IN THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF VIRGINIA Alexandria Division

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INTERPROFESSION DU GRUYÈRE, *et al.*, Plaintiffs,

v.

U.S. DAIRY EXPORT COUNCIL, et al., Defendants. Civil Action No. 1:20-cv-1174

MEMORANDUM OPINION

This is a dispute between European and American cheesemakers over whether the term **GRUYERE** should receive geographic trademark protection such that the term may only be used to identify and describe cheeses produced in certain portions of Switzerland and France, or whether the term **GRUYERE** is understood by cheese purchasers in the United States to be generic in that it refers to a type of cheese without regard to where that cheese is produced. Plaintiffs filed an application with the United States Patent and Trademark Office ("USPTO") to register the term **GRUYERE** as a certification mark pursuant to 15 U.S.C. § 1127. Defendants filed an opposition to that certification mark application with the Trademark Trials and Appeals Board ("TTAB"), arguing that the term **GRUYERE** is generic. The matter was heard by the TTAB, which issued a written opinion holding that the term **GRUYERE** is generic for a type of cheese without regard to the cheese's geographic origins and sustained the opposition to the certification mark. Thereafter, plaintiffs filed this civil action contesting the TTAB's decision pursuant to 15 U.S.C. § 1071(b).

In accordance with § 1071(b) the parties have engaged in additional discovery and supplemented the factual record. At issue now is defendants' motion for summary judgment, *see* Dkt. 62, which has been fully briefed and argued orally, and is therefore now ripe for disposition.

I.

The central question presented by this case is whether cheese purchasers in the United States understand the term **GRUYERE** to refer only to a specific type of cheese produced in the Gruyère region of Switzerland and France or whether cheese purchasers in the United States instead understand **GRUYERE** as a generic term which refers to a type of cheese regardless of where the cheese is produced.

Plaintiffs in this case are two European consortiums, the Swiss Interprofession du Gruyère and the French Syndicat Interprofessional du Gruyère (hereinafter referred to collectively as "plaintiffs"). In 2015, plaintiffs filed an application for a certification mark with USPTO for the term **GRUYERE**. The certification mark would "certif[y] that the cheese originates in the Gruyère region of Switzerland and France." Application Serial No. 86759759, filed September 17, 2015. Defendants in this case, the United States Dairy Export Council, the Atalanta Corporation, and Intercibus Inc. (hereinafter referred to collectively as "defendants"), filed an opposition to plaintiffs' application for the certification mark, arguing that cheese purchasers in the United States understand **GRUYERE** to be a generic term referring to a type of cheese that can be produced anywhere. The parties developed an extensive record, consisting of affidavits, sales data, and reference materials, and argued the issue fully before the TTAB. At the end of that proceeding, the TTAB issued a detailed opinion, concluding that United States purchasers and consumers of cheese understand the term **GRUYERE** to refer to a type of cheese that can be produced anywhere. Accordingly, the TTAB sustained the opposition to the Consortium's application for a certification mark on the ground that the term **GRUYERE** had become generic.¹

¹ Defendants also challenged the proposed certification mark—both before TTAB and in the present case—on the ground that plaintiffs failed to exercise legitimate control over the certification mark and that the mark should therefore be invalidated. The TTAB opinion did not

II.

The procedural and substantive legal principles that govern this case are undisputed and well-settled. Thus, the procedural principles are as follows. Summary judgment is appropriate when there is "no genuine issue as to any material fact" and based on those undisputed facts the moving party "is entitled to judgment as a matter of law." *Celotex Corp. v. Catrett*, 477 U.S. 317, 322 (1986). The party moving for summary judgment "bears the initial burden" of showing that no genuine dispute of material fact exists. *Atkins v. Glaser T*, 823 F. App'x 218, 219 (4th Cir. 2020). To serve as a bar to summary judgment, facts must be "material," which means that the disputed fact "might affect the outcome of the suit under the governing law." *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 248 (1986). The party opposing summary judgment must provide more than mere denials and allegations to create a dispute of material fact and must instead "set forth specific facts showing that there is a genuine issue for trial." *Id.* Importantly, at the summary judgment stage, courts must "view the evidence in the light most favorable to … the non-movant." *Dennis v. Columbia Colleton Med. Ctr., Inc.*, 290 F.3d 639, 645 (4th Cir. 2002).

The substantive legal principles governing this case are also essentially undisputed. This matter involves an application for a certification mark, which is defined under the Trademark Act as "any word, name, symbol, or device" used "to certify regional or other origin, material, mode of manufacture, quality, accuracy, or other characteristics" of goods. 15 U.S.C. § 1127. As the TTAB has explained, "[g]eographic certification marks are used to certify that authorized users' goods or services originate in a specific geographic region." *In Re St. Julian Wine Co., Inc.*, No.

reach the lack of control argument because it sustained defendants' challenge on genericness. It is similarly unnecessary to address the lack of control arguments here, as defendants once again prevail on genericness. Further, genericness, and not lack of control, was the primary thrust of the briefing on this motion for summary judgment.

87834973, 2020 WL 2788005, at *3 (TTAB, May 27, 2020). For example, certification marks have been approved for the term Roquefort (applied to cheese from a specific municipality in France, *see Cmty. of Roquefort v. William Faehndrich, Inc.*, 303 F.2d 494 (2d Cir. 1962)), for the name Cognac (applied to brandy distilled in a certain region of France, *see Bureau Nat'l Interprofessionnel Du Cognac v. Int'l Better Drinks Corp.*, 6 USPQ2d 1610 (TTAB 1988)), and the phrase Sunshine Tree (applied to citrus fruits originating in the state of Florida, *see State of Fla., Dep't of Citrus v. Real Juices, Inc.*, 330 F. Supp. 428 (M.D. Fla. 1971)). Section 4 of the Lanham Act provides that "certification marks, including indications of regional origin, shall be registrable under this chapter, in the same manner and with the same effect as are trademarks." 15 U.S.C. § 1054. Accordingly, the decision to grant or reject a certification mark application.

This case arises under 15 U.S.C. § 1071(b), which "permits a party in a trademark suit to initiate a civil action [in district court] in the place of an appeal of the TTAB's determination to the Federal Circuit." *Swatch AG v. Beehive Wholesale, LLC*, 739 F.3d 150, 155 (4th Cir. 2014). In a § 1071(b) proceeding, the parties may introduce the record the TTAB relied on and may supplement that record with additional evidence. When new evidence is offered in a § 1071(b) proceeding, district courts "must make *de novo* factual findings that take account of both the new evidence and the administrative record." *Kappos v. Hyatt*, 566 U.S. 431, 446 (2012). The Fourth Circuit has made clear that district courts must review both the administrative record and any new evidence *de novo*, in comparison to the more deferential substantial evidence standard applied when a party appeals a TTAB decision to the Federal Circuit. *See Shammas v. Focarino*, 784 F.3d 219, 225 (4th Cir. 2015). Thus, the determination of genericness in this case is made *de novo*, and the TTAB's opinion is not given deference. The Fourth Circuit has further clarified that in

§ 1071(b) proceedings the district court, and not a jury, "acts as the trier of fact." *Id.*; *see also Belmora LLC v. Bayer Consumer Care AG*, 987 F.3d 284, 298 (4th Cir. 2021), *cert. denied*, No. 21-195, 2021 WL 5284616 (U.S. Nov. 15, 2021).

III.

Given that summary judgment is appropriate only where there are no genuine disputes of material fact, *see* Fed. R. Civ. P. 56, this analysis properly begins by identifying the record facts as to which no genuine dispute exists. Local Rule 56(B) directs a movant for summary judgment to include in its submission a section listing all material facts as to which the movant contends no genuine dispute exists. The nonmovant must then respond to each numbered paragraph, either admitting or contesting the putative undisputed fact and citing admissible record evidence to establish a genuine dispute of material fact. The nonmovant's failure to respond to a fact listed by the movant constitutes an admission that the fact is undisputed. Local Rule 56(B). Accordingly, the facts recited here are derived from defendants' list of material facts and plaintiffs' responses.

- GRUYERE cheese production dates to at least 1115 AD, and GRUYERE cheese originated in western Switzerland in the Gruyère region in the Canton of Fribourg. In time, GRUYERE production expanded to east-central France along the border between Switzerland and France. Swiss and French GRUYERE producers make cheese from the unpasteurized milk of cows that graze on alpine grasses. The resulting cheese goes through a rigorous aging and production process.
- **GRUYERE** cheese has been granted protected status in Europe. Specifically, in 2011, the European Union recognized Swiss **GRUYERE** with a protected designation of origin ("PDO"). In 2012, France's National Institute of Origin and Quality approved a protected geographical origin ("PGI") for French **GRUYERE**. These PDO and PGI indications

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