OPINION OF ADVOCATE GENERAL JACOBS

delivered on 17 December 1998 *

1. Is it compatible with Community law for a national court to prohibit the marketing under the designation 'Cambozola' of a cheese imported from another Member State where it is lawfully marketed under that name on the ground that its use infringes the designation of origin 'Gorgonzola', registered under Council Regulation (EEC) No 2081/92 of 14 July 1992 on the protection of geographical indications and designations of origin for agricultural products and foodstuffs [1] and protected under certain international agreements? That, essentially, is the question in effect raised by this reference from the Handelsgericht, Wien (Commercial Court, Vienna).

The facts and the main proceedings

2. The applicant in the main proceedings is a consortium of producers of Gorgonzola cheese. Gorgonzola is a soft cheese marbled with blue mould which derives its name from the former village (now a suburb of Milan) in the province of Milan, Italy. The consortium's objects include promoting the production of and trade in Gorgonzola cheese, protecting the use of the designation 'Gorgonzola' or a similar recognised designation, supervising the use of the consortium's trade marks and ensuring application of the rules on protecting designations of origin of types of cheese. The members of the consortium add to the protected designation of origin 'Gorgonzola' specific trading names to identify their dairies, generally including the component '-zola'.

3. The first defendant is a cheese-producer established near Kempten, Germany, which produces a soft cheese, also with blue mould, called Cambozola. The first defendant has marketed Cambozola in Germany since autumn 1977 and in Austria since March 1983; Cambozola is also sold in almost all other Member States. The first defendant is the owner of the Austrian trade mark 'Cambozola', with protection from 7 April 1983, registered for milk and milk products, especially cheese.

4. The second defendant is a wholesaler of various kinds of foodstuffs, including cheese. In Austria, the bulk of the blue cheese

* Original language: English.

1 — OJ 1992 L 208, p. 1.

produced by the first defendant under the name 'Cambozola' is sold on to the retail trade by the second defendant.

5. In May 1994 the applicant applied to the Handelsgericht, Wien, for an order that the defendants cease marketing a blue cheese under the designation 'Cambozola' and consent to the cancellation of the 'Cambozola' trade mark. The applicant also sought an interim order prohibiting the defendants from marketing a blue cheese under the designation 'Cambozola' for the duration of the proceedings.

6. The applicant based its claim on provisions of national and international law.

7. The national law invoked was the Österreiches Gesetz gegen den unlauteren Wettbewerb (Austrian law against unfair competition). Paragraph 1 of that law considers any unfair trading practice to be anti-competitive. Paragraph 2 provides that deception, in particular as to quality, origin and method of production of goods or services, is anti-competitive. Paragraph 9 prohibits the abuse of trade names.

8. The Treaty invoked was the international Convention for the use of appellations d'origine and denominations of cheeses, signed at Stresa on 1 June 1951. That Convention covered use of the name 'Gorgonzola' as from 1 June 1954.[2] Article 1 of the Convention prohibits 'all specifications which constitute false information as to the origin, variety, nature or specific qualities of the cheeses ...'. Article 3 protects the specified names 'whether they are used alone or accompanied by a qualifying or even corrective term such as "type", "kind", "imitation", or other term'.

9. The Handelsgericht granted an interim order on 24 June 1994 on the basis of the Stresa Convention. That decision was upheld on appeal by the Oberlandesgericht, Wien (Higher Regional Court, Vienna) on 22 September 1994. It appears that those two courts ruled that the Stresa Convention not only

2 — See Protocol II to the Convention.

protected the designation of origin 'Gorgonzola' but also prohibited the use of similar names liable to lead to confusion, such as 'Cambozola'. The rulings were manifestly inspired by a judgment of the Oberster Gerichtshof (Supreme Court), which ruled in May 1993 in a case also brought by the Consorzio per la Tutela del Formaggio Gorgonzola that Article 3 of the Stresa Convention prohibited an evocative name such as, in that case, 'Österzola'. [3]

10. Once the interim order had been upheld on appeal, the main proceedings resumed before the Handelsgericht. The Stresa Convention, however, ceased to be applicable in Austria on 9 February 1996. [4] The protection in Austria of the designation of origin 'Gorgonzola' was thereafter governed at international level by the Agreement between Austria and Italy on geographical designations of origin and names of certain products signed in Rome on 1 February 1952 and the Additional Protocol to that agreement signed in Vienna on 17 December 1969.

11. The Austro-Italian Agreement obliges the Contracting Parties to take all necessary measures effectively to protect geographical designations of origin and names of certain products against unfair competition. [5] Any competitive act which is contrary to proper practice in the field of trade or commerce constitutes unfair competition. [6] The protection of the Agreement is expressly stated to apply even if the actual origin of the product is stated or the name is accompanied by certain corrective statements such as 'type', 'method', 'kind' or the like. [7] The original Agreement applied to a limited number of listed products, including, among foodstuffs, alcoholic drinks and preserved meat but excluding cheese. [8] The Additional Protocol greatly extended the list of protected products to include *inter alia* numerous cheeses. [9] With respect to certain cheese designations, however, including 'Gorgonzola', the Protocol expressly provided that it was to come into effect only in the event of the expiry or amendment of the Stresa Convention. The Austro-Italian Agreement accordingly became applicable to Gorgonzola on 10 February 1996.

12. The defendants argued before the Handelsgericht that the interim order and the final order sought by the applicant infringed Community law. They submitted that the cheese was lawfully put on the market under the name 'Cambozola' in its State of origin

3 — *Consorzio per la Tutela del Formaggio Gorgonzola* v *Landgenossenschaft Ennstal and Agrarverwertungsverband*, judgment of 18 May 1993.

4 — *Bundesgesetzblatt*, 19 April 1995, p. 3729, paragraph 269.

5 — Article 1(1).

6 — Article 1(2).

7 — Article 2(2).

8 — Annexes I and II.

9 — Annexes I and II.

(Germany) and imported into Austria and that the prohibition restricted trade contrary to Article 30 and was not justified by Article 36 of the EC Treaty.

13. Seeking guidance as to whether the orders were contrary to Article 30 or justified by Article 36, the Handelsgericht referred the following questions to the Court of Justice for a preliminary ruling:

'Is it compatible, in the current state of Community law, with the principles of the free movement of goods (Articles 30 and 36 of the EC Treaty) that a cheese which has been lawfully produced in a Member State since 1977 and designated by the name "Cambozola", and which has been marketed in another Member State since 1983, is not permitted to be marketed in the latter Member State under the name "Cambozola", on the basis of a national measure referring to an international agreement for the protection of geographical designations of origin and names of certain products (which protects the designation "Gorgonzola" ...) and referring to a national prohibition of misleading statements?

Does it make any difference to the answer to that question if the packaging of the cheese designated as "Cambozola" bears a clearly visible indication of the country of manufacture ("Deutscher Weichkäse"), if that cheese is as a rule not displayed and sold to consumers in the form of whole cheeses, but in pieces, sometimes without the original packaging?'

14. Written observations have been submitted by the applicant, the defendants, the Austrian, French, Greek and Italian Governments and the Commission. The applicant, the defendants, the French, Greek and Italian Governments and the Commission were represented at the hearing.

The Community legislation

15. 'Gorgonzola' was registered as a protected designation of origin pursuant to Regulation No 2081/92 ('the Regulation') by virtue of Article 1 of Commission Regulation (EC) No 1107/96 [10] on 21 June 1996. The national court makes no reference to either regulation.

10 — Commission Regulation (EC) No 1107/96 of 12 June 1996 on the registration of geographical indications and designations of origin under the procedure laid down in Article 17 of Council Regulation (EEC) No 2081/92, OJ 1996 L 148, p. 1.

16. In my view, however, given that the questions submitted to the Court refer to 'the current state of Community law' and that the order for reference was made on 18 July 1996, it is appropriate for the Court to answer the questions on the basis of the Regulation if that instrument will resolve the dispute before the national court. The Court has on occasion shown itself willing when answering questions to interpret provisions not specifically mentioned by the national court, stating that it is its duty to interpret all provisions of Community law which national courts need in order to decide the actions pending before them, even if those provisions are not expressly indicated in the questions referred. [11] The parties, the Governments which have submitted observations and the Commission have all moreover made their submissions on the basis that the Regulation is applicable.

17. The Regulation seeks to establish a framework of Community rules on registered designations of origin and geographical indications for certain agricultural products and foodstuffs where there is a link between the characteristics of the product or foodstuff and its geographical origin. [12] The Regulation provides for a system of registration at Community level of geographical indications and designations of origin which will confer protection in every Member State. The Regulation is based on Article 43 of the Treaty (agriculture); it is clear however from the preamble that it also has objectives of consumer protection and fair competition. [13]

18. Article 13(1) provides:

'Registered names shall be protected against:

(a) any direct or indirect commercial use of a name registered in respect of products not covered by the registration in so far as those products are comparable to the products registered under that name or insofar as using the name exploits the reputation of the protected name;

(b) any misuse, imitation or evocation, even if the true origin of the product is indicated or if the protected name is translated or accompanied by an expression

11 — Case C-280/91 *Viessmann* [1993] ECR I-971, paragraph 17 of the judgment; see also Case C-315/92 *Verband Sozialer Wettbewerb* v *Clinique Laboratories and Estée Lauder* [1994] ECR I-317, paragraph 7.

12 — Seventh and ninth recitals in the preamble.

13 — See for example the seventh recital.

such as "style", "type", "method", "as produced in", "imitation" or similar;

(c) any other false or misleading indication as to the provenance, origin, nature or essential qualities of the product, on the inner or outer packaging, advertising material or documents relating to the product concerned, and the packing of the product in a container liable to convey a false impression as to its origin;

(d) any other practice liable to mislead the public as to the true origin of the product.'

19. Notwithstanding that protection, Article 14(2) allows the use of a trade mark corresponding to one of the situations referred to in Article 13 to continue if the trade mark was registered in good faith before the date on which the application for registration of a designation of origin or geographical indication was lodged providing that there are no grounds for the invalidity or revocation of the trade mark as provided by Article 3(1)(c) and (g) and Article 12(2)(b) of the Trade Marks Directive. [14]

20. A trade mark may be declared invalid under the Trade Marks Directive if it is 'of such a nature as to deceive the public, for instance as to the nature, quality or geographical origin of the goods' (Article 3(1)(g)). [15] A trade mark may be revoked if 'in consequence of the use made of it by the proprietor or with his consent in respect of the goods or services for which it is registered, it is liable to mislead the public, particularly as to the nature, quality or geographical origin' of the goods (Article 12(2)(b)).

Substance

Article 13 of the Regulation

21. The first issue to be determined is whether 'Gorgonzola' is protected against the use of 'Cambozola' within the meaning of

14 — First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks, OJ 1989 L 40, p. 1.

15 — Article 3(1)(e) is irrelevant for the purposes of this case.

Article 13(1) of the Regulation. The arguments have focused in particular on Article 13(1)(b), which it will be recalled protects registered names against 'any misuse, imitation or evocation'.

22. In the defendants' view, the applicant is seeking to obtain protection for the suffix 'zola' which is not and cannot be protected under the Regulation. First, that suffix, variations of which are frequently used in Italian place names, is a common term and as such cannot benefit from the system of protection put in place by the Regulation. [16] Furthermore, the principles of legal certainty and the protection of legitimate expectations preclude conferring protection on a component of a word where protection has never been requested for that component and it has not been published in the Official Journal as required by Article 6 of the Regulation of any name in respect of which protection under the Regulation is sought.

23. The defendants argue that 'Cambozola' is not in any event an evocation of 'Gorgonzola' within the meaning of Article 13 of the Regulation.

16 — See Joined Cases C-129/97 and C-130/97 *Chiciak and Fol* [1998] ECR I-3315, paragraph 37 of the judgment.

24. They refer to a similar action brought by the applicant in the present proceedings against the first defendant before the German courts, stating that the action has been dismissed by the Landgericht Frankfurt am Main [17] and on appeal by the Oberlandesgericht Frankfurt am Main [18] and that an appeal by the applicant to the Bundesgerichtshof has been dismissed. [19]

25. The defendants submit that the concept of evocation under the Regulation must not be interpreted any more broadly than is absolutely necessary to protect industrial and commercial property, since a broad interpretation would run counter to the principle of the free movement of goods. At most, the defendants accept that 'Cambozola' may trigger an association of ideas. An association of ideas is in the defendants' view the same as the notion of association in Article 4(1)(b) of the Trade Marks Directive, [20] which provides that a trade mark shall not be registered or, if registered, shall be liable to be declared invalid in certain circumstances where there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with an earlier trade mark. The defendants argue that there is a parallel between the protection of trade marks and the protection of designations of origin since both cases concern the

17 — Judgment of 14 February 1996.
18 — Judgment of 5 June 1997.
19 — Judgment of 18 June 1998.
20 — Cited in note 14.

protection of industrial or commercial property within the meaning of Article 36 of the Treaty. In both cases the relevant criterion is, as the Court has frequently held, the average observant and circumspect consumer. The defendants accordingly submit that the Court in this case should follow the same approach as in *SABEL*. [21]

26. The Court in *SABEL* ruled that the mere association which the public might make between two trade marks as a result of their analogous semantic content was not in itself sufficient ground for concluding that there was a likelihood of confusion within the meaning of Article 4(1)(b) of the Directive. [22] The defendants consider that the association of ideas at issue in *SABEL* (between two pictorial representations of bounding feline beasts of prey) was much stronger than any association with the idea of 'Gorgonzola' triggered by the use in 'Cambozola' of the same suffix, which is widely used in Italy. The defendants accordingly conclude that the use of that suffix does not alone constitute evocation within the meaning of the Regulation.

27. Moreover, the defendants submit that it follows from the system of footnotes to the list of protected geographical indications or protected designations of origin in the Annex to Regulation No 1107/96 [23] that part only of a protected name is not protected as such. That Annex lists protected names of, *inter alia*, cheeses, such as for example the designations of origin Brie de Meaux, Camembert de Normandie, Pecorino Siciliano and Mozzarella di Bufala Campana. Footnotes to the Annex indicate however that protection of the names Brie, Camembert, Pecorino and Mozzarella is not sought. The defendants refer to the recent ruling of the Court in *Chiciak and Fol*, [24] which concerned criminal proceedings brought against Mr Chiciak and Mr Fol for having used the name 'Epoisses'. The prosecution had argued that, since 'Epoisses de Bourgogne' was protected by the Regulation with no footnote qualification in respect of 'Epoisses', the 'Epoisses' part of the designation 'Epoisses de Bourgogne' was protected as such.

28. The Court rejected that argument. It stated that, even though it was considered necessary in the 1996 regulation to specify in a certain number of cases, by means of footnotes, that protection of part of the name in question was not sought, the inference to be drawn from this was that the persons concerned could not assert rights under the 1992 regulation in respect of that part of the name. Furthermore, there was nothing in the 1996 regulation to indicate the reasons for which

21 — Case C-251/95 *SABEL* v *Puma* [1997] ECR I-6191.

22 — Paragraph 26 of the judgment.

23 — Cited in note 10.

24 — Cited in note 16.

the Member States had decided not to seek protection, whether because the part had become generic, because the part in question was not protected at national level at the time when the application for registration was made pursuant to the 1992 regulation or for other reasons. [25]

29. The defendants submit that it follows from *Chiciak and Fol* first that, since Brie cannot be regarded as an evocation of Brie de Meaux, or Camembert an evocation of Camembert de Normandie, 'zola' cannot be regarded as an evocation of 'Gorgonzola', and second that 'zola', as a component of 'Gorgonzola', cannot be protected under the Regulation.

30. Finally, the defendants refer to the objective of the protection conferred by the Regulation and to the principle of proportionality. The objective is to prevent designations of origin from becoming generic names; the use of the mark 'Cambozola' can never have the effect that the designation 'Gorgonzola' becomes a generic name.

31. It may be noted that the defendants concede that a particular advertisement cited by the applicant was an evocation. That advertisement stated that, coming 'from the best family', the cheese combined 'the delicate creamy consistency of noble Camembert with the piquant taste of spirited Gorgonzola'; the defendants state, however, that that was a solitary advertisement used in 1985 and not subsequently. They point out that the Court has not been asked to consider the effect of that advertisement, but merely the legality of the name 'Cambozola' (although it may be added that the questions referred also mention the packaging and sales practice).

32. The applicant, the Governments which have submitted observations and the Commission all adopt more or less the contrary view. The applicant and the Italian Government consider that 'Cambozola' is an evocation of 'Gorgonzola' for the purposes of Article 13(1)(b). The Austrian Government considers that use of the suffix 'zola' could be an evocation; alternatively, Article 13(1)(c) might be in issue, which protects registered names against 'any other false or misleading indication as to the provenance, origin, nature or essential qualities of the product'. The French Government considers that the term 'Cambozola' is clearly an imitation of the term 'Gorgonzola' within the meaning of Article 13(1)(b). The Greek Government considers that use of the name 'Cambozola', suggesting at the least a cheese of the same type as Gorgonzola, constitutes a manifest exploitation of the reputation of Gorgonzola contrary to Article 13(1)(a) which is liable to

25 — Paragraph 36 of the judgment.

mislead the consumer in particular as to the true origin of the product contrary to Article 13(1)(d). The Commission considers that use of the name 'Cambozola' constitutes at least evocation, and possibly imitation (although the Commission does not consider this further), within the meaning of Article 13(1)(b).

33. I concur with the observations of the Commission to the effect that, on the basis of the wording of the provision ('*any* misuse, imitation or evocation') and the aims of the Regulation (which as indicated above include consumer protection), the term 'evocation' is objective, so that it is not necessary to show that the owner of the mark intended to evoke the protected name. The scheme of the provision supports the view that 'evocation' requires less than 'imitation' or 'misuse'.

34. To my mind what is required in order to constitute 'evocation' within the meaning of Article 13(1)(b) is a substantial degree of phonetic similarity in the context of goods in a similar market sector. There is a high degree of phonetic similarity between 'Cambozola' and 'Gorgonzola': the final two syllables are identical, the total number of syllables is the same and the pattern of stress in uttering the two words is very close. Given that both names are used to describe a creamy blue cheese (which is not to minimise the differences between the two cheeses which will be apparent to connoisseurs) it seems to me that 'Cambozola' is unquestionably, as a matter of the ordinary use of language, an evocation of 'Gorgonzola' for the purposes of Article 13(1)(b). It is interesting to note — as the Commission points out — that the identity of the final two syllables alone is not sufficient: it could not to my mind seriously be argued that the culinary oil 'Mazola' was an evocation of 'Gorgonzola', given both the lack of any further phonetic similarity and the different types of product at issue.

35. On the question of intention, I would add that, although as indicated above I consider that 'evocation' is an objective concept, that does not mean that intention is necessarily irrelevant. Although Article 13(1)(b) would be applicable even to a name chosen at random with no intent to evoke, if that name in fact evoked a registered name, nevertheless the intention of the owner of the mark in choosing that mark may be relevant. In this case, for example, where common sense suggests that the name 'Cambozola' was chosen not because 'zola' was a common Italian geographical suffix, which would be an unlikely reason in the context of a German cheese not purporting to be Italian, but because it evoked the idea of an established cheese of a similar type, that circumstance supports the existence of evocation. Moreover the advertisement referred to above, albeit a single instance, strongly supports this inference as to the derivation of the name.

36. I cannot in any event accept the defendants' argument that the alleged fact that the suffix 'zola' is a common suffix in Italian place names could in itself prevent its being an evocation in the context in which it is used: the fact that it might be common in some parts of Italy cannot prevent it from being an evocation elsewhere, where names ending in-zola are rare.

37. Contrary to the defendants' view, I do not consider that the judgment of the Court in *SABEL* [26] is relevant to the interpretation of the notion of evocation for the purposes of the Regulation. In that case, the Court was asked to rule on the scope of the concept of 'likelihood of confusion' in Article 4(1)(b) of the Trade Marks Directive, which provides that a trade mark shall not be registered or, if registered, shall be liable to be declared invalid 'if because of its identity with, or similarity to, the earlier trade mark and the identity or similarity of the goods or services covered by the trade marks, there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark'. The Court ruled that 'the mere association which the public might make between two trade marks as a result of their analogous semantic content is not in itself a sufficient ground for concluding that there is a likelihood of confusion within the meaning of [Article 4(1)(b)]'. The Court thus took the view that, in the context in which its ruling was sought, there was no likelihood of confusion. The present case however concerns a wholly different context, namely the interpretation of the notion of evocation for the purposes of the Regulation.

38. Nor does it seem to me that the defendants derive much assistance from the judgment of the Court in *Chiciak and Fol.* In that case the Court ruled that, as regards a 'compound' designation of origin, the fact that there was no footnote in the Annex to Regulation No 1107/96 did not necessarily mean that each of its constituent parts was protected. I do not see how that narrow ruling can mean that 'Cambozola' cannot be an evocation of 'Gorgonzola' within the meaning of Article 13(1)(b) of the Regulation.

39. Since Article 13(1)(b) is expressed to apply where there is evocation 'even if the true origin of the product is indicated', the fact that Cambozola wrapping indicates that it is a German soft cheese is irrelevant, as noted by the French and Greek Governments and the Commission. It may in any event be noted that, according to the national court's second question, Cambozola is sometimes sold without the original wrapping.

26 — Cited in note 21.

40. Both the applicant and the Austrian Government submit that the Court, if it finds that Article 13(1)(b) of the Regulation is applicable, should take account of Article 13(2).

41. Article 13(2) provides:

'However, Member States may maintain national measures authorising the use of the expressions referred to in paragraph 1(b) for a period of not more than five years after the date of publication of this Regulation, provided that:

— the products have been marketed legally using such expressions for at least five years before the date of publication of this Regulation,

— the labelling clearly indicates the true origin of the product.

However, this exception may not lead to the marketing of products freely on the territory of a Member State where such expressions are prohibited.'

42. The Regulation was published on 24 July 1992.

43. It appears from the wording of the provision that what is meant by 'expressions referred to in paragraph 1(b)' is the expressions 'such as "style", "type", "method", "as produced in", "imitation" or similar' referred to in paragraph 1(b). [27]

44. The applicant considers that Article 13(2) permits Member States to authorise, for a transitional period of five years and subject to certain conditions, the use of names within the scope of Article 13(1)(b). However, it submits that it is clear from the spirit and objective of the provision, which as a derogation should be strictly construed, that it applies only to designations of origin which were not protected before registration pursuant to the Regulation.

45. The Austrian Government considers that Article 13(2) permits the use of protected names with an indication of the origin of the product for a period expiring after the case had been referred to this Court, subject to two conditions both of which are met in this case.

27 — See the text of Article 13(1)(b), set out in paragraph 18 above.

46. In my view, those arguments are misconceived. Article 13(2) permits for a transitional period (and only from 1992, not from registration) the use of certain *expressions* such as 'style', 'method', 'as produced by' and 'imitation' (for example, 'in the style of Gorgonzola'), which would otherwise be prohibited by Article 13(1)(b). That is a separate issue from the issue before the Court in this case, namely what constitutes evocation of the name, and is not to my mind relevant to the present case.

47. I accordingly conclude that 'Gorgonzola' should be protected by virtue of Article 13(1)(b) of the Regulation against evocation by Cambozola. Article 14(2) of the Regulation, [28] however, allows the use of a trade mark corresponding to one of the situations referred to in Article 13 to continue if the trade mark was registered in good faith before the date on which the application for registration of a designation of origin or geographical indication was lodged providing that there are no grounds for the invalidity or revocation of the trade mark as provided by Article 3(1)(c) and (g) and Article 12(2)(b) of the Trade Marks Directive. The mark 'Cambozola' was registered in April 1983, thus necessarily predating the application to register 'Gorgonzola' under the Regulation. Article 14(2) may therefore be applicable, and I will now turn to the two issues which may arise under that provision, namely the question of good faith and the grounds for invalidity or revocation of the mark.

Article 14(2) of the Regulation: 'good faith'

48. At the time of the registration of 'Cambozola' in Austria it appears that Austria was bound by the Stresa Convention for the use of appellations d'origine and denominations of cheeses. That Convention covered use of the name 'Gorgonzola' as from 1 June 1954. [29] It appears that the Oberster Gerichtshof (Supreme Court) has ruled that Article 3 of the Stresa Convention prohibits an evocative name such as, in that case, 'Österzola'. [30] The applicant seeks to rely on that judgment in support of its submission that the registration of 'Cambozola' was not made in good faith, stating that the registration was unlawful and hence can never have been in good faith.

49. The Italian Government also takes the view that the registration of 'Cambozola' was not made in good faith: 'Gorgonzola' has, since before the registration of 'Cambozola', been protected by international conventions to which Austria is or has been a party.

28 — See paragraph 19 above.

29 — See Protocol II to the Convention.

30 — See the case cited in footnote 3.

50. The Commission submits that the question whether the registration of the mark was made in good faith depends on whether the owner of the mark took all reasonable steps at the time of registration to satisfy himself that use of the mark was compatible with the national law (including any applicable international provisions) then in force. It is for the national court to assess whether the owner took such steps.

52. The assessment whether the original registration was made in good faith is, as noted by the Commission and the French, Greek and Italian Governments, for the national court.

Article 14(2) of the Regulation — the Trade Marks Directive

51. Article 14(2) is designed to allow a prior trade mark to co-exist with a subsequently registered conflicting designation of origin provided that the trade mark was registered in good faith. It seeks to balance the conflicting interests of the trade-mark owner and those entitled to use the designation of origin. An interpretation of the notion of good faith which is unduly onerous would risk prejudicing an established mark and the legitimate expectations of its owner, who may since registration of the mark have devoted much effort and expense to marketing his products; an interpretation which requires too little of the trade-mark owner would on the other hand operate to the detriment of users of a protected designation of origin, who would see the protection to which they were *ex hypothesi* entitled undermined. To my mind, the test of good faith proposed by the Commission is the correct test, namely whether the owner of the mark took all reasonable steps at the time of registration to satisfy himself that use of the mark was compatible with the national law (including any applicable international provisions) then in force.

53. Even if 'Cambozola' was registered in good faith, however, Article 14(2) will not protect it if there are any grounds for invalidity or revocation of the trade mark as provided for by Article 3(1)(c) and (g) and Article 12(2)(b) of the Trade Marks Directive. Thus 'Cambozola' will not be protected under Article 14(2) if it is 'of such a nature as to deceive the public, for instance as to the nature, quality or geographical origin of the goods' (Article 3(1)(g)) or if 'in consequence of the use made of it by the proprietor or with his consent ... it is liable to mislead the public, particularly as to the nature, quality or geographical origin' of the goods (Article 12(2)(b)). Article 3(1)(c) is irrelevant for the purposes of this case.

54. I concur with the Commission's submission to the effect that Articles 3(1)(g) and 12(2)(b) should not be taken too widely.

55. It is doubtful whether Article 3(1)(g) could apply. In my view, that provision applies only to marks which are sufficiently specific to deceive a consumer as to, for example, the real nature, quality or geographical origin of the goods. That is not the case here, since 'Cambozola' neither refers to a real place name nor makes any specific claims as to the nature or quality of the product or any other attributes: by evoking the name 'Gorgonzola' it is simply suggesting that it is also a creamy blue cheese. That to my mind falls far short of deception as to a specific matter.

56. Caution should moreover be used before finding that Article 12(2)(b) applies. That provision is applicable only where the mark is liable to mislead *in consequence of the use made of it* by or with the consent of the owner of the mark: mere use of the mark accordingly does not in itself suffice. Nothing in the documents before the Court suggests that the mark 'Cambozola' is being used improperly by or with the consent of the owner, with the possible exception — which pre-dated the protection and is not covered by the terms of the national court's question — of the advertisement used briefly in 1985.

57. It is for the national court to make the necessary findings of fact to determine whether, in consequence of the use made of the mark 'Cambozola' by or with the consent of the proprietor, it is liable to mislead the public, particularly as to the nature, quality or geographical origin of the cheese. In considering whether use of the mark is liable to mislead the public, the national court should adopt the criterion of the presumed expectations of an average consumer who is reasonably well informed and reasonably observant and circumspect. [31] It should be borne in mind that, as is the case with trade marks, an unduly high level of protection of geographical indications and designations of origin would impede the integration of national markets by imposing unjustified restrictions on the free flow of goods. [32]

31 — See most recently Case ECR I-4657, C-210/96 *Gut Springenheide*, judgment of 16 July 1998, paragraphs 30 and 31. See also Case C-362/88 *GB-INNO-BM* [1990] ECR I-667; Case C-238/89 *Pall* [1990] ECR I-4827; Case C-126/91 *Yves Rocher* [1993] ECR I-2361; Case C-315/92 *Verband Sozialer Wettbewerb* v *Clinique Laboratories and Estée Lauder* [1994] ECR I-317; Case C-456/93 *Langguth* [1995] ECR I-1737; and Case C-470/93 *Verein gegen Unwesen in Handel und Gewerbe Köln* v *Mars* [1995] ECR I-1923. See also the Opinion of Advocate General Fennelly of 29 September 1998 in Case C-303/97 *Verbraucherschutzverein* v *Sektkellerei G. C. Kessler*, ECR I-513, I-515, in particular at paragraph 29 et seq.

32 — See paragraphs 50 and 51 of my Opinion in *SABEL*, cited in note 21. See also my Opinion delivered on 29 October 1998 in Case C-342/97 *Lloyd Schuhfabrik Meyer* v *Klijsen Handel*, judgment of 22 June 1999, paragraph 20, and the Opinion of Advocate General Fennelly in *Verbraucherschutzverein*, cited in note 31, paragraph 30.

Conclusion

58. Accordingly, the questions referred by the Handelsgericht, Wien, should in my opinion be answered as follows:

(1) Article 13(1) of Council Regulation (EEC) No 2081/92 of 14 July 1992 on the protection of geographical indications and designations of origin for agricultural products and foodstuffs must be interpreted as meaning that a designation of origin registered pursuant to that regulation is to be protected against another name on the basis that that name is an evocation of the designation of origin within the meaning of Article 13(1)(b) of the regulation where (i) there is a substantial degree of phonetic similarity between the name and the designation of origin and (ii) the name and the designation of origin are used in a very similar sector of the market; that is the case with the registered designation of origin 'Gorgonzola' and the name 'Cambozola' used for another soft blue cheese.

(2) It makes no difference for that purpose that the second product carries a statement that it is made in a country which is not the Member State where the product with the designated protection of origin is made.

(3) However where as in the present case the name was registered as a trade mark before the date on which the application for registration of the protected designation of origin was lodged, use of the name must be allowed to continue pursuant to Article 14(2) of the regulation if

(i) it was registered in good faith, which will be the case if the owner of the mark took all reasonable steps at the time of its registration to satisfy himself that use of the mark was compatible with the national law (including any applicable international provisions); and

(ii) there are no grounds for the invalidity or revocation of the mark as provided by Article 3(1)(c) and (g) and Article 12(2)(b) of the First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks. There will be such grounds in particular where the mark is sufficiently specific to deceive a consumer as to, for example, the real nature, quality or geographical origin of the goods or is liable to mislead the public, particularly as to the nature, quality or geographical origin of the goods, not merely by the similarity of the mark but in consequence of the use made of it by or with the consent of the owner. In assessing whether consumers are deceived or the public misled, the national court should use the criterion of the presumed expectations of an average consumer who is reasonably well informed and reasonably observant and circumspect.