

DECISION
of the First Board of Appeal
of 27 October 2016

In Case R 803/2016-1

LA MAFIA FRANCHISES, S.L.

Pso. Independencia No 24-26, Local 22

50004 Zaragoza

Spain

EUTM Proprietor / Appellant

represented by PADIMA, Calle Gerona, 17, 1º A-B, 03001 Alicante, Spain

v

Republic of Italy, represented by the Ambassador in the Kingdom of Spain

Mr. Pietro SEBASTIANI

Calle Lagasca, 98

28006 Madrid

Spain

Cancellation Applicant / Respondent

represented by March & Asociados, Passeig de Gràcia, 103, 7ª Planta,
08008 Barcelona, Spain

APPEAL relating to Cancellation Proceedings No 11 247 C (European Union trade
mark registration No 5 510 921)

THE FIRST BOARD OF APPEAL

composed of Th. M. Margellos (Chairperson and Rapporteur), M. Bra (Member)
and Ph. von Kapff (Member)

Registrar: H. Dijkema

gives the following

Decision

Summary of the facts

- 1 On 30 November 2006, LA HONORABLE HERMANDAD, S.L. applied for the registration of the figurative mark



as a European Union trade mark ('EUTM'), claiming the colours white, black, red, green and grey, for the following goods and services:

Class 25 – Footwear (except orthopaedic), clothing, T-shirts, caps;

Class 35 – Business management and organization consultancy services; business management assistance; Business management consultation; advisory services relating to business management; commercial management assistance in relation to franchises; advertisement services; issuing of franchises relating to the providing of food and drinks and cafés;

Class 43 – Services for providing food and drink, bars, cafeterias, cafés.

- 2 The application was published on 11 June 2007 and the EUTM was registered on 20 December 2007.
- 3 The EUTM was assigned to Jesus Javier Floristan Zapateria and then to La Mafia Franchises, S.L. ('the EUTM proprietor'), as registered at the EUIPO on 31 January 2013.
- 4 On 23 July 2015, the Republic of Italy, represented by the Ambassador in the Kingdom of Spain, Mr. Pietro Sebastiani ('the cancellation applicant') filed a request for a declaration of invalidity of the EUTM. The request was directed against the EUTM in its entirety and based on Article 52(1)(a) EUTMR, on the grounds that it was registered in breach of Article 7(1)(f) EUTMR.

- 5 The cancellation applicant claimed that the registration of the contested EUTM was contrary to public order and to established principles of morality, as the term ‘MAFIA’ refers to a criminal organisation. The term conveys deep negative feelings due to the suffering it has caused to society. Its use for a chain of restaurants manipulates the positive image of Italian cuisine and the text included in the EUTM ‘*se sienta en la mesa*’ (in English ‘takes a seat at the table’) trivializes the negative meaning of such word.
- 6 The cancellation applicant supported its claim, inter alia, with the following evidence:
- A copy of Art. 416-bis of the Italian Criminal Code ‘*Associazione di tipo mafioso*’, a legal provision defining mafia-type organisations as criminal organisations and the corresponding sanctions;
 - A printout from the website of the Italian Ministry of Justice (www.giustizia.it) describing the composition, role and functions of the ‘*Direzione nazionale antimafia*’, an Italian institution established to fight mafia-type organisations and the *Decreto Legge* of 20 November 1991, n. 367 consisting of the Italian legislative act establishing the ‘*Direzione nazionale antimafia*’ and assigning the tasks to the institution;
 - A printout from the website of the Italian Ministry of Internal Affairs (www.interno.gov.it), describing the composition, role and functions of the ‘*Direzione investigativa antimafia (D.I.A.)*’ (‘Anti-mafia Investigative Directorate’), an Italian institution established to investigate organised offences, and a copy of the *Decreto Legge* of 29 November 1991, n. 345, consisting of the Italian legislative act establishing the ‘*Direzione investigativa antimafia (D.I.A.)*’ and assigning the tasks to the institution.
 - Italian legislative act of 1 October 1996, n. 509, establishing a permanent Parliamentary Committee of Inquiry on the Mafia Phenomenon and Other Similar Criminal Associations.
 - A printout from the website of the Italian Parliament (www.parlamento.it), describing the composition, role and functions of the permanent Parliamentary Committee of Inquiry on the Mafia Phenomenon and Other Similar Criminal Associations.
 - Headlines of Italian newspapers reporting Mafia crimes, such as ‘*La Repubblica*’ reporting the news related to the murder of Piersanti Mattarella, President of the Region of Sicily, or ‘*La Stampa*’ reporting the news related to the murder of Giovanni Falcone, Chief Prosecutor in Sicily;
 - Pictures of Mafia crimes such as the ‘Capaci’ massacre relating to the murder of Public Prosecutor Giovanni Falcone, his wife and armed guard or of the bomb explosion that killed Public Prosecutor Paolo Borsellino;
 - An article by Roberto Saviano: My life under armed guard, published in ‘*The Guardian*’ in which the journalist describes how his life has been changed

after the publication of the secrets of the Camorra (a mafia organisation established in Naples) in his best seller '*Gomorra*' and mentions that there are 585 people in Italy who live under state-provided armed guard because they tried to fight mafia-type organisations.

- Report on Italian Organised Crime (Mafia) published on the website of The Federal Bureau of Investigation, under the Section '*About Us. What We Investigate. Organised Crime*'. It describes, inter alia, mafia organisations active in the U.S. ('the Sicilian Mafia, the Camorra or Neapolitan Mafia, the '*Ndrangheta*' or Calabrian Mafia and the *Sacra Corona Unita* or United Sacred Crown'), criminal activities conducted ('illegal gambling, political corruption, extortion, fraud, counterfeiting, weapons trafficking') and people involved in activities related to mafia organisations ('approximately 25 000 members, with 250 000 affiliates worldwide').
 - Parliamentary questions to the European Commission, to the Italian Minister of Internal Affairs and to the Italian Minister of Foreign Affairs concerning the use of the trade name 'La Mafia se sienta a la mesa'.
 - Article published in the Italian online newspaper 'Repubblica.it' mentioning that the travel guide book publisher '*Touring Club Italiano*' cancelled the reference to the Spanish restaurant chain 'La Mafia se sienta a la mesa' in the new edition of the *Valencia Cartonville City Travel Guide*.
- 7 The EUTM proprietor filed observations in reply arguing that neither public policy concerns nor accepted principles of morality hindered the registration of the contested EUTM.
- 8 By decision of 3 March 2016 ('the contested decision'), the Cancellation Division upheld the request for a declaration of invalidity and declared the invalidity of the contested EUTM in its entirety. It gave, in particular, the following grounds for its decision:
- It is undisputed that the word 'Mafia' refers to a type of criminal society in Italy that has proliferated beyond Italy impacting many other countries. The cancellation applicant has illustrated the brutality with which it perpetrates criminal acts. Mafia-type organised crime is a clear and present threat to the whole of the European Union. It is against this factual background that the registrability of the contested figurative mark must be examined.
 - The semantic content of the contested trade mark is deeply offensive to any person in Europe with a normal level of sensitivity and tolerance, who is aware of and knows about the working methods of and the threat originating from Mafia organisations. Its clear offensive character results from the fact that the trade mark's semantic message minimizes the threat of a criminal organization by making it a partner for dinner ('*se sienta a la mesa*') that makes the trade mark offensive, not only in the eyes of the victims of crimes perpetrated by Mafia organisations, but also in those of persons who are aware of the violent character of those Mafia organisations. The association

of the name ‘La Mafia’ with the text ‘se sienta a la mesa’ and the display of a red rose minimizes, in a trivial way, the negative meaning of the word ‘Mafia’.

- The reference to the name a criminal organisation in association with the term ‘*se sienta a la mesa*’ and the device of a rose produces the impression of a possible conviviality with crime which is offensive to any person with a normal level of sensitivity.
- 9 The EUTM Proprietor appealed the decision on 29 April 2016 and submitted its statement of grounds on 1 July 2016.
- 10 On 2 September 2016, the cancellation applicant filed its observations on the appeal.

Submissions and arguments of the parties

- 11 In its statement of grounds, the EUTM Proprietor requests the Board to annul the contested decision and maintain the registration of the challenged EUTM. Its main arguments are summarised as follows:
- The Common Position 2009/64/CFSP adopted by the Council of the EU does not include ‘Mafia’ as connected to terrorism acts. The prohibition of registering a trade mark that could be considered as an act supporting terrorism, which the Office’s Guidelines gives as the reason for applying the prohibition Article 7(1)(f) EUTMR, is not applicable.
 - Given the graphic and verbal elements of the sign, consumers will not identify the word ‘Mafia’ as offensive. This word may be understood in different ways, such as ‘family’, ‘union’ or ‘fellowship’.
 - Due to its extensive characterisation in literature and cinema, consumers are accustomed of encountering the term ‘Mafia’ in trading to define a company origin. In fact, many registered EUTMs contain the term.
 - Consumers do not interpret the term ‘Mafia’ as offensive with respect to the restaurant services, as they do not link it with a criminal organisation. To the contrary, in Internet forums the public has expressed positive opinions. The same applies for the other goods and services covered by the contested EUTM.
 - The cancellation applicant is not acting as an average consumer but as an ‘extremely sensible person’.
- 12 The cancellation applicant requests that the contested decision be confirmed and raises the following arguments raised in reply to the appeal:
- The EUTM is invalid for being contrary to public policy, in accordance to Italian and Spanish law to protect victims of terrorist attacks. The Mafia is a criminal organisation that adopts the same strategy of terror. The EUTM is

offensive and humiliating for the Mafia victims and goes against their fundamental rights.

- The EUTM is also contrary to the accepted principles of morality. Italian residents and tourists in Spain are shocked by the trade mark. The brutal crimes and massacres committed by the Mafia have been documented with the invalidity request, as well as the complaints from the Italian State.
- The EUTM is offensive to any person in Europe with a normal level of sensitivity and tolerance who is aware of the Mafia's methods and crimes. The message conveyed by the EUTM minimizes the gravity of the acts committed by this criminal organisation by making it a partner for dinner. It is important how the mark is perceived and not what the EUTM proprietor's intention is.
- The fact that the Mafia has acquired fame due to its extensive characterisation in literature and cinema does not mean that the EUIPO must assist businesses to trivialise its significance.

Reasons

- 13 The appeal complies with Articles 58, 59 and 60(1) EUTMR and Rules 48 to 49 CTMIR. It is, therefore, admissible.
- 14 However, the appeal is not well founded. The Cancellation Division correctly declared the invalidity of the EUTM in accordance with Article 7(1)(f) EUTMR.

Article 52(1)(a) EUTMR in conjunction with Article 7(1)(f) EUTMR

- 15 Under Article 52(1)(a) EUTMR, a EUTM shall be declared invalid on application to the Office, where it has been registered contrary to the provisions of Article 7 EUTMR.
- 16 According to Article 7(1)(f) EUTMR, trade marks which are contrary to public policy or to accepted principles of morality are not to be registered. This prohibition is also contained in Article 6 *quinquies* B(3) of the Paris Convention of 20 March 1883 (as revised at Stockholm on 14 July 1967), which provides for the refusal of trade mark applications and for the invalidation of registrations where trade marks are 'contrary to morality or public order'.
- 17 The rationale of this provision is that the privileges of trade mark registrations should not be granted in favour of signs that are contrary to public policy or the accepted principles of morality. In other words, the organs of government and public administration should not positively assist people who wish to promote their business aims by means of trade marks that violate certain basic values of civilised society (06/07/2006, R 495/2005-G, SCREW YOU, § 13).
- 18 The existence of the absolute ground for refusal laid down in Article 7(1)(f) EUTMR must be assessed, in all cases, according to the criterion laid down in that provision, interpreted with reference to the perception of the

relevant public within the European Union or part of the Union. As stated in Article 7(2) EUTMR, Article 7(1) EUTMR is to apply notwithstanding that the grounds of non-registrability obtain in only part of the European Union.

- 19 Indeed, the autonomous character of the EUTM regime does not preclude taking into account particular circumstances of Member States which are likely to influence the perception of the relevant public (20/09/2011, T-232/10, Coat of arms of the Soviet Union, EU:T:2011:498, § 36).

Public policy

- 20 ‘Public policy’ is the body of legal rules that are necessary for the functioning of a democratic society and the state of law. In the context of Article 7(1)(f) EUTMR, ‘public policy’ refers to the body of Union law applicable in a certain area, as well as to the legal order and the state of law as defined by the Treaties and secondary EU legislation, which reflect a common understanding of certain basic principles and values.
- 21 Therefore trade marks must not endorse activities that are manifestly directed against public order, such as those of a terrorist (29/09/2004, R 176/2004-2, BIN LADIN) or criminal nature.
- 22 National legislation and administrative practice of Member States may be taken into account to assess the breach of public policy as evidence of facts that make it possible to assess how certain categories of signs are perceived by the relevant public in those Member States (20/09/2011, T-232/10, Coat of arms of the Soviet Union, EU:T:2011:498, § 58).

Assessment of the contested EUTM

- 23 According to the case-law, when assessing the applicability of Article 7(1)(f) EUTMR, it is the criteria of the reasonable consumer with an average threshold of sensitivity and tolerance that needs to be taken into account (05/10/2011, T-526/09, Paki, EU:T:2011:564, § 12).
- 24 The EUTM is a composite mark consisting of the terms ‘La Mafia’ in large typographic letters under which, the Spanish phrase ‘SE SIENTA A LA MESA’ appears in smaller capital letters. The words are represented in white on a black square with the depiction of a red rose in the background.
- 25 Due to their size and position in the trade mark, the terms ‘La Mafia’ are its dominant element and will immediately catch the consumer’s eye. The stylisation and colours of the mark as well as the depiction of a rose do not influence the consumer’s perception of the trade mark’s most distinctive element ‘La Mafia’, nor do they vary its meaning (15/09/2005, C-37/03 P, BioID, EU:C:2005:547, § 71, 74).
- 26 It is a world-wide known fact that the term ‘Mafia’ relates to a criminal organisation that began in Italy subsequently expanding into other countries. The documents submitted by the cancellation applicant report on some of the many

violent crimes committed by the Mafia in Italy and in other States, leaving numerous victims. The Mafia's criminal activities extend to different areas, amongst others, to drug trafficking, counterfeiting, money laundering and corruption. It is known that it makes use of intimidation, physical violence and murder to pursue its criminal acts.

- 27 As proven by the cancellation applicant, the Italian Government has devoted many efforts and resources to fighting the Mafia. Any collaboration or promotion with this criminal organisation is sanctioned by the law (see above at para. 6 the Article of the Italian Criminal Code) and thoroughly investigated and prosecuted by numerous public institutions, such as the '*Direzione Nazionale Anti-Mafia*', the '*Direzioni Distrettuali Anti-Mafia*' and the '*Direzione Invesatigativa Anti-Mafia*'. Further, the Mafia is studied and monitored by the '*Commissione Parlamentaria d'Inchiesta sul Fenomeno della Mafia*' and many private associations are dedicated to the victims of the Mafia (also mentioned above in para. 6).
- 28 At the EU level, there is a strong consensus amongst the Member States that organised crime needs to be combatted. The EU's policies have evolved in the context of manifold international efforts to tackle this threat. The EU has both co-drafted and drawn on international laws and standards, resulting in a comprehensive anti-organised crime policy. The Amsterdam Treaty (1997) provided a legal base for approximating criminal legislation, including that on organised crime. The Treaty of Lisbon (2009) substantially strengthened the EU's standing in this field. Organised crime has been perceived as a severe threat to EU security and as such has been addressed in recent years within a specific framework of laws and policies, such as the 1998 Council Joint Action, which formulated the first definition of organised crime in international law, and the Council Framework Decision of 2008 on the fight against organised crime.
- 29 The EUIPO is an EU agency that needs to hold a strict position in cases that transgress the basic principles and values on which the EU society is founded. As a general principle, any EUTM applied for that can be deemed to support or benefit an organized crime group should be rejected as being against public policy (27/06/2016, R 563/2016-2, 'ETA').
- 30 In view of the above, the contested trade mark that manifestly promotes the name of the criminal organisation Mafia in large letters, must be considered to be against public policy and should therefore not be protected as a EUTM.
- 31 Additionally, it is noted that the full text of the mark '*La Mafia se sienta a la mesa*' (in English '*The Mafia sits down at the table*') implies a message of conviviality and trivialisation of the significance of '*Mafia*', turning it into a simple gathering around a table, a '*dining companion*'. The trade mark distorts therewith the grave perception this name conveys.
- 32 The cancellation applicant has clearly shown that Italian society is deeply disturbed by the use of the contested trade mark for everyday consumer goods and services, especially restaurant services. The questions submitted by an Italian Member of the European Parliament to the European Commission on 26 February 2014

shows deep concern over the existence of restaurants in Spain called ‘La Mafia’ and the use of propagandistic slogans in connection with it. Also the parliamentary question submitted by three Italian Senators on 25 September 2014 to the Italian Minister of Internal Affairs stresses the disturbance caused by the trade name ‘La Mafia se sienta a la mesa’ in Spain. Another parliamentary question was submitted to the Italian Minister of Foreign Affairs on 26 September 2014, also concerning the use of the trade name ‘La Mafia se sienta a la mesa’ and asking her to contact the Spanish authorities in this regard. Further, the cancellation applicant has submitted articles in Italian newspapers and the Internet reporting about the use in Spain of the mark ‘La Mafia se sienta a la mesa’ and its offensive effect on Italian citizens.

- 33 This evidence confirms the Board of Appeal’s findings that the contested EUTM should not be protected by the EUIPO.
- 34 The EUTM proprietor’s allegations do not influence this conclusion. Its argument that the term ‘Mafia’ is often used in literature and cinema, with which the EUTM proprietor expresses its good intentions in the use of this name is irrelevant. As other subparagraphs of Article 7(1) EUTMR, the prohibition established in Article 7(1)(f) EUTMR refers to the intrinsic qualities of the trade mark and not to circumstances relating to the conduct of the person applying for the trade mark (09/04/2003, T-224/01, Nu- Tride EU:T:2003:107, § 76; 13/09/2005, T-140/02, Intertops, EU:T:2005:312, § 28). Also the mere fact that the EUTM proprietor has allegedly not received complaints relating to the use of the mark in the context of its commercial activities does not change the fact that the use of the name of a criminal organisation is against the general principles of public policy (see, by analogy, 05/10/2011, T-526/09, Paki, EU:T:2011:564, § 36).
- 35 With regard to the EUTM proprietor’s argument that other trade marks have been registered by EUIPO containing the term ‘Mafia’, it must be recalled that the assessment of signs must be conducted solely on the basis of the EUTMR, as interpreted by the Courts of the European Union, and not on the basis of the Office’s previous decision-making practice (27/02/2002, T-106/00, Streamserve, EU:T:2002:43, § 66; 20/09/2011, T-232/10, Coat of arms of the Soviet Union, EU:T:2011:498, § 79).
- 36 Consequently, the EUTM proprietor cannot legitimately claim that by registering marks that also contained the term ‘Mafia’, EUIPO gave it assurances regarding the registrability of the contested mark. *A fortiori*, the EUTM proprietor may not legitimately rely on a breach of the principle of legal certainty in that regard (20/09/2011, T-232/10, Coat of arms of the Soviet Union, EU:T:2011:498, § 80).
- 37 In the light of the foregoing, it is found that the Cancellation Division correctly found that the contested EUTM was to be invalidated pursuant to Article 52(1)(a) EUTMR in conjunction with Article 7(1)(f) EUTMR.
- 38 Consequently, the appeal is dismissed.

Costs

- 39 The EUTM proprietor, as the losing party, must bear the representation costs incurred by the cancellation applicant, in accordance with Article 85(1) EUTMR, which are fixed at EUR 550, in accordance with Article 85(6) EUTMR and Rule 94(3) and (7) CTMIR.

Order

On those grounds,

THE BOARD

hereby:

- 1. Dismisses the appeal;**
- 2. Orders the EUTM proprietor to bear the costs of the cancellation applicant in the appeal proceedings of EUR 550.**

Signed

Th. M. Margellos

Signed

M. Bra

Signed

Ph. von Kapff

Registrar:

Signed

H.Dijkema

