recently demonstrated in the PORTOBELLO decision by OHIM (see Instituto Dos Vinhos Do Douro e Do Porto, IP v Gerard Feltham, OHIM Opposition Decision B2338120 of 17 April 2015—on which see E. Van Den Eede, ‘Confusion in the wine list: prior GI v prior trade mark as relative grounds for refusal in OHIM opposition proceedings’ (2015), Journal of Intellectual Property Law & Practice, 10 (12), 899–901).

Practical significance

The CJEU guidance leaves limited space to the national judge in the identification of the common syllables: it is therefore very likely that the ban of the commercialization of ‘Verlados’ under that name will be confirmed.

More generally, the Viëniverla decision will have an impact on the possibility to register a trade mark containing part of a protected designation, both at national level and before the EUIPO (formerly OHIM).

Viëniverla reinforces that challenging this approach by trying to file applications of alluding trade marks is just ‘too much ado about nothing’: the risk is to see the application invalidated.

It appears predictable that such strictness will be employed in similar potential cases referred to GI-protected aromatized wines and, in perspective, with regard to non-agricultural GIs, if the GI scheme will be extended to such products (see Resolution of the European Parliament 6 October 2015: http://www.europarl.europa.eu/sides/getDoc.do?type=TA&language=EN&reference=P8-TA-2015-0331).

At least to this extent, the evolution of the GI system in the EU is developing in a coherent way, notwithstanding its controversial aspects and difficulties in interpretation.

Nicola Coppola
Centre for Intellectual Property Policy and Management (CIPPM)
Bournemouth University
Email: nayco75@yahoo.it

doi:10.1093/jiplp/jpw046

“Balsamico” is the taste of Modena and Reggio Emilia only

Balema v Consorzio Tutela Aceto Balsamico di Modena, LG Mannheim, Court of First Instance, 15 September 2015

The use in the course of trade of the denominations ‘Balsamico’ and ‘Aceto Balsamico’ in connection with vinegar-based products, other than those protected under the geographical indication ‘Aceto Balsamico di Modena’ (protected geographical indication (PGI)), is an evocation of such registered geographical indication. Therefore, the use of a component of a registered name for a geographical indication can be prohibited even when such component is not protected on its own insofar as it creates a misleading association with the protected geographical indication in the minds of consumers.

Legal context


In particular, the case hinges on the application of Article 13(1)(b) of Regulation (EU) No 1151/2012, former Council Regulation (EC) No 516/2006, which affords protection to registered names of protected designation of origin (PDO) or protected geographical indication (PGI) against any misuse evocation and imitation, even where the true origin of the products or services is indicated or the protected name is translate or accompanied by an expression such as ‘style’, ‘type’, ‘method’, ‘as produced...”


4 Regulation 1076/96: OJ L 60, 4.3.2015, p. 70–70 (BG, ES, CS, DA, DE, ET, EL, EN, FR, HR, IT, LV, LT, HU, MT, NL, PL, PT, RO, SK, SL, FI, SV).


with the latter’s products. It argued that the way those products were offered and marketed created confusion with the PGI Aceto Balsamico di Modena and therefore infringed the rights in this registered geographical indication.

However, Balema disregarded the cease and desist letters and continued to promote and commercialize its vinegar-based products under the denomination ‘Deutscher Balsamico’ and ‘Balasamico’. In addition, it filed a declaratory action establishing non-infringement before the Regional Court of First Instance of LG Mannheim.

According to Balema, ‘Balsamico’ was a generic term which was not protected independently from the registered geographic indication ‘Aceto Balsamico di Modena’ as a whole, in accordance with Community Regulations Nos 516/2006 and 583/2009. In addition, Balema contended that terms such as ‘Aceto Balsamico’ and ‘Balsamico’ have been used to identify a wide range of products even outside Italy, based on the combination of wine vinegar and grape must. Finally, given the presentation and advertising of Balema’s products there was no doubt that they originated in Germany.

However, the Consorzio Tutela dell’Aceto Balsamico di Modena contended that ‘Balsamico’ is an abbreviation of the entire geographical indication at issue. Therefore the misleading use on the part of Balema of that Italian term, together with the reference to the traditional manufacture of vinegar products, meant that it could claim injunctive relief before the Court of LG Mannheim, irrespective of the irrelevant mention of the German provenance of the products.

The court dismissed the action and considered that the Consorzio Tutela dell’Aceto Balsamico di Modena had legitimately opposed the PGI against the use of the infringing labels bearing the term ‘Balsamico’. In its decision, the Court of Mannheim applied the principles of Community law and the case law of both the European Court of Justice in Parmesan (C-132/05, EU:C:2008:117) and Cambozola (C-87/97, EU:C:1999:115), and the Court of First Instance in Grana Biraghi (T-291/03, EU:T:2007:255).

**Analysis**

From the outset, the Court of Mannheim observed that neither party challenged the non-compliance of Balema’s products with the regulations governing the production of Aceto Balsamico di Modena insofar as they are produced in Germany.

Consequently, the court held that the use of the term ‘Balsamico’ on the labels of Balema’s vinegar bottles was incompatible with Article 13(1)(b) of Regulation (EU) No 516/2006 and 583/2009.
1150/2012, in that such term was an unlawful evocation of the PGI Aceto Balsamico di Modena.

Those findings could not be contravened by the interpretation of Recital 10 of Regulation (EC) No 583/2009, which entails Germany’s and Greece’s objections that the terms ‘Balsamico’, ‘Aceto’ and ‘Aceto Balsamico’ were generic, raised at the time that the denomination ‘Aceto Balsamico di Modena’ as a whole was entered as PGI into the Register of PDOs and PGIs.

The Mannheim court noted the Commission’s opinion that those objections must be assessed in light of the principles of Community law to establish what type of use can be made of geographical terms in the Aceto Balsamico di Modena PGI. In any event, the court concluded that there is no reference within Regulation (EC) No 583/2009 to the terms ‘Balsamico’, ‘Aceto’ and ‘Aceto Balsamico’ as being generic although they are not protected names on their own.

Further, the Court of Mannheim applied the case law of Parmesan and Cambozola, stating that evocation is a legal concept to be broadly interpreted and can be found where the contested labels trigger in the minds of consumers the image of the product whose designation is protected. Evocation does not necessarily imply that there is a likelihood of confusion between the comparable products, even where the part of the designation evoked is not afforded Community protection.

Balema has been using the term ‘Balsamico’, evoking the PGI Aceto Balsamico di Modena, as it reproduced that term in Italian without any descriptive purpose but echoing the reputed vinegar produced in the areas of Modena and Reggio Emilia in Northern Italy. In this last regard, even the Brockhaus encyclopedia defines ‘Balsamico’ as a denomination for a type of vinegar from that area of Italy. All in all, Balema did not fulfil its burden of proof in demonstrating that the term ‘Balsamico’ was generic. Indeed, the Court of Mannheim stated that consumers know that Balsamico is a commonly used abbreviation of the PGI at issue and it cannot be considered generic even if it is also included in other protected names for PDOs, namely ‘Aceto Balsamico Tradizionale di Modena’ and ‘Aceto Balsamico Tradizionale di Reggio Emilia’.

Indeed, to conclude that the terms Aceto Balsamico and Balsamico were not generic, the court considered, among other criteria, the perception of consumers in the whole Community, or at least in a substantial part of the Community, and to what extent the PGI production in question is concentrated in the territory covered by the protected designation.

Practical significance

It has been affirmed that the term ‘Balsamico’ is not generic and is used as an abbreviation of the registered geographical indication ‘Aceto Balsamico di Modena’. This recognition has relevance both from the legal and the practical perspective.

It is extremely relevant that, in civil proceedings, a national court has referred to the EU legal framework for PGIs and PDOs to be consistent with the purpose of providing effective protection to those products that have fulfilled the requirements for registration as geographical indications and designation of origin. In this regard, the Court of Mannheim has aligned with the European case law in promoting a broad interpretation of the criteria to establish whether a certain term, such as ‘Balsamico’ in the case at hand, could evoke a protected geographical indication.

From the practical point of view, it is undeniable that in the EU the protection of geographical indications and denominations of origin aims to preserve the investment in products that result from the cultural and traditional heritage of the territories in the EU. This relates not only to the need to safeguard consumers against imitation or counterfeits but also to the commitment to enhance the biodiversity characterizing the EU territory. To this end, the decision of the Court of Mannheim will permit the implementation of the ex officio protection provided by Regulation (EU) No 1151/2012 which may lead to the seizure of Balema’s infringing products.

Valentina Torelli
Salvador Ferrandis & Partners, Madrid
Email: valentina_torelli@hotmail.com

doi:10.1093/jiplp/jpw013

The storm over a teacup: Hong Kong top court clarifies IP law

Tsit Wing (Hong Kong) Company Limited and others v TWG Tea Company Pte Ltd and another, Hong Kong Court of Final Appeal, (2016) 19 HKCFAR 20

The Hong Kong Court of Final Appeal (HKCFA) clarified several key questions on Hong Kong intellectual property law, including the applicability of the United States approach of ‘dilution’ in the law of passing-off, and the proper construction and application of the Hong Kong Trade Marks Ordinance.

Legal context

In Hong Kong, the trade mark regime is governed by the Hong Kong Trade Marks Ordinance (Cap 559) (TMO), which is substantially similar to the UK Trade Marks Act 1994 (TMA). On the other hand, the law of passing-off is governed under the common law as recognized in Hong Kong, and the English authorities on the subject have been frequently applied by the Hong Kong courts.