Geographical Indications in the New EU Trademark Law Regime

The recent EU trademark reform launched in March 2016 and which consisted of a recast of the 1989 Directive (2008/95/EC) approximating the laws of the Member States relating to national trademarks, a revision of the 1994 Regulation (207/2009/EC) on the Community trademark, and a revision of the 1995 Commission Regulation (2869/95) on the fees payable to the EUIPO, has brought substantive changes, both to the community trademark system and the national trademark systems of the Member States, once implemented. The reform package contains major changes on the fee structure, the classification of trademarks, criteria for the registrability of trademarks, procedural issues, as well as changes in the infringement proceedings and customs seizures and the introduction of the EU certification mark.

Particularly with respect to geographical indications in European trademark law, it has been held that the Regulation No. 207/2009/EC on the community trademark did not offer the same degree of protection to designations of origin and geographical indications as other instruments of Union law, such as the Regulation (EU) No. 1151/2012 on quality schemes for agricultural products and foodstuffs, the Regulation (EU) No. 1308/2013 on the protection of GIs for wines, the Regulation (EC) No. 110/2008 on the protection of GIs for spirit drinks and the Regulation (EC) No. 1601/1991 on aromatized wines and wine drinks.

For this reason, it has been considered necessary to firstly clarify the absolute grounds for refusal with relation to designations of origin and geographical indications and ensure that such grounds for refusal are fully consistent with the EU legislation on GIs and PDOs, and additionally to extend the scope of the absolute grounds to cover also protected traditional terms for wine and traditional specialties guaranteed.

In addition to the above, in order to ensure the maintenance of the strong protection of PDOs and GIs at both EU and national levels, it has been held necessary to clarify that the above rights entitle any person authorized under the relevant law -EU or national laws- to oppose a subsequent application for the registration of an EU mark - regardless of whether or not those rights are also grounds for refusal to be taken into account ex officio by the Examiner. The above considerations are explicitly mentioned in the preamble of the new Regulation (EU) No. 2015/2424, under paragraphs 10 and 11.

The main changes introduced by the Regulation (EU) No. 2015/2424 in this respect have led to the amendment of Articles 7, 8 and 53 of the Regulation (EC) No. 207/2009. Article 7 has maintained the provision of paragraphs 1(c) and 1(g) that refer to “trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the […] geographical origin […] of the goods or service” and “trade marks which are of such nature as to deceive the public, for instance as to the […] geographical origin of the goods or service” as trademarks that shall not be registered based on absolute grounds. However, the provisions of paragraphs 1(j) and 1(k) concerning “trade marks for wines which contain or consist of a designation of origin or a geographical indication identifying wines or for spirits which contain or consist of a geographical indication identifying spirits” and “trade marks which contain or consist of a designation of origin or a geographical indication registered in accordance with Council Regulation (EC) No. 510/2006 […] on the protection of geographical indications and designations of origin for agricultural products and foodstuffs when they correspond to one of the situations covered by Article 13 of said Regulation and regarding the same type of product” have been replaced by the far wider and more general provisions of paragraphs 1(j), 1(k) and 1(l). To be more
precise, the new provisions exclude from trademark registration all trademarks “which are excluded from registration pursuant to Union legislation or national law or to international agreements to which the Union or the Member State concerned is party providing for protection of designations of origin and geographical indications”, “trademarks which are excluded from registration pursuant to Union legislation or international agreements to which the Union is party providing for protection of traditional terms for wine” and “trademarks which are excluded from registration pursuant to Union legislation or international agreements to which the Union is party providing for protection of traditional specialties guaranteed”. It is therefore clear that the EU trademark applications will be now examined ex officio with relation to all possible conflicts with prior geographical indications and designations of origin that have been registered or even applied for on the basis of EU law, under the condition of their registration, and to conflicts with prior geographical indications and designations of origin that are protected under the national laws of the Member States and international agreements to which the Union or the Member State concerned is party.

In addition, the new provisions foresee explicitly prior “traditional terms for wine” as protected under the Union legislation (thus referring to the protection established by EU Regulation No. 1308/2013 and the EC Regulation No. 607/2009) or international agreements to which the Union is party, as prior rights that obstruct the registration of subsequent EU trademark applications. The same applies to traditional specialties that are protected under the Regulations (EC) No. 509/2006, (EC) No. 1216/2007 and (EU) No. 1151/2012 and international agreements to which the Union is party.

In order to ensure that any third party authorized to exercise the rights arising from a designation of origin or a geographical indication, is able to file an opposition against an EU trademark application, the new provision of paragraph 4a of the article 8 of the Regulation No. 2015/2424 refers to EU and national rights in designations of origin and geographical indications as a separate relative ground for refusal. The right at issue is granted even to the applicant for a designation of origin or a geographical indication, provided that the application for the registration of the designation of origin or the geographical indication has been filed before the filing date of the trademark application or the priority claimed for the application, in accordance with the general principle of priority, subject to its subsequent registration. As a result of the addition of this separate relative ground for refusal, the owners of protected geographical indications or designations of origin do not need anymore to base their opposition on the provision of Article 8 (4) of the Regulation on “signs used in the course of trade of more than mere local significance” that often prevented owners of national GIs and PDOs from successfully blocking subsequent trademark applications, as they failed to prove that the protected indication had been used in a substantial part of its area of protection, thus being dependent on the real presence of the name on the relevant market in the European Union.

In analogy to the new relative ground of refusal of Article 8, the provision of Article 53 of the Regulation on the relative grounds for invalidity has been amended to include in paragraph 1(d) a separate relative ground for invalidity that refers to prior designations of origin and geographical indications as defined in Article 8 (4a) of the Regulation and under the conditions thereof.

The new EU directive No. 2015/2436 to approximate the laws of the Member States relating to trade marks has included the same provisions regarding geographical indications and protected traditional terms for wine and traditional specialties guaranteed in the examination of absolute and relative grounds for refusal, as contained in the Regulation No. 2015/2424, in order to ensure that the levels of protection afforded to geographical indications by Union legislation and national law are applied in a uniform and exhaustive manner throughout the EU. In particular, Article 4 of the Directive on absolute grounds for refusal or invalidity has taken over the same wording as the corresponding provision of the Regulation, thus explicitly foreseeing separate absolute grounds based on earlier Union or national law geographical
indications and designations of origin and Union law traditional terms for wine and traditional specialties guaranteed.

In addition, Article 5(3)(c) of the Directive foresees a separate relative ground for refusal or invalidity for trademarks that conflict with prior geographical indications or designations of origin or applications for GIs or PDOs subject to their subsequent registration, provided that the name first registered confers on the person filing the opposition or the request for invalidity the right to prohibit the use of the subsequent mark based on the EU or relevant national legislation.

Furthermore, Articles 43 and 45 of the Directive on the opposition procedure and the procedure for revocation or declaration of invalidity in the Member States explicitly refer to the active legitimization of persons authorized to exercise their right to protect geographical indications and designations of origin based on EU or national laws, in order to ensure that such persons will be able to rely on an efficient means of revoking trademarks or declaring them valid, within the transposition period of seven years after the entry into force of the Directive.

Taking all above amendments and new legal provisions into account, it is obvious that the new EU laws have brought more clarity in the conflict cases between trademarks and geographical indications and designations of origin, as the latter are mentioned explicitly as separate absolute and relative grounds for refusal. In addition, the EU legislator has taken a step forward towards a wider and more efficient protection of protected geographical indications and similar rights, considering the explicit reference to indications protected by national laws of the Member States and international agreements signed by the European Union or the Member States and the explicit reference to the protection of traditional terms for wine and traditional specialties guaranteed.