claim is based are not met.

The Cancellation Division deems that the applicant has proven the existence of a conflict which, as mentioned, has been confirmed by the EUTM proprietor. The applicant proves its specific and individual legal interest on the reason why a declaration of invalidity is required in this case.

Considering the above, and having proven the applicant's legitimate interest, its request to continue the proceedings must be confirmed and the Cancellation Division will issue a decision on substance.

## ACQUIESCENCE

In its observations of 19/01/2021 the EUTM proprietor claims that the contested EUTM has already been registered since 24/09/2015 and that since then the applicant was aware of the existence of the trade mark 'PriSecco'. Nevertheless, the applicant did not take action against the EUTM 'PriSecco'. The PDO Prosecco and the trade mark 'PriSecco' coexisted for at least five years. Moreover, the applicant knows about the existence of 'PriSecco' and accepted the EUTM. According to the EUTM proprietor, in the recent past, there have been repeated trade fair visits by representatives of the applicant to the EUTM proprietor's booth. The sales manager of the defendant confirmed that there were no objections to 'PriSecco'.

In this regards, it must be pointed out that according to Article 61(1) and (2) EUTMR, where the proprietor of an earlier mark or sign has acquiesced, for a period of five successive years, in the use of a later EUTM in the territory where the earlier mark or sign is protected while being aware of such use, it is no longer entitled on the basis of that earlier mark or sign to apply for a declaration of invalidity against the later EUTM, unless registration of the later EUTM was applied for in bad faith. This defence can also be invoked, by analogy, against applications for a declaration of invalidity of the effects of an international registration designating the European Union.

The aim of Article 61 EUTMR is therefore to penalise the proprietors of earlier trade marks or signs who have acquiesced, for a period of five successive years, in the use of a later European Union trade mark (or IR designating the European Union) while being aware of such use, by excluding them from seeking a declaration of invalidity or to oppose the use in respect of that trade mark, which will then, therefore, be able to coexist with the earlier trade mark (28/06/2012, T-133/09, B. Antonio Basile 1952, EU:T:2012:327, § 32).

The onus is on the proprietor of the contested EUTM to show that:

- The contested EUTM was used in the European Union during a period of at least five successive years;
- The invalidity applicant was actually aware of this use (04/10/2018, T-150/17, FLÜGEL / ... VERLEIHT FLÜGEL et al., EU:T:2018:641, § 34-35);
- Although the invalidity applicant could have stopped the use, it remained nevertheless inactive (22/09/2011, C-482/09, Budweiser, EU:C:2011:605, § 44). This is not the case where there was a licence or distribution relationship between the parties, so that the invalidity applicant could not lawfully oppose use of the sign.



All three conditions must be fulfilled. If they are, the limitation on acquiescence will only apply to the contested goods and/or services for which the later EUTM has been used.

The period of limitation as a consequence of acquiescence starts running from the time when the proprietor of the earlier trade mark becomes aware of the use of the later EUTM. That date must necessarily be later than that of registration of the contested EUTM, that is, when the rights in a EUTM are obtained and it is used as a registered trade mark on the market with third parties therefore being aware of its use. It is at this point that the proprietor of the earlier mark has the option of not acquiescing in its use and, therefore, opposing it or seeking a declaration of invalidity of the later trade mark (28/06/2012, T-133/09, B. Antonio Basile 1952, EU:T:2012:327, § 33; 06/06/2013, C-381/12 P, B. Antonio Basile 1952, EU:C:2013:371, § 56; 04/10/2018, T-150/17, FLÜGEL / ... VERLEIHT FLÜGEL et al., EU:T:2018:641, § 32-33).

The EUTM proprietor cannot be required to prove, in addition to the invalidity applicant's awareness of the use of the contested EUTM, that the invalidity applicant was also aware of its registration, for at least 5 years, as an EUTM.

The reference in Article 61(1) and (2) EUTMR to acquiescence in the use of a later 'EUTM' merely refers to the requirement that the later sign must have been registered as an EUTM for at least 5 years. This is an objective requirement, which is independent of the invalidity applicant's knowledge (21/10/2008, R 1299/2007-2, Ghibli (fig.), § 41-47).

Furthermore it must be mentioned that Article 61 EUTMR does not refer to the possible consequences of acquiescence by a person authorised to exercise the rights arising from a designation of origin or a geographical indication. Therefore, the proprietor of an EUTM cannot rely on acquiescence where an invalidity application is based on an earlier designation of origin or a geographical indication pursuant to Article 8(6) EUTMR.

In the present case, the contested EUTM was registered on 24/09/2015 and the application for a declaration of invalidity was filed on 03/09/2020.

As already mentioned, the reference in Article 61(1) and (2) EUTMR to acquiescence in the use of a later 'EUTM' merely refers to the requirement that the later sign must have been registered as an EUTM for at least 5 years. This is an objective requirement, which is independent of the invalidity applicant's knowledge.

It is clear that the first condition is not met, since the contested EUTM has not been registered for at least 5 years.

Furthermore, account must be taken of the fact that the application for a declaration of invalidity is based on a protected designation of origin pursuant to Article 8(6) EUTMR.

Article 61 EUTMR does not refer to the possible consequences of acquiescence by a person authorised to exercise the rights arising from a designation of origin or a geographical indication. Therefore, the proprietor of an EUTM cannot rely on acquiescence where an invalidity application is based on an earlier designation of origin or a geographical indication pursuant to Article 8(6) EUTMR.

In view of all the foregoing, it is clear that the EUTM proprietor's claims as to the inadmissibility of the application on account of the applicant's acquiescence must therefore be rejected as unfounded.

The Cancellation Division considers appropriate to first assess the possible conflict between the contested EUTM and the earlier PDO, under Article 60(1)(d) and 8(6) EUTMR and the existence of a conflict foreseen in Article 103(2) of Regulation (EU) No 1308/2013.

### **DESIGNATIONS OF ORIGIN OR GEOGRAPHICAL INDICATIONS — ARTICLE 8(6) EUTMR**

According to Article 60(1)(d) and 8(6) EUTMR, a European Union trade mark will be declared invalid upon application to the Office by any person authorised under the relevant law to exercise the rights arising from a designation of origin or a geographical indication where and to the extent that, pursuant to the Union legislation or national law providing for the protection of designations of origin or geographical indications:

- (i) an application for a designation of origin or a geographical indication had already been submitted, in accordance with Union legislation or national law, prior to the date of application for registration of the EU trade mark or the date of the priority claimed for the application, subject to its subsequent registration;
- (ii) that designation of origin or geographical indication confers the right to prohibit the use of a subsequent trade mark.

#### **a) The earlier right and the applicant's entitlement**

The application for invalidity is based on protected designation of origin 'Prosecco', registered in the European Union under registration No PDO-IT-A0516 (the earlier PDO). In the present case, as shown in the extract of the registration certification submitted by the applicant in Annex 4, the PDO Prosecco was registered for wine on 01/08/2009.

The applicant provided the Italian legal texts (Annex 5, together with translations into English) and extensive explanations regarding its entitlement and authorisation under the Italian laws (page 5 of the statement of grounds of invalidity), based on which the Consorzio di Tutela de la DOC 'Prosecco' is authorised to act for the protection of the interests of the DOC 'Prosecco'. All the legal documents, bear stamps from online Italian legal databases or the Official Gazette, contrary to the EUTM Proprietor's allegation.

The invalidity applicant filed (in Annex 5, together with translations), the Ministerial Decree of 22 March 2012 (G.U. n. 94, of 21/4/2012), of the Italian Ministry of Agriculture, titled 'Recognition of the Consorzio di Tutela della DOC Prosecco and appointment to carry out the functions of protection, promotion, ... and general care for the interests of the designation Prosecco DOC'. By the said Ministerial Decree, the Consorzio is recognised as the official body tasked with the duty to protect and promote the wine designation of origin Prosecco, for a period of three years (March 2012 to March 2015). The applicant also provided an extract from the online Official Gazette of the Ministerial Decree of 1 June 2015 (G.U. n. 143, of 23 June 2015), of the Italian Ministry of Agriculture, which having regard in particular to Regulation (EU) n. 1308/2013 and to various legal provisions of Italian Law, and after having noted that the 'Consorzio di tutela della denominazione di origine controllata Prosecco' had proven its representativeness and submitted its articles of association to verification, confirmed the appointment of the Consorzio with the same mission, for a further three-years period (expiring June 2018).

In addition to the above, on 08/10/2021, the invalidity applicant further provided the Ministerial Decree of 2 August 2021, of the Italian Ministry of Agriculture, confirming after verification, the Consorzio's mandate for a further 3-year period (until 2 August 2024).

The above Legislative Decrees, confirm beyond doubt that the applicant Consorzio, is the entity 'authorised under the relevant Italian law' to exercise the rights arising from the PDO Prosecco, within the meaning of Article 8(6) EUTMR. Therefore, the *locus standi* of the applicant Consorzio to act before the Office, in all proceedings regarding the PDO Prosecco, including in the present invalidity proceedings, can make no doubt. The application is admissible.

#### **b) The applicant's right vis-à-vis the contested trade mark**

According to Article 103(2) of Regulation 1308/2013, protected designations of origin and protected geographical indications and the wines using those protected names in conformity with the product specification will be protected against:

a. any direct or indirect commercial use of a protected name:

i. by comparable products not complying with the product specification of the protected name; or

ii. in so far as such use exploits the reputation of a designation of origin or a geographical indication;

b. any misuse, imitation or evocation, even if the true origin of the product or service is indicated or if the protected name is translated or accompanied by an expression such as 'style', 'type', 'method', 'as produced in', 'imitation', 'flavour', 'like' 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 wine 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 consumer as to the true origin of the product.

It results from the case-law of the Court, that points (a) to (d) must be construed as a graduated list of prohibited conducts (07/06/2018, C-44/17, GLEN BUCHENBACH, EU:C:2018:415, § 65; 09/09/2021, C-783/19, Champanillo, EU:C:2021:713, §35, 36). Points (a) to (d) refer to various situations in which the marketing of a product is accompanied by an explicit or implicit reference to a geographical indication in circumstances liable to mislead the public as to the origin of the product, or, at the very least, to set in train, in the mind of the public, an association of ideas regarding that origin, or to enable the trader to take advantage of the reputation of the geographical indication concerned (20/12/2017, C-393/16, CHAMPAGNE, EU:C:2017:991, § 39, citing 14/07/2011, C-4/10 & C-27/10, BNI Cognac, EU:C:2011:48446).

Point (a) covers the situation where the later trade mark makes 'direct or indirect commercial use of a registered name', for comparable products, or, in so far as such use exploits the reputation of a protected designation of origin. The word 'use' in that provision requires, by definition, that the sign at issue makes use of the protected geographical indication itself, in the form in which that indication was registered or, at least, in a form with such close links to it, in visual and/or phonetic terms, that the sign at issue clearly cannot be dissociated from it (07/06/2018, C-44/17, GLEN BUCHENBACH, EU:C:2018:415, § 29).

## Evocation

The invalidity applicant claims, inter alia, that the contested mark amounts to an 'evocation' of the PDO Prosecco, within the meaning of point (b) of Article 103(2) of Regulation 1308/2013.

The provision of Article 103(2)(b) of Regulation No 1308/2013 grants protection in respect of any misuse, imitation or evocation, even if the true origin of the product is indicated or if the protected name is translated, transcribed or transliterated or accompanied by an expression such as 'style', 'type', etc.

The Court has recognised that Regulation No 1308/2013 constitutes an instrument of the common agricultural policy aimed, inter alia, at preventing improper use of those designations by third parties seeking to profit from the reputation which those products, bearing a geographical indication registered under that regulation, have acquired by their quality.

The protection granted to PDOs under EU law aims not only at enabling consumers to make more informed purchasing choices but also at preventing uses which take advantage of the reputation enjoyed by complying products and promoting fair competition (recital 97 of Regulation (EU) No 1308/2013).

According to the Court, the concept of 'evocation' covers, inter alia, a situation where the term used to designate a product incorporates part of a protected designation, so that when the consumer is confronted with the name of the product, the image triggered in his mind is that of the product whose designation is protected (see, to that effect, 21/01/2016, C-75/15, *Verlados*, EU:C:2016:35, § 21; 04/03/1999, C-87/97, *Cambozola*, EU:C:1999:115, § 25; 26/02/2008, C-132/05, *Commission v Germany*, EU:C:2008:117, § 44).

Therefore, consumers must establish a link between the term used to designate the contested goods and the product whose designation is protected (21/01/2016, C-75/15 *Verlados*, EU:C:2016:35, § 21-22), whilst it is necessary to take account of the presumed expectation of the average consumer, who is reasonably well informed and reasonably observant and circumspect. The Court has clarified that such link between the term used to designate the product and the product whose name is protected must be **sufficiently clear and direct** and that a mere association with the protected geographical indication or the geographical area relating thereto is not sufficient (21/01/2016, C-75/15, *Verlados*, EU:C:2016:35, § 22, 07/06/2018, C-44/17, *Glen Buchenbach*, EU:C:2018:415, § 53).

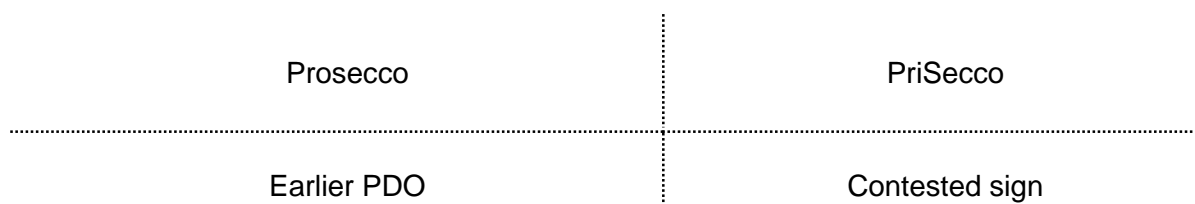
In assessing whether such a link is established, the Court has considered that the visual, phonetic or conceptual relationship between the signs is one of the factors to be taken into account. Another relevant aspect of the analysis is the degree of proximity of the goods/services concerned, including the actual physical appearance or the ingredients and taste of the products covered by the contested IR and the protected designation (04/03/1999, C-87/97, *Cambozola*, EU:C:1999:115, § 27).

In that context and depending on the circumstances in the case, the reputation of a product covered by a PDO is liable to be exploited also where the practice prohibited by Article 103(2)(b) of Regulation No 1308/2013 relates to products and services which are not identical or similar to the protected product (09/09/2021, C-783/19, *Champanillo* EU:C:2021:713, § 66).

EU Regulations protect geographical indications and denominations of origin throughout the territory of the European Union. As a result, the Court has ruled that in order to guarantee effective and uniform protection of those PGI/PDOs in that territory, it must be considered that the concept of the consumer covers European consumers and not merely consumers of

the Member State in which the product giving rise to the evocation of the PGI/PDO is manufactured (C-75/15, Verladós, EU:C:2016:35, § 27). In this respect, while the effective and uniform protection of registered names means that circumstances which may lead to the conclusion that there is no 'evocation' only in respect of the consumers of one Member State must be disregarded, that does not mean, on the other hand, that evocation assessed by reference to the consumers of a single Member State is not sufficient to trigger the protection provided in Article 103(2)(b) of Regulation No 1308/2013 (02/05/2019, C 614/17, queso manchego, EU:C:2019:344, § 48).

It is to be recalled that the earlier PDO and the contested sign in the present case are the following:



The relevant territory is the European Union.

The contested EUTM is a word mark containing the word element 'PriSecco', and it covers *cocktails, non-alcoholic* in Class 32.

The PDO 'Prosecco' is registered, for 'wines, sparkling wines', under file No PDO-IT-A0516, pursuant to Article 107 of Regulation (EU) No 1308/2013, based on the reputation of wines produced in accordance with the published specifications (also filed as Annex 1).

The word element 'PriSecco' is almost identical to 'Prosecco', being the only difference relegated to a single letter, namely the third letter 'i' of the EUTM and the third letter 'o' of the PDO.

There is clearly a strong proximity between PDO 'Prosecco' and the only verbal element of the contested mark 'PriSecco'.

According to well-established case-law, there is 'evocation' within the meaning of point (b) of that provision, where the image triggered in the consumer's mind when confronted with the name of the product, is that of the product whose geographical indication is protected. That assessment, must be made by reference to the perception of an average European consumer who is reasonably well informed and reasonably observant and circumspect (26/02/2008, C-132/05, Commission v Germany (Parmesan), EU:C:2008:117, § 44; 04/03/1999, C-87/97, Cambozola, EU:C:1999:115, § 25; 07/06/2018, C 44/17, GLEN BUCHENBACH, EU:C:2018:415, § 46-47; 21/01/2016, C 75/15, VERLADOS, EU:C:2016:35, § 25, 28).

As already mentioned, according to the case-law, 'evocation', covers a situation where the term used to designate a product incorporates part of a protected designation, so that when the consumer is confronted with the name of the product, the image triggered in his/her mind is that of the product whose designation is protected (26/02/2008, C-132/05, Commission v Germany, EU:C:2008:117, § 44; 04/03/1999, 04/03/1999, C-87/97, Cambozola, EU:C:1999:115, § 25; 07/06/2018, C-44/17, GLEN BUCHENBACH, EU:C:2018:415, § 44-45; 21/01/2016, C-75/15, VERLADOS, EU:C:2016:35, § 21 and the case-law cited). However, the partial incorporation of a protected geographical indication in the sign at issue

is not an essential condition for an 'evocation' to occur. In addition, there may be an evocation of a protected geographical indication where, concerning products which are similar in appearance, the sales names are phonetically and visually similar (07/06/2018, C-44/17, GLEN BUCHENBACH, EU:C:2018:415, § 48; 21/01/2016, C-75/15, VERLADOS, EU:C:2016:35, § 33 and the case-law cited). However, an 'evocation' may also exist even in the absence of such phonetic and visual similarities between the signs. Indeed, in addition to the above criteria, it is necessary, where appropriate, to take account of the criterion of 'conceptual proximity' between terms emanating from different languages, since such proximity, such as the other criteria mentioned above, may also trigger an image in the consumer's mind which is that of the product whose geographical indication is protected, when he/she is confronted with a similar product bearing the disputed name (21/01/2016, C-75/15, VERLADOS, EU:C:2016:35, § 35 and the case-law cited; 07/06/2018, C-44/17, GLEN BUCHENBACH, EU:C:2018:415, § 49-50).

Therefore, for determining whether there is an 'evocation' within the meaning of point (b), the decisive criterion is whether, when the average European consumer is confronted with a disputed designation, the image triggered directly in his/her mind is that of the product whose geographical indication is protected, a matter which must be assessed, taking into account, as the case may be, of either (a) the partial incorporation of a protected geographical indication in the disputed designation, or (b) any phonetic and/or visual similarity, or in their absence, (c) of any conceptual proximity, between the designation and the indication (07/06/2018, C-44/17, GLEN BUCHENBACH, EU:C:2018:415, § 51, 56).

It is also established case-law (04/03/1999, C-87/97, Cambozola, EU:C:1999:115, § 26, 42) that it is possible for a protected designation to be evoked even where there is no likelihood of confusion between the products concerned and even where no EU protection extends to the parts of that designation which are echoed in the term or terms at issue (04/03/1999, C-87/97, Cambozola, EU:C:1999:115 26). Also, a term which evokes a protected designation, need not be liable to deceive the public as to the nature, quality or origin of the goods designated. Finally, for the purpose of establishing that there is an 'evocation', account is not to be taken either of the context surrounding the disputed element, or, in particular, of the fact that that element is accompanied by an indication of the true origin of the product concerned (07/06/2018, C-44/17, GLEN BUCHENBACH, EU:C:2018:415, § 57, 60; 21/01/2016, C-75/15, VERLADOS, EU:C:2016:35, § 43, and the case-law cited).

Moreover, it is worth to mention again that since the European Union Regulations protect geographical indications and denominations of origin throughout the territory of the European Union, the potential conflict with such earlier rights, must be assessed from the point of view of the consumers throughout the European Union and not merely consumers in the Member State in which the product giving rise to a conflict with the protected designation of origin is manufactured (21/01/2016, C-75/15, Verladós, EU:C:2016:35, § 27). On the other hand, the concept of the average European consumer who is reasonably well-informed and reasonably observant and circumspect must be interpreted in a way that guarantees effective and uniform protection of registered names throughout the territory of the Union. Thus, a conflict assessed by reference to the consumers of a single Member State would be sufficient to trigger the protection provided in the EU Regulations (02/05/2019, C-614/17, Manchego cheese, EU:C:2019:344, §47, 48, a contrario).

The EUTM proprietor's claim that the signs are not sufficiently similar for an evocation to occur, cannot be followed. As reminded by the Court in its recent judgement 'Champanillo', while 'direct or indirect use' within the meaning of point a), requires a particularly high degree of similarity, almost identity, from the visual and/or phonetic point of view, so that the signs are obviously indissociable (09/09/2021, C-783/19, Champanillo, EU:C:2021:713, § 37, 38), on the other hand, the concept of 'evocation' (point b), covers a conduct which does not use

either directly or indirectly the protected name itself but suggests it in such a way that it causes the consumer to establish a sufficiently close link with it (09/09/2021, C-783/19, Champanillo, EU:C:2021:713, § 39).

The probability that the element 'PriSecco' of the contested mark which is almost identical to the protected name 'Prosecco' will directly bring to the mind of the average European consumer the image of the product protected under the PDO 'Prosecco' is particularly high.

This probability is not reduced by the fact that the goods covered by the contested EUTM are *cocktails, non-alcoholic* in Class 32.

As reminded by the Court in its recent 'Champanillo' judgment, Article 103(2)(b), of Regulation (EU) No 1308/2013 (unlike letter a), does not refer to 'comparable products', thus the regulation does not contain any indication that the protection against any evocation is limited solely to cases where the products covered by the PDO and the products or services for which the disputed sign is used are 'comparable' or 'similar' or that that protection extends to cases where the sign refers to products or services which are different from those covered by the PDO (09/09/2021, C-783/19, Champanillo, EU:C:2021:713, § 54). According to the Court, the regulation thus establishes wide-ranging protection which is intended to extend to all uses which take advantage of the reputation enjoyed by products covered by one of those indications. Thus, the concept of 'evocation', does not require that the product covered by the PDO and the product or service covered by the disputed name be identical or similar (09/09/2021, C-783/19, Champanillo, EU:C:2021:713, § 50-51). This interpretation flows from the aims pursued by the EU legislator, to offer consumers a guarantee of quality due to the geographical provenance, to reward farmers and producers for a genuine effort to improve quality, and to prevent improper use by third parties seeking to profit from the reputation of quality (09/09/2021, C-783/19, Champanillo, EU:C:2021:713, § 47-49).

In the present case, it is true that *cocktails, non-alcoholic* in Class 32 on one hand and sparkling wines on the other are not similar. However, it cannot be denied that in the present case the goods in Class 32 may include goods made with, for instance, *non-alcoholic wines*, which are to a certain extent comparable to *wine* because they have a similar physical appearance, they are elaborated from the same raw materials and are consumed on the same occasions. Consequently, in view of the foregoing, it can be concluded that the goods share a certain proximity.

Furthermore, as also reminded by the Court in its recent 'Champanillo' judgment, in assessing whether there is evocation, the competent authority must take into account, as the case may be, the partial incorporation of a PDO in the disputed name, any phonetic and/or visual relationship, or any conceptual proximity, between the name and the PDO. What is essential, is that consumers establish a sufficiently clear and direct link between the term used to designate the product at issue and the PDO, a matter which can only be established by means of an overall assessment, of all the relevant aspects (09/09/2021, C-783/19, Champanillo, EU:C:2021:713, § 59-61).

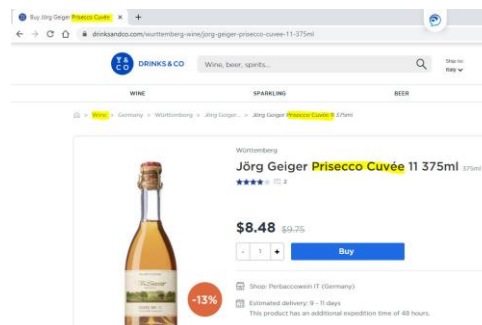
Bearing in mind all the circumstances of the case underlined by the applicant in its submissions, there is a very high probability that consumers, throughout the European Union, will establish a sufficiently clear and direct link between the term used to designate the EUTM proprietor's products 'PriSecco' and the PDO Prosecco.

The Cancellation Division deems that the evocation in the mind of an average European consumer is enhanced by the reputation of PDO Prosecco. The reputation of PGIs and PDOs depends on their image in the minds of consumers, and that image, in turn, depends essentially on particular characteristics and more generally on the quality of the product. It is

on the quality of the product that its reputation is based (14/09/2017, C-56/16 P, PORT CHARLOTTE, EU:C:2017:693, § 81-82). Therefore, the reputation of a geographical indication is linked only to the quality of the product that it designates. All registered geographical indications offer a guarantee of quality due to their geographical provenance. Therefore, the Cancellation Division considers that geographical indications are intrinsically reputed within the meaning of Article 103(2)(a)(ii) of Regulation (EU) No 1308/2013 by the mere fact that they are registered.

Nevertheless, the applicant has submitted extensive argumentation and evidence. According to the applicant's evidence, 'Prosecco' is the name which has been used over centuries, for a wine originally originating from the area of 'Prosecco' in the region of Trieste, and which nowadays enjoys an outstanding reputation for the wines which are now protected by the PDO 'Prosecco'. The undisputed outstanding reputation of the PDO 'Prosecco', in the perception of consumers, is amply documented by the evidence filed by the applicant (brochures, presentation, information sheets, export figures, abstract from a market report, advertisements, sponsorships and other promotional actions, and also press clippings, awards, special mentions, references in professional books or press and by third-party reviews and publications, which confirm that 'Prosecco' has come to be the most renowned sparkling wine in the European Union, together with Champagne. The outstanding reputation enjoyed by the PDO 'Prosecco', is also confirmed by various decisions issued by national Patent and Trademark offices and by the EUIPO (in particular, decisions in opposition proceedings against EUTM application No 15 451 875 P.R.OSE' in Class 33 and in Cancellation proceedings No 15 225 C and No 15 382 C against EUTMs No 1 288 907 'PERISECCO' and No 13 400 775 'PERISECCO' (fig.); etc.).

Also, this evocation is enhanced by the way the EUTM proprietor actually uses the contested mark for its products, as it appears from the representations of various labels and images of EUTM proprietor's products and their advertising, filed by both parties, such as the following:



As pointed out by the applicant, the use of the term 'Cuvée' is certainly capable to enhance the evocation to wines, since it is a widely known term of French origin that brings to mind an individual batch or blend of wine.

All these circumstances surrounding the actual use of the contested mark, clearly indicate that the proximity between the PDO Prosecco and the contested mark 'PriSecco' may be not fortuitous (21/01/2016, C-75/15, Verlados, EU:C:2016:35, § 39, 48), and may enhance the probability that consumers may be led to believe that the applicant produces a line of non-alcoholic cocktails which can be produced also using non-alcoholic wine as an ingredient, with the purpose of benefiting from the outstanding reputation of the PDO 'Prosecco' wine.

The EUTM proprietor's argument's aiming to deny the existence of a clear 'evocation' cannot be shared by the Cancellation Division.



First, the EUTM proprietor's main claim that the common string of letters 'SECCO', would be seen as a non-distinctive generic term referring to a type of wine, that both signs would be split into a prefix and the suffix 'secco', thus the public would only concentrate on the initial parts, respectively 'Pro' and 'Pri' is farfetched and counterintuitive. It also seems to stem from an application of a 'likelihood of confusion test' in assessing the conflict between the earlier PDO with the contested mark.

It is true that 'SECCO', as such, brought as an independent element of a label, defines a type of dry wines. However, the approach taken by the EUTM proprietor is deemed to be inappropriate for the purpose of assessing the conflict between the earlier PDO with the contested mark, for various reasons. First, according to Article 101(1) of Regulation (EU) No 1308/2013, 'a name that has become generic shall not be protected as a designation of origin or a geographical indication' and second, according to Article 103(3) of that Regulation, 'Protected designations of origin and protected geographical indications shall not become generic in the Union within the meaning of Article 101(1)'. Third, it results from the wording of Article 103(2), that 'protected designations of origin and protected geographical indications and the wines using those protected names in conformity with the product specification', are protected. It results from these provisions, that it is the product name, as a whole, as it appears on the register, that is protected as such in its entirety.

In any case, in accordance with well-established case-law, cited above, the finding that the contested EUTM 'PriSecco' evokes the PDO Prosecco, is not conditioned upon the finding of a likelihood of confusion between the products concerned and that an evocation may occur even where no EU protection extends to the parts of the designation which are echoed in contested EUTM (04/03/1999, C-87/97, Cambozola, EU:C:1999:115, § 26, 42). Moreover, according to the wording of point b), an evocation may occur even when the contested mark contains indications (such as 'type', style, etc.) or other indications of the true origin of the product concerned (07/06/2018, C-44/17, GLEN BUCHENBACH, EU:C:2018:415, § 57, 60; 21/01/2016, C-75/15, VERLADOS, EU:C:2016:35, § 43, and the case-law cited).

In this case, both the earlier PDO Prosecco and the contested mark 'PriSecco', consist of a single word. The applicant cannot rely by analogy on principles applicable to the perception of trade marks, to claim that consumers would dissect the PDO Prosecco into components 'Pro' and 'secco', identify the ending '-secco' as an independent element, ignore it because on its own would be generic and thus only concentrate respectively on the prefixes 'pro' and 'pri' or, even read the contested sign as 'Prickelnder Secco ohne Alkohol' that according to the EUTM proprietor means 'bubbleing like a dry secco but without alcohol'. Such analysis appears implausible and counterintuitive. It is the opinion of the Cancellation Division that the aforementioned complex meaning would not come to the mind of an average, reasonably well informed, observant and circumspect European consumer, all the more bearing in mind that the name 'Prosecco', which is almost identical to 'PriSecco', has an inherent reputation and it is known throughout the European Union to designate a famous and highly appreciated wine from Italy, as described in the product specifications of the registered PDO Prosecco.

### **c) Conclusion**

Bearing in mind all the relevant factors of the case at hand, there is a strong likelihood that for a substantial part of European consumers the contested mark 'PriSecco' will evoke in the mind of the average European consumer throughout the EU, the PDO 'Prosecco'. This circumstance should lead to its entire invalidation for *cocktails, non-alcoholic* in Class 32, pursuant to Article 60(1)(d) and Article 8(6) EUTMR, in combination with Article 103(2)(b) of Regulation No 1308/2013.

Since the application for invalidity must be upheld in its entirety pursuant to Article 60(1)(d) in combination with Article 8(6) EUTMR, due to a conflict with the earlier PDO foreseen in Article 103(2)(b) Regulation (EU) No 1308/2013, it is not necessary to assess the absolute ground of invalidity invoked by the applicant, based on Article 59(1)(a) EUTMR in conjunction with Article 7(1)(g) EUTMR.

For the sake of completeness, it is noted that since the application for invalidity is fully successful, the partial surrender procedure has become devoid of purpose and shall be disposed of.

## **COSTS**

According to Article 109(1) EUTMR, the losing party in cancellation proceedings must bear the fees and costs incurred by the other party.

Since the EUTM proprietor is the losing party, it must bear the cancellation fee as well as the costs incurred by the applicant in the course of these proceedings.

According to Article 109(7) EUTMR and Article 18(1)(c)(ii) EUTMIR, the costs to be paid to the applicant are the cancellation fee and the representation costs, which are to be fixed on the basis of the maximum rate set therein.



### **The Cancellation Division**

Octavio MONGE GONZALVO

Andrea VALISA

Jakub MROZOWSKI

According to Article 67 EUTMR, any party adversely affected by this decision has a right to appeal against this decision. According to Article 68 EUTMR, notice of appeal must be filed in writing at the Office within two months of the date of notification of this decision. It must be filed in the language of the proceedings in which the decision subject to appeal was taken. Furthermore, a written statement of the grounds of appeal must be filed within four months of the same date. The notice of appeal will be deemed to be filed only when the appeal fee of EUR 720 has been paid.