

**DECISION**  
**of the Grand Board of Appeal**  
**of 2 March 2020**

In Case R 1499/2016-G

**The Minister for Jobs, Enterprise and Innovation,**  
**a member of the Government of Ireland**  
Kildare Street  
Dublin 2  
Ireland

**Ornua Co-operative Limited**  
Grattan House, Mount Street Lower,  
Dublin 2  
Ireland

Invalidity Applicants / Appellants

represented by Tomkins & CO, 5 Dartmouth Road, Dublin 6, Ireland

v

**Hijos de Moises Rodriguez Gonzalez, S.A.**  
C/ de Mendoza n°2 -El Cebadal.-  
35008 Las Palmas de Gran Canaria  
Spain

EUTM Proprietor / Respondent

represented by García, Domínguez & Asociados, Plaza del Corriño, 19, 3° - 2,  
37002 Salamanca, Spain

APPEAL relating to Cancellation Proceedings No 10 268 C (European Union trade  
mark registration No 12 043 436)

**THE GRAND BOARD OF APPEAL**

composed of Th. M. Margellos (Chairperson and Rapporteur), S. Stürmann,  
D. Schennen, G. Humphreys, C. Negro, A. Pohlmann, R. Ocquet, V. Melgar,  
A. Kralik (Members)

Registrar: H. Dijkema

gives the following

## Decision

### Summary of the facts

- 1 By an application filed on 6 August 2013, Hijos de Moisés Rodríguez González, S.A. (‘the EUTM proprietor’) sought to register the figurative mark



claiming the colours yellow, green and white, for the following goods:

Class 29 - Meat, fish, poultry and game; meat extracts; preserved, frozen, dried and cooked fruits and vegetables; jellies, jams, compotes; eggs; milk and milk products; edible oils and fats.

- 2 The application was published on 23 September 2013 and the mark was registered on 3 January 2014.
- 3 On 7 January 2015, the Minister for Jobs, Enterprise and Innovation, a member of the Government of Ireland (‘the first invalidity applicant’) and the Irish Dairy Board Co-operative Limited (‘the second invalidity applicant’), jointly referred to as ‘the invalidity applicants’, filed a request for a declaration of invalidity against the registered mark for all the above goods.
- 4 The grounds of the invalidity request were those laid down in Article 59(1)(a) EUTMR – formerly 52(1)(a) of Regulation No 207/2009 – in conjunction with Article 7(1)(g) EUTMR (deceptive nature of the mark) and Article 59(1)(b) EUTMR – formerly 52(1)(b) of Regulation No 207/2009 (bad faith). The invalidity applicants reasoned their request as follows:

#### *Deceptive nature of the mark*

- The contested mark suggests that the goods it distinguishes are from Ireland and is therefore deceptive if not used exclusively on goods originating from Ireland. Concretely, the combination of the words ‘La Irlandesa’, meaning ‘the Irish woman’ or ‘Irish’ (feminine), the Celtic symbolism of the knot device and the colours, which evoke Ireland’s national colours and flag, suggests that the products are of Irish nature, or produced in Ireland, which is not the case.
- In support of this contention, the invalidity applicants filed the following evidence:

- Copies of the EUTM proprietor's online catalogue dated 2014, showing, amongst others, Dutch cheeses and ham, Danish salami, but no indication that any of the goods (also including butter, milk, etc.) are of Irish origin;
- A decision of the EUIPO's Cancellation Division of 25 September 2002 declaring the invalidity of EUTM No 283 572 for the figurative mark



for 'butter and powdered milk' in Class 29 on the grounds of it being deceptive for the Spanish public in accordance with Article 7(1)(g) and 7(2) EUTMR, upon a request filed by the first invalidity applicant. This decision is final.

#### *Bad faith*

- The EUTM proprietor departed from honest commercial and business practices when filing the mark. It used to have a commercial relationship with the second invalidity applicant, who sold Irish butter in bulk to the EUTM proprietor in the Canary Islands from 1967 for many years. The EUTM proprietor packed the butter and sold it under the 'LA IRLANDESA' and 'KERRYGOLD' trade marks together, actually registering the latter in Spain in its own name. Following legal action by the second invalidity applicant, an agreement was reached between them in 1984 (copy attached) that the 'KERRYGOLD' mark would be assigned to the second invalidity applicant. Currently there is no commercial relationship between the parties.
- There is a history of litigation involving the 'LA IRLANDESA' trade mark between the parties since the early 1990's, concretely in Spain:
  - The EUTM proprietor's national trade mark application No 1 809 086 'LA IRLANDESA' (figurative) for 'butter' in Class 29 was refused by the Spanish Trade Mark Office following an appeal filed by the first invalidity applicant, on the grounds that it was misleading, as confirmed by the final judgment of the Superior Court of Justice of Madrid, Contentious-Administrative Section, on 20 December 2000 (copies and translations attached);
  - The EUTM proprietor's national trade mark application No 1 779 152 'LA IRLANDESA' (figurative) for 'milk, dairy products, cheese, butter, cream and milk by-products' in Class 29 was refused by the Spanish Trade Mark Office following an appeal filed by the first invalidity applicant, on the grounds that it was misleading, as confirmed by the final judgment of the Superior Court of Justice of Madrid, Contentious-Administrative Section, on 19 March 2001 (copies and translations attached);

- The EUTM proprietor's national trade mark application No 2 390 439 'LA IRLANDESA' (figurative) for 'butter' in Class 29 was refused by the Spanish Trade Mark Office by final decision of 21 January 2002, amongst others, on the grounds that it was misleading (copy and translation attached).
- Despite these prior decisions (as well as the above cited decision of the EUIPO's Cancellation Division of 25 September 2002 declaring the invalidity of EUTM No 283 572, the figurative mark 'LA IRLANDESA'), the EUTM proprietor has again registered a series of four new marks incorporating the words 'LA IRLANDESA', including the contested mark.
  - The contested mark is moreover very close in appearance to the renowned 'KERRYGOLD' mark of the second invalidity applicant. It must therefore be questioned why the EUTM proprietor chose such a similar appearance for its mark, bearing in mind the knowledge it had of the second invalidity applicant's mark through their aforementioned business relationship. This shows unfair competition and is further evidence of bad faith. Results of an image search on the Internet were attached as evidence.
- 5 In its reply to the invalidity request, the EUTM proprietor mainly observed as follows:
- The invalidity applicants' request is an anti-competitive strategy against the EUTM proprietor. It aims at eliminating a competing brand, now that 30 years of close commercial collaboration have terminated.
  - There is no evidence that the contested mark is misleading. The invalidity applicants' arguments are based on speculation.
  - The words 'LA IRLANDESA' are not descriptive of the relevant goods' geographical origin. It is a famous brand in the Canary Islands. It has been registered in Spain since 1967 (Spanish trade mark No 538 320) and is still in force. The EUTM proprietor owns further Spanish and EU trade marks including these terms.
- 6 The invalidity applicants replied that the goods sold by the EUTM proprietor were manifestly not from Ireland and that it had not proven the contrary. As to the Spanish trade mark dating back to 1967, the invalidity applicants did not object to it due to the then existing business relationship, through which the second invalidity applicant sold Irish butter in bulk to the EUTM proprietor, who resold it in the Canary Islands under the 'LA IRLANDESA' and 'KERRYGOLD' trade marks. The mark 'LA IRLANDESA' was deliberately created in order to indicate that the butter came from Ireland, which is no longer the case, as the second invalidity applicant terminated the butter supply agreement with the EUTM proprietor in 2001. The invalidity applicants have taken numerous successful actions (see above) against the EUTM proprietor's 'LA IRLANDESA' trade marks.

***The Cancellation Division's decision***

- 7 By decision of 15 June 2016, the Cancellation Division rejected the request for a declaration of invalidity in its entirety. It reasoned, in particular, its decision as follows:

*Article 59(1)(a) in conjunction with Article 7(1)(g) EUTMR (deceptive nature of the mark)*

- The main part of the figurative mark reads ‘LA IRLANDESA’. According to the Spanish Dictionary *Diccionario de la Real Academia Española*, *irlandés / a* means ‘native of Ireland’, ‘belonging to or related to Ireland or the Irish’. The article ‘la’ is feminine, so together, ‘LA IRLANDESA’ means ‘Irish / Irish woman’.
- To offer the goods at issue under the sign ‘LA IRLANDESA’ clearly conveys the message that the goods originate from Ireland. The mark establishes a clear geographical link to Ireland.
- In order for a mark to be refused under Article 7(1)(g) EUTMR, it must contain an objective indication about characteristics which are clearly in contrast with the goods claimed in the specification. If there is a possible non-deceptive use for the goods, the objection does not apply. In this case, honest use can be made if only Irish products are sold, so honest use is presumed.
- There is no manifest contradiction between the mark and the goods at issue at the time of filing; thus, the contested mark has not been registered in breach of Article 7(1)(g) EUTMR. Any potential or factual actual deceptive use can only be assessed in the context of a revocation procedure.

*Article 59(1)(b) EUTMR (bad faith)*

- No bad faith has been proven at the time of filing the contested mark.
- It is certain that a commercial relationship existed between the second invalidity applicant and the proprietor, which was discontinued. From this fact, no further conclusions can be drawn.
- The invalidity applicants’ argument that the EUTM proprietor’s deliberate attempts to make the subject mark evocative and suggestive of Ireland would clearly indicate its ill motives at the date the mark was filed for registration, cannot be upheld. The figurative element of the contested mark does not remind one of Celtic art and the use of the colour green is on its own not decisive, although the mark does make clear reference to Ireland, as underlined by the colour. This circumstance however does not indicate a bad commercial behaviour.
- The previous judicial decisions cannot lead to a different outcome, given the factual circumstances of the present case.

- Whilst previous filings sometimes shed light on the trade mark applicant's intentions, in the case at hand, the precedent of the earlier EUTM which was cancelled and the previous national cases which were problematic due to absolute grounds of refusal, are not binding.

***The appeal – the parties' arguments and submissions***

- 8 On 12 August 2016, the invalidity applicants filed an appeal against the Cancellation Division's decision ('the contested decision'), requesting that it be entirely set aside. The statement of grounds received on 4 October 2016 contained the following arguments:

*Article 59(1)(a) in conjunction with Article 7(1)(g) EUTMR (deceptive nature of the mark)*

- The Cancellation Division has erred in not considering that the mark is deceptive.
- It has been confirmed by the Cancellation Division that the words 'LA IRLANDESA' mean 'the Irish woman' and that the contested mark conveys the clear message that the goods at issue originate from Ireland.
- When the mark was examined after its filing, the EUTM proprietor was given the benefit of the doubt and the assumption was made that it would use the mark in a non-deceptive way, i.e. on goods wholly emanating from Ireland.
- The invalidity applicants have produced evidence that shows that the mark is used on non-Irish goods and therefore in a deceptive and non-honest manner. It can be assumed that the mark was also deceptively used on non-Irish goods at the moment of filing, as the EUTM proprietor was already trading under the mark. This evidence must prevail over the assumption that the mark would be used in a non-deceptive manner, as this assumption was made without evidence.
- The Cancellation Division did not take into consideration the EUTM proprietor's product catalogue of 2014 filed during the invalidity proceedings. It is very probable that the catalogue's version at the date of filing was either the same or highly similar to this one, which shows use of the contested mark on many different foodstuffs indigenous to other countries and which are not of Irish origin. Hence, it shows use of the mark in a deceptive way.
- Further evidence to clarify and confirm the primary evidence was filed, namely, photographs of products sold by the EUTM proprietor under the 'La Irlandesa' mark produced in 2016 (as shown on the packaging) and bought on 1 August 2016 (as shown on the shopping ticket). The products' packaging bears information required by EU food safety regulations which identifies the processing establishment that produced and packaged the products as follows:

- *Queso Edam Bola Tierno* (Edam cheese) - the labelling indicates that this product was manufactured in the Netherlands;
  - *Queso Gouda sin corteza* (unsliced Gouda cheese) - the labelling indicates that this product was manufactured in the Netherlands;
  - *Queso Gouda* (Gouda cheese) - the labelling indicates that this product was manufactured in the Netherlands;
  - *Nata Liquida UHT* (liquid cream) - the labelling does not indicate a manufacturer but bears a German health mark;
  - *Leche evaporada* (evaporated milk) – the labelling indicates that this product was manufactured in Germany;
  - *Leche UHT semidesnatada* (semi-skimmed milk) – the labelling indicates that this product was manufactured in Germany;
  - *Queso fundido jamón* (melted cheese and ham) / *Queso fundido salmón* (melted cheese and salmon) / *Queso fundido finas hierbas* (melted cheese with fine herbs) / *Queso fundido gambas* (melted cheese with prawns) – These products bear the same German health mark. The labelling indicates that they were produced in a German cheese factory;
  - *Queso Camambert* / *Queso Brie* (Camembert and Brie cheese) - These products bear the same German health mark. The labelling indicates that they were produced in a German cheese factory;
  - *Queso Maasdam* (Maasdam cheese) / *Salchicha casera* (homemade sausage) / *Salami extra* / *Jamón cocido extra* (cooked ham extra) / *Chopped Pork* / *Queso Edam* (Edam cheese) – These products bear a Spanish health mark.
- It is clear from the above that the EUTM proprietor is using the contested mark on goods which are not of Irish origin and therefore in a deceptive manner.
  - It is noted that the EUTM proprietor has offered no limitation of the goods with the words ‘all from Ireland’ in the course of the invalidity proceedings. This is noteworthy because in three other related cases, the goods were restricted to ‘butter; butter from Ireland’. In this case, the EUTM proprietor could not restrict the goods because the mark is clearly being used on non-Irish goods. The EUTM proprietor has not proven that the goods are all of Irish provenance and were so at the time of filing, which could have been easily done.

*Article 59(1)(b) EUTMR (bad faith)*

- The Cancellation Division has erred in not considering that the mark was filed in bad faith.

- It should have considered all the circumstances of the case as a whole: the previous commercial relationship with the second invalidity applicant, the desire to continue with the Irish theme with the mark’s get-up and colours close to those of the second invalidity applicant’s ‘KERRYGOLD’ mark, the various attempts to secure registration and the previous judicial decisions holding ‘LA IRLANDESA’ to be deceptive. Taken together, these actions show bad faith at the date of filing the contested mark.
- 9 In its observations in reply received on 5 December 2016, the EUTM proprietor requests that the appeal be dismissed. Its main arguments are the following:
- The invalidity applicants did not prove the deceptiveness of the contested mark, because it is not limited to goods originating from Ireland.
  - The expression ‘LA IRLANDESA’ is used in Spanish as a demonym or nickname for a woman with red hair, green eyes and pale skin. These kinds of references may constitute valid trade marks regardless of the origin of the goods to which they apply. A list of examples of registered EUTMs with demonyms or denominations referring to nationalities, regardless of the goods’ countries of origin, was submitted with the reply.
  - The trade mark ‘LA IRLANDESA’ has been registered in Spain since 1967, where it has a strong distinctive character.
  - With regard to the photographs of the EUTM proprietor’s products submitted by the invalidity applicants, it is clear that consumers will see ‘LA IRLANDESA 1943’ as a trade mark, and not as an indication of the products’ geographical origin.
  - The invalidity applicants have not proven the EUTM proprietor’s bad faith. The EUTM proprietor owns several other Spanish trade marks containing the same or similar signs, which are currently registered at the Spanish Trade Mark Office and which were registered before the EUTM was filed.
- 10 By decision 2018-2 of 6 December 2017, the Presidium of the Board of Appeals, having regard to Article 165(3)(a) EUTMR, Article 166(4)(a) EUTMR, and Article 37(2) EUTMDR, found it appropriate to refer the case to the Grand Board in order to establish a harmonised approach of the Boards of Appeal in similar cases.

### **Reasons**

- 11 All references made in this decision should be seen as references to the EUTMR (EU) No 2017/1001 (OJ 2017 L 154, p. 1), codifying Regulation (EC) No 207/2009 as amended, unless specifically stated otherwise in this decision.
- 12 The appeal complies with Articles 66, 67 and Article 68(1) EUTMR. It is, therefore, admissible.



- 13 The appeal is also well founded. The contested decision must be annulled and the contested EUTM registration declared invalid.

*Admissibility of new evidence filed before the Board*

- 14 Together with the grounds of appeal, the invalidity applicants filed additional evidence, which is listed in paragraph 8 above.
- 15 It follows from Article 64(1) of Regulation (EC) No 207/2009 (now Article 71(1) EUTMR) that, through the effect of the appeal brought before it, the Board of Appeal may exercise any power within the competence of the department that was responsible for the contested decision and is therefore called upon, in this respect, to conduct a new, full examination as to the merits of the appeal, in terms of both law and fact (13/03/2007, C-29/05 P, ARCOL / CAPOL, EU:C:2007:162, § 57).
- 16 According to the case-law, it is always possible to submit evidence, in due time, for the first time before the Board of Appeal insofar as such evidence is intended to challenge the reasons given by the Cancellation Division in the contested decision. That evidence is, therefore, either evidence supplementary to that submitted in the proceedings before the Cancellation Division or evidence on a new matter which could not be raised during those proceedings (24/01/2018, C-634/16P, FITNESS, EU:C:2018:30, § 42).
- 17 This indeed coincides with the present wording of Article 27(4) EUTMDR, which confirms that the Board of Appeal may accept facts or evidence submitted for the first time before it only where those facts or evidence are on the face of it, likely to be relevant for the outcome of the case and they have not been produced in due time for valid reasons, in particular where they are merely supplementing relevant facts and evidence which had already been submitted in due time, or are filed to contest findings made or examined by the first instance of its own motion in the decision subject to appeal.
- 18 In the present case, the evidence filed before the Board appears to be relevant as it only supplements the evidence submitted previously before the Cancellation Division. Concretely, this evidence provides information about the products sold by the EUTM proprietor under the ‘LA IRLANDESA’ mark, particularly, their origin, as reflected on the products’ packaging.
- 19 This evidence is intended to challenge the reasons given in the contested decision and is therefore supplementary to that submitted in the proceedings before the Cancellation Division. This has been explained by the invalidity applicants in the statement of grounds.
- 20 In light of the above, the Board finds the evidence submitted by the invalidity applicants at the appeal stage to be admissible.

*Article 59(1)(a) in conjunction with Article 7(1)(g) EUTMR (deceptive nature of the mark)*

- 21 According to Article 59(1)(a) – formerly Article 52(1)(a) of Regulation No 207/2009 – read in conjunction with Article 7(1)(g) EUTMR, a trade mark shall be declared invalid where it has been registered despite being of such a nature as to deceive the public, for instance as to the nature, quality or geographical origin of the goods or service.
- 22 As a preliminary point, it must be recalled that in invalidity proceedings the EUIPO cannot be required to carry out afresh the examination which the examiner conducted, of his/her own motion, of the relevant facts which could have led him/her to apply the absolute grounds for refusal. It is apparent from the provision of Article 59(1)(a) EUTMR, that an EUTM is regarded as valid until it has been declared invalid by the EUIPO following invalidity proceedings.
- 23 By virtue of the presumption of validity of EU trade marks, in invalidity proceedings, it is for the person who has filed the application for a declaration of invalidity to invoke the specific facts which call the validity of that trade mark into question (13/09/2013, T-320/10, Castel, EU:T:2013:424, § 28).
- 24 It is settled case-law that the relevant date for the purpose of assessing an application for a declaration of invalidity based on Article 59(1)(a) EUTMR is that of the filing of the application for registration of the contested mark (03/06/2009, T-189/07, Flugbörse, EU:T:2009:172, confirmed by order of 23/04/2010, C-332/09 P, Flugbörse, EU:C:2010:225), which in this case is 6 August 2013.
- 25 The circumstances for refusing registration referred to in Article 7(1)(g) EUTMR presuppose the existence of actual deceit or a sufficiently serious risk that the consumer will be deceived (30/03/2006, C-259/04, Elizabeth Emanuel, EU:C:2006:215, § 47).
- 26 Further, it is additionally noteworthy that pursuant to Article 6(1)(b) of the Directive 2005/29/EC of the European Parliament and of the Council of 11 May 2005 concerning unfair business-to-consumer commercial practices in the internal market:
- ‘1. A commercial practice shall be regarded as misleading if it contains false information and is therefore untruthful or in any way, including overall presentation, deceives or is likely to deceive the average consumer, even if the information is factually correct, in relation to one or more of the following elements, and in either case causes or is likely to cause him to take a transactional decision that he would not have taken otherwise:
- (b) the main characteristics of the product, such as its ... geographical or commercial origin ...’
- 27 Once the existence of actual deceit or a sufficiently serious risk that the consumer will be deceived has been established, it becomes irrelevant that the mark applied for might also be perceived in a way that is not misleading. Indeed, the mark is then, on any view, of such a nature as to deceive the public and is therefore unable to fulfil its role, which is to guarantee the origin of the goods and services to which it refers (27/10/2016, T-29/16, CAFFÈ NERO, EU:T:2016:635, § 48).

- 28 As confirmed by the General Court, Article 7(1)(g) EUTMR may apply even when a non-deceptive use of the mark at issue is possible (27/10/2016, T-29/16, CAFFÈ NERO, EU:T:2016:635, § 49).

*The contested mark*

- 29 The mark at issue is a figurative sign, consisting of the term ‘LA IRLANDESA’, in white characters on a green label bearing a yellow frame and including a design under the words in the same colour and ‘1943’ in small numbers. Since the words contained in the mark are Spanish, the relevant public will be the Spanish-speaking average consumer to whom the relevant products (foodstuffs in Class 29) are directed.
- 30 The semantic content of this complex mark, where the words contained therein constitute the principal and dominant element (03/07/2003, T-122/01, Best Buy, EU:T:2003:183, § 30), has a clear meaning for Spanish-speaking consumers, namely, that someone (female) or something is of Irish origin. This was also confirmed by the Cancellation Division.
- 31 Further, it is a well-known fact that the colour green is used to represent the country of Ireland, e.g. in internationally celebrated festivities such as Saint Patrick’s Day. Ireland is known as the ‘Emerald Island’, a reference to the greenness of its countryside. The contested mark’s colour will thus underline the perception of the public that the goods bearing the mark are of Irish origin.
- 32 The contested products are foodstuffs in Class 29, namely, ‘meat, fish, poultry and game; meat extracts; preserved, frozen, dried and cooked fruits and vegetables; jellies, jams, compotes; eggs; milk and milk products; edible oils and fats’. They may all be produced in Ireland and some of them, as for instance Irish meat, fish (particularly, salmon) or butter – included in ‘milk products’ – are even renowned for their good quality.
- 33 As a whole, it may therefore be concluded that when the contested mark is placed on these goods without any further indication, Spanish-speaking consumers will establish at first sight and without any further thought a direct connection between the meaning of ‘LA IRLANDESA’ (*the Irish*) and a quality of these products, namely, their geographic origin. Hence, Spanish-speaking consumers, when seeing the mark on these products, will believe that they are from Ireland, for instance *la leche irlandesa* (milk from Ireland) or *la mantequilla irlandesa* (butter from Ireland).

*Deceptive nature of the contested mark*

- 34 Considering the clear and direct meaning of the mark for the Spanish-speaking consumers, the contested mark is misleading for the relevant public and was deceptive already at the time of its filing in accordance with the above cited case-law.
- 35 This is firstly confirmed by the evidence filed by the invalidity applicants before the Cancellation Division, which is detailed in paragraph 4 above.

- 36 This evidence includes the EUTM proprietor's catalogue of 2014, showing that the mark 'LA IRLANDESA' is used on milk and milk products, including cheese and butter, and on meat products. There is no indication in the catalogue that would confirm that any of these products sold under the mark 'LA IRLANDESA' are of Irish origin. On the contrary, the evidence shows that these products originate from other countries which are not Ireland. Concretely, the catalogue displays many goods sold under this mark that are typically produced and originate from the Netherlands, such as for example cheese with the indication of 'Gouda', 'Edam' or 'Maasdam', i.e. cheese produced in a traditional Dutch manner. These products therefore have no connection to Ireland. Furthermore, the catalogue also shows, amongst others, '*salami danés*', i.e. Danish salami. With respect to the other goods, including butter and milk, there is no indication on their packaging that would confirm that they are produced in Ireland and would therefore confirm the meaning of the trade mark 'LA IRLANDESA'. This is moreover confirmed by the EUTM proprietor, who acknowledges that the contested mark '*is not limited only to goods originating from Ireland*' (see page 4 of the observations to the appeal).
- 37 Secondly, this is also confirmed by the evidence submitted by the invalidity applicants before the Boards, which is listed in paragraph 8 above.
- 38 This evidence shows photographs of food products bearing the contested mark and acquired in Spain. In particular, the images show cheese, cream, milk and ham, which were also contained in the EUTM proprietor's catalogue of 2014 submitted before the Cancellation Division. It can be clearly seen from the photographs that these food products were manufactured in countries other than Ireland. They are mostly of Dutch or German origin, as can be seen on the packaging and labelling of the products in very small letters or identifiable by country codes or health numbers. However, they all prominently bear the contested mark. This gives Spanish-speaking consumers information which departs from reality, namely that these food products are of Irish origin. There is thus a clear contrast between the objective indication of 'LA IRLANDESA', which will be understood by the relevant consumers at first sight, and the actual origin of the goods.
- 39 In view of the above, the assessment of the evidence as a whole, submitted by the invalidity applicants both in the first and in the second instance, shows that the EUTM proprietor used the 'LA IRLANDESA' mark on goods which do not originate from Ireland.
- 40 This leads to a clear risk that the public – who immediately and without further thought identify the mark 'LA IRLANDESA' with Ireland and consequently believe that the food products bearing this mark originate from Ireland – will actually be misled as to the origin of the goods.
- 41 In addition to the above, it has been proven – and the EUTM proprietor has not denied it – that the mark was already in use before its filing date of 6 August 2013. Taking this fact into account, together with the evidence produced and in consideration of the above cited case-law, there is at least a sufficiently

serious indication that the mark was used already in a deceptive manner at the time of its filing.

- 42 It is noted that, although the EUTM proprietor had the possibility of making a non-deceptive use of the goods, it has made no effort to clarify it, either before the Cancellation Division, or before the Boards of Appeal. In its defence, the EUTM proprietor merely argues that the relevant consumers, when seeing the trade mark 'LA IRLANDESA' on the contested food products, will think of a 'woman with red hair, green eyes and fair skin'. According to the EUTM proprietor, the mark would not convey the message that the products on which it is used are from Ireland. These allegations have not been proven by the EUTM proprietor, who, for example, could have carried out a survey to show how Spanish consumers react to the mark or what they expect from the mark indicating 'LA IRLANDESA', i.e. 'the Irish' on the products. The mere statement that they will think of a red-haired woman appears to be rather far-fetched and cannot be followed.
- 43 Moreover, the finding that the trade mark 'LA IRLANDESA' for goods in Class 29 is misleading for the Spanish public has already been confirmed by national and EU instances. Although the Board is not bound by these decisions, the following rulings are noteworthy, as they clarify and confirm the present findings:
- Decision of the EUIPO Cancellation Division of 25 September 2002 declaring the invalidity of EUTM No 283 572 'La Irlandesa 1943' (fig.) with respect to 'butter and powdered milk' in Class 29 on the grounds of it being deceptive for the Spanish public in accordance with Article 7(1)(g) and Article 7(2) EUTMR. This decision is final;
  - Judgment of the Superior Court of Justice of Madrid, Contentious-Administrative Section, dated 20 December 2000, confirming the refusal of the EUTM proprietor's Spanish trade mark No 1 809 086 'LA IRLANDESA' (fig.) for 'butter' in Class 29, for being misleading. This decision is final;
  - Judgment of the Superior Court of Justice of Madrid, Contentious-Administrative Section, dated 19 March 2001, confirming the refusal of the EUTM proprietor's Spanish trade mark No 1 779 152 'LA IRLANDESA' (fig.) for 'milk, dairy products, cheese, butter, cream and milk by-products' in Class 29, for being misleading. This decision is final;
  - Final decision of the Spanish Trade Mark Office of 21 January 2002 refusing the Spanish trade mark application No 2 390 439 'LA IRLANDESA' (figurative) for 'butter' in Class 29, amongst others, on the grounds that it was found misleading for the Spanish public.
- 44 These decisions all confirm that the meaning of 'LA IRLANDESA' is so evident for the relevant Spanish public, that it will immediately and without further thought believe that the products covered by the mark in Class 29 originate from Ireland. Consequently, there is a serious risk for these consumers that they believe that the goods at issue possess certain characteristics – namely, that they are of

Irish origin – which they do not in fact possess. This risk was also present at the time of filing the EUTM application.

- 45 As regards the EUTM proprietor's argument that there are other marks which have been accepted by the Office in spite of including a reference to a nationality which does not coincide with that of the holders, it is to be noted that none of the marks cited by the EUTM proprietor are comparable to the contested mark. They include other terms and other graphic elements and most of them designate different goods and services. Moreover, most of them include terms that refer to the Netherlands and are owned by Dutch companies, so their situation is not analogous to that of the mark at stake. With respect to those including a term referring to a nationality which does not coincide with the holder, namely, EUTM registrations No 15 292 402 'HOLLANDIA ORIGINAL OD ROKU 1991' (fig.), No 8 702 086 'HOLLANDSE ALPEN' (words), No 15 501 331 'LA FLOR DE HOLANDA' (fig.), No 10 474 369 'THE FRENCHMAN' (words), No 11 067 857 'THE MEXICAN HOUSE' (words), No 5 428 339 'EL CORTE INGLÉS' (fig.), No 6 266 712 'ITASHI ITALIAN SUSHI' (words) – expired – and No 1 090 729 'ITALIANNI'S RESTAURANT', it is noted that none of them have been subject to an invalidity action as in the present case and their possible deceptive character has not been assessed by the cancellation examiners or the Boards of Appeal of the EUIPO. Since they are not the subject matter of the present appeal, the Grand Board cannot issue an opinion in their regard.
- 46 In any case, it must be recalled that the decisions concerning the registration of a sign as an EU trade mark are adopted in the exercise of circumscribed powers and are not a matter of discretion. Accordingly, the legality of EUIPO decisions must be assessed solely on the basis of the EUTMR, as interpreted by the EU judicature, and not on the basis of a previous decision-making practice (26/04/2007, C-412/05 P, Travatan, EU:C:2007:252, § 65). Furthermore, according to settled case-law, the EUIPO must, when examining an application for registration of an EU trade mark, take into account the decisions already taken in respect of similar applications and consider with special care whether or not it should decide in the same way. Nonetheless, the way in which the principles of equal treatment and sound administration are applied must be consistent with respect for legality. Consequently, a person who files an application for registration of a sign as a trade mark cannot rely, to his/her advantage and in order to secure an identical decision, on a possibly unlawful act committed to his/her benefit or to the benefit of someone else. Moreover, for reasons of legal certainty and, indeed, of sound administration, the examination of any trade mark application must be stringent and full, in order to prevent trade marks from being improperly registered. That examination must be undertaken in each individual case. The registration of a sign as a mark depends on specific criteria, which are applicable in the factual circumstances of the present case and the purpose of which is to ascertain whether the sign at issue is caught by a ground for refusal (10/03/2011, C-51/10 P, 1000, EU:C:2011:139, § 74-77). This applies to the present case.
- 47 Summarizing, the contested mark constitutes a clear and specific designation of a characteristic of the goods covered by it, namely, their geographical origin. Consumers will therefore be led to believe that the goods possess this

characteristic, which in fact they do not and will therefore be deceived by the contested mark (29/11/2018, T-681/17, KHADI / KHADI, EU:T:2018:858, § 53).

- 48 In light of the foregoing, the contested mark must be declared invalid on the grounds of it being deceptive within the meaning of Article 7(1)(g) EUTMR.

*Article 59(1)(b) EUTMR (bad faith)*

- 49 Under Article 59(1)(b) EUTMR – formerly Article 52(1)(b) of Regulation No 207/2009 – an EUTM is to be declared invalid where the applicant was acting in bad faith when it filed the application for the trade mark. It is for the applicant for a declaration of invalidity, who intends to rely on that ground, to establish the circumstances which make it possible to conclude that the proprietor of an EUTM was acting in bad faith when he/she filed the application for registration of that mark. There is a presumption of good faith until proof to the contrary is adduced (08/03/2017, T-23/16, Formata (fig.), EU:T:2017:149, § 45 and the case-law cited).
- 50 The ground for invalidity established in Article 59(1)(b) EUTMR is an absolute ground of invalidity based on the behaviour and subjective intentions of the proprietor at the time of filing the trade mark application. The concept of ‘bad faith’ referred to in this provision is however not defined, delimited or even described in any way in the legislation (29/06/2017, T-343/14, CIPRIANI / CIPRIANI, EU:T:2017:458, § 25 and the case-law cited).
- 51 In its judgment of 12 September 2019, (12/09/2019, C-104/18P, STYLO & KOTON (fig.), EU:C:2019:724, § 46), the Court ruled that ‘the absolute ground for invalidity referred to in Article 52(1)(b) of Regulation No 207/2009 applies where it is apparent from relevant and consistent indicia that the proprietor of an EU trade mark has filed the application for registration of that mark not with the aim of engaging fairly in competition but with the intention of undermining, in a manner inconsistent with honest practices, the interests of third parties, or with the intention of obtaining, without even targeting a specific third party, an exclusive right for purposes other than those falling within the functions of a trade mark, in particular the essential function of indicating origin’. In that regard, the Court has previously ruled that ‘whether the applicant is acting in bad faith, within the meaning of Article 51(1)(b) of Regulation No 40/94, must be the subject of an overall assessment, taking into account all the factors relevant to the particular case’ and ‘the applicant’s intention at the relevant time is a subjective factor which must be determined by reference to the objective circumstances of the particular case’ (11/06/2009, C-529/07, Lindt Goldhase, EU:C:2009:361, § 37 and 42).
- 52 According to the case-law, in order to determine whether the applicant for registration was acting in bad faith, within the meaning of Article 59(1)(b) EUTMR, account must be taken of all the relevant factors specific to the particular case which existed at the time of filing the application for registration of an EUTM, in particular: (i) the fact that the applicant knew or should have known that a third party was using, in at least one Member State, an identical or similar sign for an identical or similar product or service that could be confused with the

sign for which registration was sought; (ii) the applicant's intention of preventing that third party from continuing to use such a sign; and (iii) the degree of legal protection enjoyed by the third party's sign and by the sign for which registration was sought (11/06/2009, C-529/07, Lindt Goldhase, EU:C:2009:361, § 53).

- 53 These factors are merely examples drawn from a number of factors which may be taken into account in order to decide whether the applicant for registration of a sign as an EU trade mark was acting in bad faith at the time of filing the trade mark application (29/06/2017, T-343/14, CIPRIANI / CIPRIANI, EU:T:2017:458, § 28 and the case-law cited).
- 54 In that regard, it should be noted that, in the overall analysis undertaken for the purposes of Article 59(1)(b) EUTMR, account may also be taken of the origin of the contested sign and its use since its creation, the commercial logic underlying the filing of the application for registration of the sign as an EU trade mark, and the chronology of events leading up to that filing (26/02/2015, T-257/11, COLOURBLIND, EU:T:2015:115, § 68 and the case-law cited; 09/07/2015, T-100/13, CAMOMILLA, EU:T:2015:481, § 35-36 and the case-law cited).
- 55 Furthermore, the General Court has held that, in order to assess whether there was bad faith, the EUTM proprietor's intention at the time of filing the application for registration, which is a subjective factor that has to be determined by reference to the objective circumstances of the particular case, must also be taken into account (08/03/2017, T-23/16, Formata (fig.), EU:T:2017:149, § 44 and the case-law cited).
- 56 This intention may be inferred from all the objective situations of conflicting interests in which the EUTM proprietor has operated (11/07/2013, T-321/10, Gruppo Salini, EU:T:2013:372, § 28). It may, inter alia, be inferred from the EUTM proprietor's specific actions before the filing of the contested mark, from the contractual, pre-contractual or post-contractual relationship between the parties, from the existence of reciprocal duties or obligations, including the duties of loyalty and integrity arising because of the present or past occupation of certain positions in the business relationship, etc. (12/09/2019, C-104/18 P, STYLO & KOTON, EU:C:2019:724, § 47; 11/02/2020, R 2445/2017-G, Sandra Pabst, § 34 et seq.).
- 57 Thus, the concept of bad faith involves a subjective motivation on the part of the trade mark applicant, namely a dishonest intention or other deceitful motive. It involves conduct which departs from accepted principles of ethical behaviour or honest commercial and business practices (14/05/2019, T-795/17, NEYMAR, EU:T:2019:329, § 23).
- 58 In that regard it needs to be additionally noted that, pursuant to Articles 5(4) and 6(1)(b) of the Directive 2005/29/EC, commercial practices are to be considered 'unfair' and, therefore, dishonest if they contain false information and are therefore untruthful or are in any way, including in terms of overall presentation, deceptive or likely to deceive the average consumer in relation, inter alia, to the main characteristics of the product, such as its geographical or commercial origin.



- 59 It is in the light of the foregoing that the legality of the contested decision must be reviewed, in so far as the Cancellation Division concluded that there was no bad faith on the part of the EUTM proprietor when it filed the application for registration of the contested mark.
- 60 It is apparent that the sign establishes a clear geographical link to Ireland. Used on the goods at issue in Class 29, 'LA IRLANDESA' will be understood by the relevant Spanish-speaking consumers as an indication that these products are of Irish origin (see above paragraphs 29-33).
- 61 The mark is being used in a deceptive manner. As can be seen from the evidence submitted in support of the application for a declaration of invalidity and, in particular, from the catalogue and photographs showing the EUTM proprietor's products sold under the mark 'LA IRLANDESA', these products are not of Irish origin, but rather of Dutch or German origin, as shown in small letters as well as by the country and health code numbers on their packaging and labelling. The public, understanding the expression 'LA IRLANDESA' as an indication that the food products come from Ireland, will therefore be deceived or misled as to their origin (see above paragraphs 31-34).
- 62 As stated above, the trade mark 'LA IRLANDESA' had already been cancelled for this reason by both the EUIPO and by the Spanish courts and administrative instances a long time before the filing of the contested mark. Indeed, these decisions that predate the contested mark's filing date, confirm that 'LA IRLANDESA' for goods in Class 29 is a misleading mark for the Spanish public (see above paragraphs 43-44).
- 63 Taking into account, on the one hand, that the aforementioned decisions and judgments taken at the level of the EUIPO and nationally in Spain – in which the EUTM proprietor was a party - state that the 'LA IRLANDESA' trade mark was deceptive and, on the other hand, that these were issued in 2000, 2001 and 2002, it is reasonable to conclude that that party was well aware of them before filing the contested mark. Indeed, it is noted that two later Spanish registrations, No 2 999 516 and No 2 999 528 both for the 3-D mark bearing the verbal elements 'MANTEQUILLA PURA DE IRLANDA LA IRLANDESA 1943' were filed to distinguish specifically 'butter of Irish origin' in Class 29, presumably to avoid rejection by the Spanish administration as in the previous cases. Likewise, the four further EUTM registrations held by the EUTM proprietor, namely, No 12 043 386, No 12 043 592 and No 12 043 659 all for 3D-marks including the terms 'LA IRLANDESA', as well as the word mark No 14 454 714 'MANTEQUILLA LA IRLANDESA, NUESTRO SECRETO: EL ACCESO A PASTOS NATURALES EN IRLANDA, MÁS DE 300 DÍAS AL AÑO' specifically cover 'butter, butter from Ireland' in Class 29.
- 64 In addition, the EUTM proprietor did not make any attempt to remedy the misleading character of its trade mark by limiting, as it did it in its previously cited EUTM registrations, the product specification, to goods having an Irish origin.

- 65 Further, it was proven by the invalidity applicants that the EUTM proprietor had a long-lasting business relationship with the second invalidity applicant, concretely, from 1967 to 2001. More particularly, this is shown by means of a letter signed by the EUTM proprietor confirming its status as ‘exclusive agency’ for the second invalidity applicant for the sale of dairy products and the assignment document of the trade mark ‘KERRYGOLD’ in Spain from the EUTM proprietor to the second invalidity applicant. The existence of the said business relationship has moreover not been disputed by the EUTM proprietor, who at the time bought Irish butter in bulk from the second invalidity applicant, packed it, and sold it in the Canary Islands.
- 66 The beginning of this business relationship with the second invalidity applicant coincides with the EUTM proprietor filing a first Spanish trade mark application for ‘LA IRLANDESA’ in 1967 at the Spanish Trade Mark Office, which it registered in November 1968. It is therefore apparent that this first mark ‘LA IRLANDESA’ was created with a clear purpose, namely, that of promoting the sale of the butter of Irish origin in Spain. The business relationship between the parties concluded in 2001 and the parties agree that there have been no further commercial relations between them since. However, the contested mark was filed after the commercial relationship had ended in 2001; thus, the EUTM proprietor was at the time no longer selling the second invalidity applicant’s food products of Irish origin.
- 67 Taking into account the above chronology of the events, it is clear that the EUTM proprietor’s first (Spanish) trade mark ‘LA IRLANDESA’ originated from the contractual relationship between the parties. It is not a mark born independently of this business relationship, but directly relates to the Irish origin of the products the EUTM proprietor was allowed to sell in Spain from the second invalidity applicant. It can therefore be established, as sustained by the invalidity applicants, that the contested mark was initially created and filed by the EUTM proprietor in the context of the commercial relationship between the parties, and that its initial purpose was therefore to distinguish the foodstuffs sold by the EUTM proprietor as having an Irish origin (see, by analogy, 30/04/2019, T-136/18, K, EU:T:2019:265, § 69).
- 68 The evidence shows that the products sold under the mark ‘LA IRLANDESA’ by the EUTM proprietor after the finalisation of that relationship no longer have Irish origin. The EUTM proprietor has not proven or even claimed the existence of any other contract with other companies, through which it was buying products of Irish origin to resell them in Spain at the time of filing the contested mark.
- 69 It was therefore no longer commercially reasonable for the EUTM proprietor to file the contested mark. Neither has the EUTM proprietor explained or attempted to clear the doubts concerning the economic logic of using this trade mark after the finalisation of the commercial relationship. Its motivation seems limited to the pure convenience of obtaining an undue advantage from the EU trade mark system (see opinion of Advocate General Kokott delivered on 4 April 2019 in C-104/18, *STYLO & KOTON* (fig.), EU:C:2019:287, § 61, 67, 70; 09/07/2015, T-100/13, *CAMOMILLA*, EU:T:2015:481, § 36-37; 53).

- 70 Furthermore, the EUTM proprietor has provided no explanation that would justify the filing of the contested mark. As alleged by the invalidity applicants, it seems apparent that the EUTM proprietor intentionally sought registration of the contested mark with the purpose of creating an association with Ireland and continuing to benefit from the business carried out during their business relationship, with the intention and purpose of taking an undue advantage of the good image of Irish products (14/05/2019, T-795/17, NEYMAR, EU:T:2019:329, § 47). The EUTM proprietor does not challenge these allegations.
- 71 As is apparent from the judgment of 11/06/2009, C-529/07, Lindt Goldhase, EU:C:2009:361, § 38-42, the existence of bad faith on the part of the applicant for registration at the time of filing the application for registration of an EU trade mark must be assessed, *inter alia*, in the light of his/her intention. This intention of the applicant for registration at the relevant time is a subjective factor which must be determined by reference to the objective circumstances of the particular case.
- 72 In the present case, the objective factors result from the use, in a deceptive manner, of the contested mark and from the previous EUIPO and Spanish court decisions, as well as from the previous and now concluded business relationship with the second invalidity applicant. Considering these particular circumstances, it is possible to conclude that it was the EUTM proprietor's intention, with the filing of the contested EUTM, to continue deceiving the public as to the products' geographical origin and to take advantage of the good image of Irish products as it had done whilst the relationship with the second invalidity applicant was still ongoing (see by analogy, 14/05/2019, T-795/17, NEYMAR, EU:T:2019:329, § 50-51).
- 73 Such a practice is likely to materially distort the economic behaviour of the relevant consumer with regard to the products and prevents him/her from making an efficient choice.
- 74 Having assessed the objective factors and the evidence mentioned above in the specific context of the present case, it is possible to ascertain the EUTM proprietor's dishonest intention at the time of filing the contested mark, namely, that it was filed deliberately with the purpose of creating an association with Ireland and thus, that it was filed in bad faith (see by analogy, 14/05/2019, T-795/17, NEYMAR, EU:T:2019:329, § 55, 57).
- 75 In light of the foregoing, the contested mark must be declared invalid also on the grounds of bad faith.

### **Costs**

- 76 Pursuant to Article 109(1) EUTMR and Article 18 EUTMIR, the EUTM proprietor, as the losing party, must bear the invalidity applicants' costs of the cancellation and appeal proceedings.
- 77 As to the appeal proceedings, these consist of the appeal fee of EUR 720 and the invalidity applicants' costs of professional representation of EUR 550.

- 78 As to the cancellation proceedings, the EUTM proprietor must reimburse the cancellation fee of EUR 700 and the invalidity applicants' cost of professional representation of EUR 450. The total amount is fixed at EUR 2 420.

**Order**

On those grounds,

THE BOARD

hereby:

- 1. Annuls the contested decision;**
- 2. Declares EUTM No 12 043 436 invalid in its entirety;**
- 3. Orders the EUTM proprietor to bear the invalidity applicants' costs incurred in the appeal and cancellation proceedings in the amount of EUR 2 420.**

Signed

G. Humphreys

Signed

Th. M. Margellos

Signed

A. Kralik

Signed

V. Melgar

Signed

C. Negro

Signed

R. Ocquet

Signed

A. Pohlmann

Signed

D. Schennen

Signed

S. Stürmann

Registrar:

Signed

H.Dijkema

