

GENERAL COURT
OF THE EUROPEAN UNION

STATEMENT IN INTERVENTION

in case T-105/23

Pursuant to Article 40 of the Statute of the Court of Justice filed in the name of
International Trademark Association (“INTA”)

Established at 675 Third Avenue, 3rd Floor,
New York, NY 10017-5646, United States of America

Represented by Ms. Noemi Parrotta, *Avvocata*, Spheriens,
piazza della Libertà No. 13 - viale Don Minzoni No. 1, Florence, Italy;
Ms. Marina Perraki, *Attorney-at-law (Δικηγόρος)*, Tsibanoulis & Partners Law
Firm, Omirou St. No. 18, 10672, Athens, Greece; and
Mr. Andreas Lubberger, *Rechtsanwalt*, Lubberger Lehment,
Meinekestraße No. 4, 10719 Berlin, Germany

- **Intervener** -

We are authorized to practice before the courts of a Member State. Pursuant to Article 51(2) of the Rules of Procedure of the General Court (hereinafter the “**Rules of Procedure**”), we have produced certificates attesting to this fact along with our application for leave to intervene. We hereby declare that we represent and are acting on behalf of INTA, pursuant to a valid power of attorney, also filed along with our application for leave to intervene. **We confirm that the Registry may serve documents on us via e-Curia.**

* * *

The main parties being:

Iceland Foods Limited, Second Avenue, Deeside Industrial Park, Deeside, Flintshire CH5 2NW, North Wales, United Kingdom, represented by Gregor S. P. Vos, Brinkhof N.V., Grote Bickersstraat 74-78, 1013 KS Amsterdam, the Netherlands

- **Applicant** -

European Union Intellectual Property Office (“EUIPO”), 4 Avenida de Europa, E - 03008 Alicante, Spain, represented by Vincent Ruzek, acting as agent,

- **Defendant** -

Íslandsstofa (Promote Iceland), Bjargargotu 1, Reykjavik, Iceland, **The Icelandic Ministry for Foreign Affairs**, Raudararstig 25, Reykjavik, Iceland, and **SA - Business Iceland**, Borgartúni 27, Reykjavik, Iceland, represented by *Rechtsanwalt* Prof. Dr. Alexander von Mühlendahl and *Rechtsanwalt* Dr. Henning Hartwig, Bardehle Pagenberg Partnerschaft mbB, Prinzregentenplatz 7, 81675 Munich, Germany

- **Other parties to the proceedings before the Board of Appeal** -

In the action for annulment of the decision of the Grand Board of Appeal of EUIPO (the “**Grand Board of Appeal**”) of 15 December 2022, in case R 1238/2019-G (the “**contested decision**”), relating to cancellation proceedings No. 14030 C against European Union trade mark registration No. 002673374 (the “**contested mark**”).

* * *

This statement is filed by the deadline set forth in the General Court of the European Union (hereinafter referred to as either the “**Court**” or the “**GC**”)’s order of 28 July 2023 authorizing INTA’s intervention (the “**Order**”).

* * *

1. **RELIEF SOUGHT**

1. In support of the Applicant’s appeal, INTA requests that this honorable Court:
 - annul the decision of the Grand Board of Appeal of the EUIPO of 15 December 2022 in case R 1238/2019-G; and
 - order INTA to bear its own costs.

2. **SUMMARY OF THE DISPUTE**

2. The case at issue involves European Union trade mark No. 002673374 “Iceland” (word mark), and cancellation action brought against this trade mark.
3. The contested trade mark was filed by the Applicant before the EUIPO on 19 April 2002 and was registered on 9 December 2014 for goods and services in classes 7, 11, 16, 29, 30, 31, 32 and 35.
4. A cancellation (invalidity) action was filed by Islandsstofa (Promote Iceland), the Icelandic Ministry for Foreign Affairs and SA - Business Iceland under No. 14030 C on 14 November 2016. The grounds invoked were Article 59(1)(a) of Regulation (EU) 2017/1001 of the European Parliament and of the Council of 14 June 2017 on the European Union Trade Mark Regulation (“**EUTMR**”) in conjunction with Article 7(1)(b), (c) and (g) EUTMR.
5. The cancellation action was upheld by the EUIPO Cancellation Division by decision of 5 April 2019 on the basis of Article 7(1)(c) EUTMR only, namely on the basis of the mark being descriptive of the geographic origin of the goods and services. Acquired distinctiveness was raised but considered not to have been proved.
6. On 5 June 2019, the Applicant filed an appeal against the Cancellation Division decision before the EUIPO Board of Appeals (“**BoA**”) and the case was assigned No. R 1238/2019. The BoA (First Board) considered that the case is important because, inter alia, it highlights the issue of using the names of nations as trade marks (paragraph 14) and the scope of objection that arises under Article 7(1)(c) EUTMR when a sign is a geographical name (paragraph 23). It issued an *Interim* Decision on 11 January 2021 (*Interim* Decision) referring the case to the Grand Board of Appeal (“**Grand Board**” or “**GBoA**”). It stressed that the GBoA would be called upon to decide on the scope of objection that arises under Article 7(1)(c) EUTMR when a sign is a geographical name.
7. On 2 July 2021, INTA filed Third-Party Observations in case R 1238/2019-G. In the Third-Party Observations, INTA shared observations on two issues raised in the *Interim* Decision. In particular, INTA submitted that even if a geographical name, e.g. the name of a country, was evoked in the minds of consumers when seeing the mark, it would not

directly describe any of the characteristics of the goods/services and, therefore, would not automatically fall within the absolute ground for refusal provided in Article 7(1)(c) EUTMR. Assessment of descriptiveness under Article 7(1)(c) EUTMR would have to be made on a case-by-case basis with a view to establishing whether a specific name of a state or other geographical term would be perceived as descriptive in relation to the specific goods/services, by applying the standard threshold which is applicable to all other signs in relation to specific goods/services. The only scenario under which a geographical name, including the name of a state, should be refused protection under Article 7(1)(c) EUTMR is when the area or country is famous, known for or associated with the specific goods/services or if there are clear indications that such relation between the goods/services involved and the geographical name for which trade mark protection is sought would arise in the future. For the latter assessment, INTA suggested relying on the “reality-check” principle rather than a “theoretical-speculative” estimate.

8. Further, INTA commented that a number of factors listed in paragraphs 5 and 6 of the *Interim* Decision should be irrelevant in the assessment of descriptiveness of a geographical term, namely: whether in the country at issue there is production/provision of the goods/services denoted by the mark, whether consumers are aware of the existence of said country, whether the country has a strong economy, whether it is an exporting country, whether the goods denoted are needed and used by industries in the said country, whether the goods bear any features that lead consumers not to associate the goods with the said country, that a printed matter or periodical could have as subject matter the country at issue.
9. As concerns Article 7(1)(b) EUTMR and the issue of distinctiveness of geographical terms, INTA submitted in its brief that the criteria for assessing the distinctive character of signs consisting of or containing geographical terms should be no different from those applied to other categories of trade marks, meaning that the distinctive character of a mark must be assessed in relation to the goods or services in respect of which registration is applied for and in relation to the perception of the relevant consumers, and only by reference to the relevant public’s perception of that sign.
10. On 15 December 2022, the EUIPO Grand Board of Appeal dismissed the appeal. While, formally, GBoA confirmed in its decision that “*a country name may on occasion function as a trade mark*”, it has nevertheless concluded that “***geographical marks that include the name of a country may by their very nature be perceived differently from other geographical indications, such as names of regions, lakes and mountains. Average consumers are more in the habit of making assumptions about the origin of products on the basis of their national provenance than in relation to other types of geographical signs. This is especially the case of the names of the countries of the European Union or European Economic Area, with which the relevant EU public is more familiar and which are in closer geographic proximity to them and are therefore more likely to be perceived as embodying certain favourable characteristics that influence acquisition of goods or services***” (emphasis added).
11. In the case at hand, the GBoA valued the following factors in the assessment of the alleged descriptiveness of the geographical name ICELAND: the close bonds of Iceland with the European Union and especially Denmark, including close trade relationship; the economic prosperity, industrial capacity and importance of Iceland; the high standing of Iceland as a ‘nation brand’ that, inter alia, accounts for its trading capacities; the positive connotations linked to Iceland by the EU public as a world-class quality tourist destination; and the

environmentally sustainable and clean image associated with Iceland. The GBoA considered that all of the above mentioned factors play a role in finding the descriptive character of the geographical name ICELAND.

12. In light of the above, and as far as Article 7(1)(c) EUTMR is concerned, the GBoA concluded that *“current domestic commercial activities, combined with the full capacity to produce and provide quite a wide range of goods and services and the acquisition of a positive image, built up and curated over many years makes it reasonable, credible, and plausible to foresee that the EU target public will now, or at some point in the future, perceive the contested mark as descriptive of the geographic origin of the goods and services at issue rather than as an indication of commercial origin”* (emphasis added).
13. With regard to the alleged non-distinctiveness of the geographical name ICELAND, although the Cancellation Division had not addressed this issue in its decision, the GBoA has nevertheless ruled that *“taking into account the circumstances and conclusions reached in this case, it would be reasonable to conclude that the contested mark is also unable to fulfil its essential function, which is to identify the origin of the goods or services and thus to enable the consumer to repeat the experience of a purchase, if it is positive, or to avoid it, if it proves to be negative, on the occasion of a subsequent acquisition”*. Drawing from its earlier observations, the GBoA considered that the sign “Iceland” would simply be perceived as a name of a country and would therefore be incapable of performing its function as a badge of origin, in connection with all the goods and services for which EUTM No. 002673374 is registered. In essence, in the GBoA’s view, the sign “Iceland” would be perceived as an indication that the goods and services at stake originate from that country or have a particular link with that country.
14. In view of its conclusions on descriptiveness under Article 7(1)(c) and non-distinctiveness under Article 7(1)(b) EUTMR of the geographical name ICELAND, the GBoA did not consider it necessary to examine whether the designation ICELAND is also deceptive within the meaning of Article 7(1)(g) EUTMR in relation to the goods and services at issue from the point of view of the relevant public.
15. As concerns acquired distinctiveness, the GBoA fully endorsed the earlier decision of the Cancellation Division and concluded that the acquired distinctiveness has not been proven.
16. By its action, the Applicant is seeking to annul the contested decision and remit the case to the Cancellation Division. The Applicant pleads infringement of Article 7(1)(b) and Article 7(1)(c) by the EUIPO Grand Board of Appeal.

3. INTA SUPPORTS THE APPLICANT’S APPEAL

17. INTA believes that this case is significant to the development of trade mark law in the European Union. The final decision in the present case may eventually have an immense effect on registrability of state names (and, potentially, of other geographical names) as EUTMs and national trade marks in the EU Member States, as well as on vulnerability of numerous registered trade marks to cancellation on the grounds of Article (7)(b) and (c) EUTMR and the corresponding provisions of national trade mark acts. As a global association of brand owners and professionals in the area of trade marks and intellectual property, INTA is acting in the interest of parties that are likely to be affected by the outcome in this case and, therefore, wishes to share its considerations on the issue raised in this case and the concerns of its members regarding potential impact of the eventual decision.

18. The language of Article 7(1)(c) EUTMR puts geographical indications in line with other signs which may serve as a descriptive denomination rather than as a source identifier of goods and services. In this capacity, under EU law, geographical indications may be rejected on absolute grounds. The terms “*which may serve*” however gives a clear guidance to not treat geographical indications as falling under a *per se* prohibition.
19. The language of **Article 7(1)(c) EUTMR does not quote state names**. State names fall into the category of geographical indications and, therefore, have to be treated alike. They may have a particular potential of being treated as descriptive denominations. Such potential, however, is to be assessed and does not yet follow from the law.
20. The provision of Article 7(1)(c) EUTMR has to be interpreted in connection with Article 14(1)(b) EUTMR limiting the scope of protection of registered EU trade marks for the same purposes and in exactly the same wording: “*designate the kind, quality, quantity, intended purpose, value, geographical origin or the time of production*”. Again, such limitation would not be necessary if geographical indications were falling under an outright ban for registration.
21. Since the Court of Justice decision of 9 May 1999, *Windsurfing Chiemsee Produktions- und Vertriebs GmbH (WSC) v Boots- und Segelzubehör Walter Huber and Franz Attenberger*, joined cases C-108/97 and C-109/97, EU:C:1999:230 (“**Windsurfing Chiemsee**”), which is undoubtedly a cornerstone decision of the EU trade mark system on the issue of registrability of geographical names as trade marks, **the CJEU case law has further confirmed the possibility for all geographical names to be registered as trade marks**. The only geographical names prohibited registration as trade marks were those that were associated with the claimed goods or services in the mind of the relevant public or it was reasonable to assume that they will be associated with those goods or services in the future, or whether such names may, in the mind of the relevant public, designate the geographical origin of that category of goods or services.
22. A future decision in the present case could change the *status quo* that has existed on this issue in the EU trade mark system for nearly 25 years, which might have a disruptive effect on any possible sector/industry. Despite formally acknowledging in the contested decision the possibility of geographical names to be registered as trade marks, the GBoA goes on to allege that “***geographical marks that include the name of a country may by their very nature be perceived differently from other geographical indications, such as names of regions, lakes and mountains. ... This is especially the case of the names of the countries of the European Union or European Economic Area, with which the relevant EU public is more familiar and which are in closer geographic proximity to them and are therefore more likely to be perceived as embodying certain favourable characteristics that influence acquisition of goods or services***” (emphasis added). Further, by applying this logic and by drawing favourable characteristics of a country from a number of various factors, such as: close historical or trade relationship of ICELAND with the European Union, its economic prosperity and industrial capacity, the high standing of Iceland as a “nation brand” and the positive image as an interesting tourist destination and an environmentally friendly country, the GBoA is using the positive image of a country to conclude that the sign “Iceland” would be descriptive with respect to all the goods and services applied for, from “*parts and fittings for dishwashers*” and “*toilet paper*” to “*tapioca*” and “*sago*”.
23. The contested decision seems to be stretching the concept of country’s reputation and general positive image onto all categories of goods and services applied for, which **goes beyond the decisions of the CJEU in past cases**.

24. Many registered trade marks consisting of or including state names, or adjectives thereof, exist in various registries, including that of the EUIPO. The validity of all those marks and their enforcement *vis-à-vis* third parties but also of all marks consisting of or containing other geographical terms might therefore be adversely affected, as well as that of future applications, if the contested decision is upheld. For example, there are 8,808 results on TMVIEW for registered trade marks with the term SWISS in Europe and 1,173 results with the term SWITZERLAND, 15,229 with the term FRANCE and 3,966 with the term FRENCH, 5,055 with the term GERMAN and 2,667 with the term GERMANY.
25. **Country names are registrable under the Paris Convention** for the Protection of Industrial Property (Paris Convention) **and TRIPS** inasmuch as they constitute signs “*capable of distinguishing the goods or services of one undertaking from those of other undertakings*” [Article 15(1) TRIPS]. Further, names of states (as well as other geographical names) should not be subject to special treatment which is more severe than that applied to other signs. Rather than drawing from a general positive image of a country to ban registration of such country name as a trade mark with respect to any goods, or any services, INTA submits that the competent judicial authority should assess on a case-by-case basis, whether a specific state name (or other geographical names) is currently known, famous for or associated in the mind of the relevant class of persons with the category of goods or services concerned, or whether it is reasonable to assume that it may be associated with the said goods/services – in the sense that it may be perceived as an **indication of the quality and other characteristics of the concerned goods/services** – in the future. Article 6ter of the Paris Convention provides a list of official signs that are unregistrable (absolute ban), namely armorial bearings, flags, and other state emblems. It also makes express reference to names of international intergovernmental organizations as being unregistrable. Had the legislator intended this provision to also cover state names, the provision would have expressly listed those too. The fact that the list is exhaustive follows also from the Guide to the Application of the Convention (https://www.wipo.int/edocs/pubdocs/en/intproperty/611/wipo_pub_611.pdf) which states that Article 6ter “*allows*” the contracting states to “*exclude from registration*” certain emblems etc. Therefore, absent any mention of country names, these fall outside the scope of Article 6ter. To consider those falling within this article would contravene the wording and purpose of the said article of the Convention.
26. The relevant association must be between the geographical name and the goods/services for which protection is sought and stems from the fact that these are goods/services for which the geographical area is known or reasonably assumed to be known in the future, rather than from general knowledge of the existence of the country or a positive image of the country or other factors that are not related to the goods/services concerned. In other words, it should not be assumed that if a geographical area is famous or known to exist in the world, its name shall be automatically and just for this reason excluded from registration as a trade mark. Indeed, even if that area or country were evoked in the minds of consumers when seeing the mark, **it would not directly describe any of the characteristics of the goods/services**. What matters is whether a consumer coming across the respective goods (*e.g.* tapioca) and services (*e.g.* retail) would perceive that the word ICELAND, for example, means that the said goods/services originate from Iceland and that a positive image is created in the mind of the consumer for the specific goods/services because of the reputation of Iceland for those goods/services.

27. The following factors should be considered irrelevant to the assessment of descriptiveness of a geographical term: whether in the country at issue there is production of the goods and services denoted by the mark, whether consumers are aware of the existence of said country, whether the country has a strong economy, whether it is an exporting country, whether the goods denoted are needed and used by industries in the said country, whether the goods bear any features that lead consumers not to associate the goods with the said country, that a printed matter or periodical could have as subject matter the country at issue. Indeed, it is just the association (in the sense clarified above) in relation to the specific goods/services that would make a mark descriptive and prohibit registration. A general knowledge among consumers that a geographical area exists would not be sufficient to this end, as consideration should be given to the degree of such familiarity, the characteristics of the place designated by that name, and with the category of goods concerned. It is not, however, necessary that the relevant persons would assume the goods to be manufactured in the geographical location, as an association between a category of goods and a geographical location might depend on other aspects, such as the fact that the goods were conceived and designed in the geographical location concerned. To accept that well-known countries enjoy trade mark protection in their names while less known countries do not would not only create legal uncertainty (what degree of such knowledge would meet the required threshold?) but would also be treating sovereign countries of the world unequally: some would have a right some not.
28. Country names are signs and, in particular, words and therefore may function as trade marks under article 4 EUTMR. This provision does not exclude categories of words by their nature from being capable of functioning as trade marks. As concerns distinctiveness of country names for registration as trade marks and **Article 7(1)(b) EUTMR**, INTA submits that criteria for assessing the distinctive character of signs consisting of or containing geographical terms, such as the one at issue, shall be no different from those to be applied to other categories of trade marks [by analogy see CJEU, 18 June 2002, *Koninklijke Philips Electronics NV v. Remington Consumer Products Ltd*, C-299/99, EU:C:2002:377 (“**Philips**”) paragraph 48]. Further, the distinctive character of a mark must be assessed in relation to the goods or services in respect of which registration is applied for and in relation to the perception of the relevant consumers [see again the decision in the Philips case at paragraphs 59 and 63 and CJEU, 12 February 2004, *Henkel KGaA.*, C-218/01, EU:C:2004:88, paragraph 50]. Finally, the distinctive character of a mark must be assessed only by reference to the relevant public’s perception of that sign [see CJEU, 29 April 2004, *Procter & Gamble Company v European Union Intellectual Property Office*, joined cases C-468/01 P and C-472/01 P, EU:C:2004:259 (“**Procter & Gamble**”), paragraph 33; CJEU, 8 May 2008, *Eurohypo AG v European Union Intellectual Property Office*, C-304/06 P, EU:C:2008:261 (“**Eurohypo**”), paragraph 67; and CJEU, 21 January 2010, *Audi AG v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)*, C-398/08 P (“**Audi**”), paragraph 34]. Furthermore, INTA stresses that possible descriptive uses of state names made in accordance with Article 14 EUTMR would not amount to trade mark infringement and therefore cannot be legitimately barred by the owner of the relevant mark. The right of individuals and undertakings producing or marketing goods to indicate the geographical origin of the goods and services they offer, remains thus unimpaired.

29. In view of the aforesaid, INTA's position regarding the issues raised in the present case can be summarized as follows:
- state names are not *per se* excluded from trade mark registration;
 - state names, as all other geographical names, are not *per se* descriptive of geographic origin, quality or other characteristics of goods/services;
 - whether a state name is descriptive and/or non-distinctive with respect to specific goods or services should be decided on a case-by-case basis and in accordance with the existing case law of the Court of Justice of the European Union;
 - the judicator bodies should assess whether a specific name of a state (or other geographical names) would be perceived as describing or non-distinctive with respect to the specific designated goods/services;
 - in particular, judicator bodies should rely on the test set forth by the Court of Justice in the Windsurfing Chiemsee case, namely assess whether a specific state name (or another geographical name) is currently known, famous for or associated in the mind of the relevant class of persons with the category of goods or services concerned, or whether it is reasonable to assume that it may be associated in the future with such goods and/or services;
 - in other words, **it is the actual/possible association between the geographical name and the specific goods/services that would make said name descriptive or non-distinctive and prohibit its registration as a trade mark. A general knowledge among consumers that a geographical area exists would be relevant but would not be sufficient to this end**, as consideration should also be given to the characteristics of the place designated by that name, and with the category of goods/services concerned. In this regard, what counts is **whether the relevant consumers may perceive the geographical name which they are aware of as an indication of the quality and other characteristics of the concerned goods/services.**

4. COSTS

30. INTA does not request that a party be ordered to pay costs. INTA agrees to bear its own legal expenses.

With all rights reserved and without prejudice,

FOR THESE REASONS,

MAY IT PLEASE THE GENERAL COURT OF THE EUROPEAN UNION TO:

1. Annul the decision of the Grand Board of Appeal of the EUIPO of 15 December 2022 in case R 1238/2019-G;
2. order INTA to bear its own costs.

Florence, 11 September 2023

For the Intervener

Its counsels,

Noemi Parrotta, Esq.,
Marina Perraki, Esq.,
Andreas Lubberger, Esq.

GENERAL COURT
OF THE EUROPEAN UNION

STATEMENT IN INTERVENTION

in case T-106/23

Pursuant to Article 40 of the Statute of the Court of Justice filed in the name of
International Trademark Association (“INTA”)

Established at 675 Third Avenue, 3rd Floor,
New York, NY 10017-5646, United States of America

Represented by Ms. Noemi Parrotta, *Avvocata*, Spheriens,
piazza della Libertà No. 13 - viale Don Minzoni No. 1, Florence, Italy;
Ms. Marina Perraki, *Attorney-at-law (Δικηγόρος)*, Tsibanoulis & Partners Law
Firm, Omirou St. No. 18, 10672, Athens, Greece; and
Mr. Andreas Lubberger, *Rechtsanwalt*, Lubberger Lehment,
Meinekestraße No. 4, 10719 Berlin, Germany

- **Intervener** -

We are authorized to practice before the courts of a Member State. Pursuant to Article 51(2) of the Rules of Procedure of the General Court (hereinafter the “**Rules of Procedure**”), we have produced certificates attesting to this fact along with our application for leave to intervene. We hereby declare that we represent and are acting on behalf of INTA, pursuant to a valid power of attorney, also filed along with our application for leave to intervene. **We confirm that the Registry may serve documents on us via e-Curia.**

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The main parties being:

Iceland Foods Limited, Second Avenue, Deeside Industrial Park, Deeside, Flintshire CH5 2NW, North Wales, United Kingdom, represented by Gregor S. P. Vos, Brinkhof N.V., Grote Bickersstraat 74-78, 1013 KS Amsterdam, the Netherlands

- **Applicant** -

European Union Intellectual Property Office (“EUIPO”), 4 Avenida de Europa, E - 03008 Alicante, Spain, represented by Vincent Ruzek, acting as agent,

- **Defendant** -

Icelandic Trademark Holding ehf, Bjargargotu 1, Reykjavik, Iceland, represented by *Rechtsanwalt* Prof. Dr. Alexander von Mühlendahl and *Rechtsanwalt* Dr. Henning Hartwig, Bardehle Pagenberg Partnerschaft mbB, Prinzregentenplatz 7, 81675 Munich, Germany

- **Other party to the proceedings before the Board of Appeal** -

In the action for annulment of the decision of the Grand Board of Appeal of EUIPO (the “**Grand Board of Appeal**”) of 15 December 2022, in case R 1613/2019-G (the “**contested decision**”),

relating to cancellation proceedings No. 19387 C against European Union trade mark registration No. 011565736 (the “**contested mark**”).

* * *


This statement is filed by the deadline set forth in the General Court of the European Union (hereinafter referred to as either the “**Court**” or the “**GC**”)’s order of 28 July 2023 authorizing INTA’s intervention (the “**Order**”).

* * *

1. RELIEF SOUGHT

1. In support of the Applicant’s appeal, INTA requests that this honorable Court:
 - annul the decision of the Grand Board of Appeal of the EUIPO of 15 December 2022 in case R 1613/2019-G; and
 - order INTA to bear its own costs.

2. SUMMARY OF THE DISPUTE

2. The case at issue involves European Union trade mark No. 011565736  (figurative), and cancellation action brought against this trade mark.
3. The contested trade mark was filed by the Applicant before the EUIPO on 12 February 2013 and was registered on 13 September 2014 for goods and services in classes 29, 30 and 35.
4. A cancellation (invalidity) action was filed by Icelandic Trademark Holding ehf under No. 19387 C on 23 January 2018. The grounds invoked were Article 59(1)(a) of Regulation (EU) 2017/1001 of the European Parliament and of the Council of 14 June 2017 on the European Union Trade Mark Regulation (“**EUTMR**”) in conjunction with Article 7(1)(b), (c) and (g) EUTMR.
5. The cancellation action was upheld by the EUIPO Cancellation Division by decision of 27 May 2019 on the basis of Article 7(1)(c) EUTMR only, namely on the basis of the mark being descriptive of the geographic origin of the goods and services. Acquired distinctiveness was raised but considered not to have been proved.
6. On 24 July 2019, the Applicant filed an appeal against the Cancellation Division decision before the EUIPO Board of Appeals (“**BoA**”) and the case was assigned No. R 1613/2019. The BoA (First Board) considered that the case is important because, inter alia, it highlights the issue of using the names of nations as trade marks (paragraph 13) and the scope of objection that arises under Article 7(1)(c) EUTMR when a sign is a geographical name (paragraph 22). It issued an *Interim* Decision on 11 January 2021 (*Interim* Decision) referring the case to the Grand Board of Appeal (“**Grand Board**” or “**GBoA**”). It stressed that the GBoA would be called upon to decide on the scope of objection that arises under Article 7(1)(c) EUTMR when a sign is a geographical name.
7. On 2 July 2021, INTA filed Third-Party Observations in case R 1613/2019-G. In the Third-Party Observations, INTA shared observations on two issues raised in the *Interim* Decision. In particular, INTA submitted that even if a geographical name, e.g. the name of a country, was evoked in the minds of consumers when seeing the mark, it would not directly describe any of the characteristics of the goods/services and, therefore, would not automatically fall within the absolute ground for refusal provided in Article 7(1)(c) EUTMR. Assessment of descriptiveness under Article 7(1)(c) EUTMR would have to be

made on a case-by-case basis with a view to establishing whether a specific name of a state or other geographical term would be perceived as descriptive in relation to the specific goods/services, by applying the standard threshold which is applicable to all other signs in relation to specific goods/services. The only scenario under which a geographical name, including the name of a state, should be refused protection under Article 7(1)(c) EUTMR is when the area or country is famous, known for or associated with the specific goods/services or if there are clear indications that such relation between the goods/services involved and the geographical name for which trade mark protection is sought would arise in the future. For the latter assessment, INTA suggested relying on the “reality-check” principle rather than a “theoretical-speculative” estimate.

8. Further, INTA commented that a number of factors listed in paragraphs 5 and 6 of the *Interim* Decision should be irrelevant in the assessment of descriptiveness of a geographical term, namely: whether in the country at issue there is production/provision of the goods/services denoted by the mark, whether consumers are aware of the existence of said country, whether the country has a strong economy, whether it is an exporting country, whether the goods denoted are needed and used by industries in the said country, whether the goods bear any features that lead consumers not to associate the goods with the said country, that a printed matter or periodical could have as subject matter the country at issue.
9. As concerns Article 7(1)(b) EUTMR and the issue of distinctiveness of geographical terms, INTA submitted in its brief that the criteria for assessing the distinctive character of signs consisting of or containing geographical terms should be no different from those applied to other categories of trade marks, meaning that the distinctive character of a mark must be assessed in relation to the goods or services in respect of which registration is applied for and in relation to the perception of the relevant consumers, and only by reference to the relevant public’s perception of that sign.
10. On 15 December 2022, the EUIPO Grand Board of Appeal dismissed the appeal. While, formally, GBoA confirmed in its decision that “*a country name may on occasion function as a trade mark*”, it has nevertheless concluded that “***geographical marks that include the name of a country may by their very nature be perceived differently from other geographical indications, such as names of regions, lakes and mountains. Average consumers are more in the habit of making assumptions about the origin of products on the basis of their national provenance than in relation to other types of geographical signs. This is especially the case of the names of the countries of the European Union or European Economic Area, with which the relevant EU public is more familiar and which are in closer geographic proximity to them and are therefore more likely to be perceived as embodying certain favourable characteristics that influence acquisition of goods or services***” (emphasis added).
11. In the case at hand, the GBoA valued the following factors in the assessment of the alleged descriptiveness of the geographical name ICELAND: the close bonds of Iceland with the European Union and especially Denmark, including close trade relationship; the economic prosperity, industrial capacity and importance of Iceland; the high standing of Iceland as a ‘nation brand’ that, inter alia, accounts for its trading capacities; the positive connotations linked to Iceland by the EU public as a world-class quality tourist destination; and the environmentally sustainable and clean image associated with Iceland. The GBoA considered that all of the above mentioned factors play a role in finding the descriptive character of the geographical name ICELAND.

12. In light of the above, and as far as Article 7(1)(c) EUTMR is concerned, the GBoA concluded that “*current domestic commercial activities, combined with the full capacity to produce and provide quite a wide range of goods and services and the acquisition of a positive image, built up and curated over many years makes it reasonable, credible, and plausible to foresee that the EU target public will now, or at some point in the future, perceive the contested mark as descriptive of the geographic origin of the goods and services at issue rather than as an indication of commercial origin*” (emphasis added).
13. With regard to the alleged non-distinctiveness of the geographical name ICELAND, although the Cancellation Division had not addressed this issue in its decision, the GBoA has nevertheless ruled that “*taking into account the circumstances and conclusions reached in this case, it would be reasonable to conclude that the contested mark is also unable to fulfil its essential function, which is to identify the origin of the goods or services and thus to enable the consumer to repeat the experience of a purchase, if it is positive, or to avoid it, if it proves to be negative, on the occasion of a subsequent acquisition*”. Drawing from its earlier observations, the GBoA considered that the sign “ICELAND” would simply be perceived as a name of a country and would therefore be incapable of performing its function as a badge of origin, in connection with all the goods and services for which EUTM No. 002673374 is registered. In essence, in the GBoA’s view, the sign “ICELAND” would be perceived as an indication that the goods and services at stake originate from that country or have a particular link with that country. This perception, according to the GBoA, is not altered by the figurative elements (stylization) of EUTM 011565736.
14. In view of its conclusions on descriptiveness under Article 7(1)(c) and non-distinctiveness under Article 7(1)(b) EUTMR of the geographical name ICELAND, the GBoA did not consider it necessary to examine whether the designation ICELAND is also deceptive within the meaning of Article 7(1)(g) EUTMR in relation to the goods and services at issue from the point of view of the relevant public.
15. As concerns acquired distinctiveness, the GBoA fully endorsed the earlier decision of the Cancellation Division and concluded that the acquired distinctiveness has not been proven.
16. By its action, the Applicant is seeking to annul the contested decision and remit the case to the Cancellation Division. The Applicant pleads infringement of Article 7(1)(b) and Article 7(1)(c) by the EUIPO Grand Board of Appeal.

3. INTA SUPPORTS THE APPLICANT’S APPEAL

17. INTA believes that this case is significant to the development of trade mark law in the European Union. The final decision in the present case may eventually have an immense effect on registrability of state names (and, potentially, of other geographical names) as EUTMs and national trade marks in the EU Member States, as well as on vulnerability of numerous registered trade marks to cancellation on the grounds of Article (7)(b) and (c) EUTMR and the corresponding provisions of national trade mark acts. As a global association of brand owners and professionals in the area of trade marks and intellectual property, INTA is acting in the interest of parties that are likely to be affected by the outcome in this case and, therefore, wishes to share its considerations on the issue raised in this case and the concerns of its members regarding potential impact of the eventual decision.
18. The language of Article 7(1)(c) EUTMR puts geographical indications in line with other signs which may serve as a descriptive denomination rather than as a source identifier of

goods and services. In this capacity, under EU law, geographical indications may be rejected on absolute grounds. The terms “*which may serve*” however gives a clear guidance to not treat geographical indications as falling under a *per se* prohibition.

19. The language of **Article 7(1)(c) EUTMR does not quote state names**. State names fall into the category of geographical indications and, therefore, have to be treated alike. They may have a particular potential of being treated as descriptive denominations. Such potential, however, is to be assessed and does not yet follow from the law.
20. The provision of Article 7(1)(c) EUTMR has to be interpreted in connection with Article 14(1)(b) EUTMR limiting the scope of protection of registered EU trade marks for the same purposes and in exactly the same wording: “*designate the kind, quality, quantity, intended purpose, value, geographical origin or the time of production*”. Again, such limitation would not be necessary if geographical indications were falling under an outright ban for registration.
21. Since the Court of Justice decision of 9 May 1999, *Windsurfing Chiemsee Produktions- und Vertriebs GmbH (WSC) v Boots- und Segelzubehör Walter Huber and Franz Attenberger*, joined cases C-108/97 and C-109/97, EU:C:1999:230 (“**Windsurfing Chiemsee**”), which is undoubtedly a cornerstone decision of the EU trade mark system on the issue of registrability of geographical names as trade marks, **the CJEU case law has further confirmed the possibility for all geographical names to be registered as trade marks**. The only geographical names prohibited registration as trade marks were those that were associated with the claimed goods or services in the mind of the relevant public or it was reasonable to assume that they will be associated with those goods or services in the future, or whether such names may, in the mind of the relevant public, designate the geographical origin of that category of goods or services.
22. A future decision in the present case could change the *status quo* that has existed on this issue in the EU trade mark system for nearly 25 years, which might have a disruptive effect on any possible sector/industry. Despite formally acknowledging in the contested decision the possibility of geographical names to be registered as trade marks, the GBoA goes on to allege that “***geographical marks that include the name of a country may by their very nature be perceived differently from other geographical indications, such as names of regions, lakes and mountains. ... This is especially the case of the names of the countries of the European Union or European Economic Area, with which the relevant EU public is more familiar and which are in closer geographic proximity to them and are therefore more likely to be perceived as embodying certain favourable characteristics that influence acquisition of goods or services***” (emphasis added). Further, by applying this logic and by drawing favourable characteristics of a country from a number of various factors, such as: close historical or trade relationship of ICELAND with the European Union, its economic prosperity and industrial capacity, the high standing of Iceland as a “nation brand” and the positive image as an interesting tourist destination and an environmentally friendly country, the GBoA is using the positive image of a country to conclude that the sign ICELAND would be descriptive with respect to all the goods and services applied for, from “*tofu*” and “*nut paste*” to “*tapioca*” and “*sago*”.
23. The contested decision seems to be stretching the concept of country’s reputation and general positive image onto all categories of goods and services applied for, which **goes beyond the decisions of the CJEU in past cases**.
24. Many registered trade marks consisting of or including state names, or adjectives thereof, exist in various registries, including that of the EUIPO. The validity of all those marks and

their enforcement *vis-à-vis* third parties but also of all marks consisting of or containing other geographical terms might therefore be adversely affected, as well as that of future applications, if the contested decision is upheld. For example, there are 8,808 results on TMVIEW for registered trade marks with the term SWISS in Europe and 1,173 results with the term SWITZERLAND, 15,229 with the term FRANCE and 3,966 with the term FRENCH, 5,055 with the term GERMAN and 2,667 with the term GERMANY.

25. **Country names are registrable under the Paris Convention** for the Protection of Industrial Property (Paris Convention) **and TRIPS** inasmuch as they constitute signs “*capable of distinguishing the goods or services of one undertaking from those of other undertakings*” [Article 15(1) TRIPS]. Further, names of states (as well as other geographical names) should not be subject to special treatment which is more severe than that applied to other signs. Rather than drawing from a general positive image of a country to ban registration of such country name as a trade mark with respect to any goods, or any services, INTA submits that the competent judicial authority should assess on a case-by-case basis, whether a specific state name (or other geographical names) is currently known, famous for or associated in the mind of the relevant class of persons with the category of goods or services concerned, or whether it is reasonable to assume that it may be associated with the said goods/services – in the sense that it may be perceived as an **indication of the quality and other characteristics of the concerned goods/services** – in the future. Article 6ter of the Paris Convention provides a list of official signs that are unregistrable (absolute ban), namely armorial bearings, flags, and other state emblems. It also makes express reference to names of international intergovernmental organizations as being unregistrable. Had the legislator intended this provision to also cover state names, the provision would have expressly listed those too. The fact that the list is exhaustive follows also from the Guide to the Application of the Convention (https://www.wipo.int/edocs/pubdocs/en/intproperty/611/wipo_pub_611.pdf) which states that Article 6ter “*allows*” the contracting states to “*exclude from registration*” certain emblems etc. Therefore, absent any mention of country names, these fall outside the scope of Article 6ter. To consider those falling within this article would contravene the wording and purpose of the said article of the Convention.
26. The relevant association must be between the geographical name and the goods/services for which protection is sought and stems from the fact that these are goods/services for which the geographical area is known or reasonably assumed to be known in the future, rather than from general knowledge of the existence of the country or a positive image of the country or other factors that are not related to the goods/services concerned. In other words, it should not be assumed that if a geographical area is famous or known to exist in the world, its name shall be automatically and just for this reason excluded from registration as a trade mark. Indeed, even if that area or country were evoked in the minds of consumers when seeing the mark, **it would not directly describe any of the characteristics of the goods/services**. What matters is whether a consumer coming across the respective goods (*e.g.* tapioca) and services (*e.g.* retail) would perceive that the word ICELAND, for example, means that the said goods/services originate from Iceland and that a positive image is created in the mind of the consumer for the specific goods/services because of the reputation of Iceland for those goods/services.
27. The following factors should be considered irrelevant to the assessment of descriptiveness of a geographical term: whether in the country at issue there is production of the goods and services denoted by the mark, whether consumers are aware of the existence of said country,

whether the country has a strong economy, whether it is an exporting country, whether the goods denoted are needed and used by industries in the said country, whether the goods bear any features that lead consumers not to associate the goods with the said country, that a printed matter or periodical could have as subject matter the country at issue. Indeed, it is just the association (in the sense clarified above) in relation to the specific goods/services that would make a mark descriptive and prohibit registration. A general knowledge among consumers that a geographical area exists would not be sufficient to this end, as consideration should be given to the degree of such familiarity, the characteristics of the place designated by that name, and with the category of goods concerned. It is not, however, necessary that the relevant persons would assume the goods to be manufactured in the geographical location, as an association between a category of goods and a geographical location might depend on other aspects, such as the fact that the goods were conceived and designed in the geographical location concerned. To accept that well-known countries enjoy trade mark protection in their names while less known countries do not would not only create legal uncertainty (what degree of such knowledge would meet the required threshold?) but would also be treating sovereign countries of the world unequally: some would have a right some not.

28. Country names are signs and therefore may function as trade marks under article 4 EUTMR. This provision does not exclude categories of words by their nature from being capable of functioning as trade marks. As concerns distinctiveness of country names for registration as trade marks and **Article 7(1)(b) EUTMR**, INTA submits that criteria for assessing the distinctive character of signs consisting of or containing geographical terms, such as the one at issue, shall be no different from those to be applied to other categories of trade marks [by analogy see CJEU, 18 June 2002, *Koninklijke Philips Electronics NV v. Remington Consumer Products Ltd*, C-299/99, EU:C:2002:377 (“**Philips**”) paragraph 48]. Further, the distinctive character of a mark must be assessed in relation to the goods or services in respect of which registration is applied for and in relation to the perception of the relevant consumers [see again the decision in the Philips case at paragraphs 59 and 63 and CJEU, 12 February 2004, *Henkel KGaA.*, C-218/01, EU:C:2004:88, paragraph 50]. Finally, the distinctive character of a mark must be assessed only by reference to the relevant public’s perception of that sign [see CJEU, 29 April 2004, *Procter & Gamble Company v European Union Intellectual Property Office*, joined cases C-468/01 P and C-472/01 P, EU:C:2004:259 (“**Procter & Gamble**”), paragraph 33; CJEU, 8 May 2008, *Eurohypo AG v European Union Intellectual Property Office*, C-304/06 P, EU:C:2008:261 (“**Eurohypo**”), paragraph 67; and CJEU, 21 January 2010, *Audi AG v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)*, C-398/08 P (“**Audi**”), paragraph 34]. Furthermore, INTA stresses that possible descriptive uses of state names made in accordance with Article 14 EUTMR would not amount to trade mark infringement and therefore cannot be legitimately barred by the owner of the relevant mark. The right of individuals and undertakings producing or marketing goods to indicate the geographical origin of the goods and services they offer, remains thus unimpaired.

* * *

29. In view of the aforesaid, INTA’s position regarding the issues raised in the present case can be summarized as follows:
- state names are not *per se* excluded from trade mark registration;

- state names, as all other geographical names, are not *per se* descriptive of geographic origin, quality or other characteristics of goods/services;
- whether a state name is descriptive and/or non-distinctive with respect to specific goods or services should be decided on a case-by-case basis and in accordance with the existing case law of the Court of Justice of the European Union;
- the judicator bodies should assess whether a specific name of a state (or other geographical names) would be perceived as describing or non-distinctive with respect to the specific designated goods/services;
- in particular, judicator bodies should rely on the test set forth by the Court of Justice in the Windsurfing Chiemsee case, namely assess whether a specific state name (or another geographical name) is currently known, famous for or associated in the mind of the relevant class of persons with the category of goods or services concerned, or whether it is reasonable to assume that it may be associated in the future with such goods and/or services;
- in other words, **it is the actual/possible association between the geographical name and the specific goods/services that would make said name descriptive or non-distinctive and prohibit its registration as a trade mark. A general knowledge among consumers that a geographical area exists would be relevant but would not be sufficient to this end**, as consideration should also be given to the characteristics of the place designated by that name, and with the category of goods/services concerned. In this regard, what counts is **whether the relevant consumers may perceive the geographical name which they are aware of as an indication of the quality and other characteristics of the concerned goods/services.**

4. COSTS

30. INTA does not request that a party be ordered to pay costs. INTA agrees to bear its own legal expenses.

With all rights reserved and without prejudice,

FOR THESE REASONS,

MAY IT PLEASE THE GENERAL COURT OF THE EUROPEAN UNION TO:

1. Annul the decision of the Grand Board of Appeal of the EUIPO of 15 December 2022 in case R 1613/2019-G;
2. order INTA to bear its own costs.

Florence, 11 September 2023

For the Intervener

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