JACOBACCI

AVVOCATI • AVOCATS A LA COUR • ABOGADOS

***Corte di Cassazione*, ruling no. 735/2020: on the infringement of new plant varieties and on the exclusion of *ex officio* invalidity questions**

On 15 January 2020, the Italian Supreme Court (*Corte di Cassazione*) issued a ruling about the unauthorized exploitation of new plant varieties, confirming the ruling of the Catania Court of Appel, which found that the defendants – some farmers who had grown a registered vine variety without the breeder's authorisation – had infringed the IP right.

The Italian legislation in force on new plant varieties is contained in the Code of Industrial Property (C.I.P.) and namely in Section VIII of Chapter II (Art. 100 - 116).

The law defines the new plant variety as "*a plant grouping of a botanical taxon of the lowest known rank (…), whether or not fully complying with the conditions laid down for the grant of the breeder's right*" (Art. 100). The requirements for the validity of the plant variety are novelty, distinction, homogeneity and stability (cf. Art. 102 and 103 to 106). Art. 116 C.I.P refers to Chapter IV of the Code, relating to patents, for any aspect that is not expressly regulated by articles 100 to 116.

Art. 107 establishes the content of the breeder's right, forbidding the unauthorised exploitation of the registered plant variety in view of the production or reproduction (art. 107, § 1, letter a), the conditioning, to that end (b), the sale, through any means (c), the export or import (d) and the detention in view of any of these aims.

The Italian Supreme Court ruling concludes a long and complex **trial between an Italian company**, which was the exclusive **licensee of the plant variety** commercially known as "Red Globe" for Europe and the Mediterranean basin, and, on the other hand, some Sicilian **farmers growing the vine variety without authorisation**.

The Italian company sued the farmers claiming infringement of the plant variety – at first, through a request for a preliminary injunction. The subsequent action on the merits before the Court of Caltagirone ended up with an injunction against the cultivation of the variety, with a penalty in the event of a breach.

The Court of Appeal of Catania later rejected the appeal brought by the farmers and upheld the first instance decision.

The appellants decided to refer the matter to the *Corte di Cassazione.* One of their grounds of appeal regards the alleged false application of the law, pursuant to and Art. 103 and 104 of the C.I.P. Indeed, **according to the claimants, the Court of Appeal should have ruled on the plant variety's invalidity plea**, put forward within the appeal proceedings.

It should be noted that the Court of Appeal had deemed the patent invalidity profiles raised by the appellants inadmissible, because they involved entirely new issues.

In the decision in *re*, the Supreme Court holds that the plea of invalidity was phrased too broadly in the notice of appeal and only specified in the last writ of the appeal trial.

In this regard, the Court points out first of all that the principle *tantum devolutum quantum appellatum*, laid down in Art. 342 of the C.C.P., does not only entail the delimitation of the scope of review of the judgment under appeal, but also the identification of the aspects that are actually under appeal and of the reasons on which the appeal pleas are based. Therefore, **the grounds must be specified in the notice of appeal.**

Secondly, the applicants also **claimed that the invalidity of a plant variety could be raised by the Court *ex officio.***

To this end, they referred to two important rulings of the Italian Supreme Court's Plenary Session (cases no. 26242 and 26243/2014), on the matter of assessment of the plea of invalidity brought by the defendant in breach of contract cases, where, in a nutshell, the Court has derived the rule of the Judge's *ex officio* detection of all the cases of contract invalidity, as each type of contract nullity represents the disvalue assigned to an invalid arrangement (*i.e.* general interest).

From a procedural viewpoint, one should note that in those decisions, the Supreme Court's Plenary Session pointed out that the Judge has a power and duty in this sense, which can be exercised - both by the party and the Court - for the first time, on appeal and in Supreme Court proceedings.

In the judgment at hand, the Court underlines that the above depicted **notions referred to contract invalidity cannot be transposed in the matter of IP rights**. The *Cassazione* stresses the peculiarity of IP rights, as in this field the general interest is safeguarded by (a) the specific administrative procedure that leads to the issuance of the IP title, and (b) through the so-called presumption of validity of the title itself, pursuant to Art. 121 of the C.P.C., quoting, in this last regard, some precedents on trademarks (including the recent ruling no. 4771/2018).

The Court also mentions another mechanism for protecting the public interest, *i.e.* the right of the Public Prosecutor to bring nullity actions on IP titles, pursuant to Art. 122, § 1, of the C.I.P..

The Court therefore concludes its reasoning by rejecting the appeal and confirming the ruling of the Catania Court of Appeal.