JUDGMENT OF THE GENERAL COURT (Third Chamber)

11 May 2010 *

In Case T-237/08,

Abadía Retuerta, SA, established in Sardón de Duero (Spain), represented by X. Fàbrega Sabaté and M-l. Curell Aguilà, lawyers,

applicant,

v

Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM), represented by J. Crespo Carrillo, acting as Agent,

defendant,

* Language of the case: Spanish.

ACTION brought against the decision of the First Board of Appeal of OHIM of 2 April 2008 (Case R 1185/2007-1), concerning registration of the word sign CUVÉE PALOMAR as a Community trade mark,

THE GENERAL COURT (Third Chamber),

composed of J. Azizi, President, E. Cremona and S. Frimodt Nielsen (Rapporteur), Judges,

Registrar: J. Palacio González, Principal Administrator,

having regard to the application lodged at the Court Registry on 19 June 2008,

having regard to the response lodged at the Court Registry on 18 September 2008,

further to the hearing on 24 November 2009,

gives the following

Judgment

Legal context

International law

1 The Agreement on Trade-Related Aspects of Intellectual Property Rights ('the TRIPs Agreement'), which constitutes Annex 1C to the Agreement establishing the World Trade Organisation (WTO), was signed in Marrakesh on 15 April 1994 and approved by Council Decision 94/800/EC of 22 December 1994 concerning the conclusion on behalf of the European Community, as regards matters within its competence, of the agreements reached in the Uruguay Round multilateral negotiations (1986-1994) (OJ 1994 L 336, p. 1).

2 Article 23 of that agreement, entitled 'Additional Protection for Geographical Indications for Wines and Spirits', provides as follows:

'1. Each Member shall provide the legal means for interested parties to prevent use of a geographical indication identifying wines for wines not originating in the place indicated by the geographical indication in question or identifying spirits for spirits not originating in the place indicated by the geographical indication in question, even where the true origin of the goods is indicated or the geographical indication is used in translation or accompanied by expressions such as "kind", "type", "style", "imitation" or the like.

2. The registration of a trademark for wines which contains or consists of a geographical indication identifying wines or for spirits which contains or consists of a geographical indication identifying spirits shall be refused or invalidated, *ex officio* if a Member's legislation so permits or at the request of an interested party, with respect to such wines or spirits not having this origin.

3. In the case of homonymous geographical indications for wines, protection shall be accorded to each indication, subject to the provisions of paragraph 4 of Article 22. Each Member shall determine the practical conditions under which the homonymous indications in question will be differentiated from each other, taking into account the need to ensure equitable treatment of the producers concerned and that consumers are not misled.

4. In order to facilitate the protection of geographical indications for wines, negotiations shall be undertaken in the Council for TRIPS concerning the establishment of a multilateral system of notification and registration of geographical indications for wines eligible for protection in those Members participating in the system.'

3 Article 24(5) of the TRIPs Agreement provides as follows:

'Where a trademark has been applied for or registered in good faith, or where rights to a trademark have been acquired through use in good faith: …

(b) before the geographical indication is protected in its country of origin;

measures adopted to implement this Section shall not prejudice eligibility for or the validity of the registration of a trademark, or the right to use a trademark, on the basis that such a trademark is identical with, or similar to, a geographical indication.'

Community legislation

4 Article 7(1)(j) of Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark (OJ 1994 L 11, p. 1) was inserted by Council Regulation (EC)

No 3288/94 of 22 December 1994 amending Regulation No 40/94 for the implementation of the agreements concluded in the framework of the Uruguay Round (OJ 1994 L 349, p. 83). That article, which is now Article 7(1)(j) of Council Regulation (EC) No 207/2009 of 26 February 2009 on the Community trade mark (OJ 2009 L 78, p. 1), provides:

'The following shall not be registered: … (j) trade marks for wines which contain or consist of a geographical indication identifying wines … with respect to such wines … not having that origin.'

5 The fourth recital in the preamble to Regulation No 3288/94 states:

'Article 23(2) of the TRIPs Agreement provides for the refusal or invalidation of trade marks which contain or consist of false geographical indications for wines and spirits without the condition that they are of such a nature as to deceive the public, a new subparagraph (j) has to be added to Article 7(1) of Regulation (EC) No 40/94.'

6 Article 50(1) and (2) of Council Regulation (EC) No 1493/1999 of 17 May 1999 on the common organisation of the market in wine (OJ 1999 L 179, p. 1), in the version applicable in these proceedings, states:

'1. Member States shall take all necessary measures to enable interested parties to prevent, on the terms set out in Articles 23 and 24 of the [TRIPs] Agreement …, the use in the Community of a geographical indication attached to the products referred

to in Article 1(2)(b) [of Regulation No 1493/1999] for products not originating in the place indicated by the geographical indication in question, even where the true origin of the goods is indicated or the geographical indication is used in translation or accompanied by expressions such as "kind", "type", "style", "imitation" or the like.

2. For the purposes of this Article, "geographical indications" is taken to mean indications which identify a product as originating in the territory of a third country which is a member of the [WTO] or in a region or locality within that territory, in cases where a certain quality, reputation or other given characteristic of the product may be attributed essentially to that geographical place of origin.'

7 The first subparagraph of Article 52(1) of Regulation No 1493/1999 provides:

'If a Member State uses the name of a specified region to designate [a quality wine produced in specified regions ("quality wine psr")] or, where appropriate, a wine intended for processing into such a quality wine psr, that name may not be used to designate products of the wine sector not produced in that region and/or products not designated by the name in accordance with the provisions of the relevant Community and national rules. This shall also apply if a Member State has used the name of a local administrative area or part thereof or a small locality solely to designate a quality wine psr or, where appropriate, a wine intended for processing into such a quality wine psr.'

8 Article 54 of Regulation No 1493/1999 states:

'1. Quality wines produced in specified regions … shall mean wines which comply with the provisions of this Title and the Community and national provisions adopted in this connection.

[...]

4. Member States shall forward to the Commission the list of quality wines psr which they have recognised, stating, for each of these quality wines psr, details of the national provisions governing the production and manufacture of those quality wines psr.

5. The Commission shall publish the list in the C Series of the Official Journal …'

9 A list of quality wines produced in specific regions (quality wines psr) was published by the Commission, in accordance with Article 54(4) of Regulation No 1493/1999, for the first time in the *Official Journal of the European Communities* of 19 February 1999 (C 46, p. 113). That list — which cancelled and replaced the list published earlier in Official Journal C 344 of 15 November 1996 (p. 110), in accordance with Article 1(3) of Council Regulation (EEC) No 823/87 of 16 March 1987 laying down special provisions relating to quality wines psr (OJ 1987 L 84, p. 59) — refers, in relation to Spain, to the registered designation of origin 'Valencia' and to the Ministerial Orders of 13 June 1987 (*Boletín oficial del Estado* (BOE) of 3 July 1987), of 11 March 1991 (BOE of 14 March 1991) and of 29 November 1995 (BOE of 8 December 1995).

10 A new list of quality wines psr was published by the Commission in Official Journal C 90 of 14 April 2004 (p. 1). That list refers, in relation to Spain and the region 'Valencia', to the sub-region 'Clariano', and to the Ministerial Order of 19 October 2000 (BOE of 3 November 2000) and the Ministerial Order APA/1815/2002 (BOE of 16 July 2002).

11 New lists were then published by the Commission in the Official Journal in 2006 (C 41, p. 1) and in 2007 (C 106, p. 1). Those listed included the same names, in relation to the region 'Valencia' and the sub-region 'Clariano', and the same references to the Ministerial Orders as those appearing in the Official Journal C 90 of 14 April 2004.

National law

12 Article 2(1) and (2) of the New Regulation on the Registered Designation of Origin 'Valencia' and its Regulatory Council, ratified by Ministerial Order of 19 October 2000 and published in the *Boletín Oficial del Estado* of 3 November 2000, provides:

'1. The protection granted by the present registered designation of origin is that referred to in Article 81 of Law No 25/1970 of 2 December 1970 and in the remainder of the applicable legislation and covers the expression "Valencia" and all names of the sub-regions, districts, local administrative areas, localities and estates which comprise the production and ageing areas referred to in Article 4.

2. It is prohibited to use for other wines the names, marks, words, expressions and signs which may, by their phonetic or graphical similarity with those protected by the registered designation of origin, be confused with those wines which are the subject of the present order, even if they are preceded by the words "type", "style", "bottled at", "kept in cellars at" and the like.'

13 Article 4(1) of the New Regulation on the Registered Designation of Origin 'Valencia' and its Regulatory Council provides as follows:

'The area of production under the registered designation of origin "Valencia" consists of the land situated in the province of Valencia that the Regulatory Council considers appropriate for the production of the grapes of the varieties indicated in Article 5, and is comprised of the sub-regions and local administrative areas listed hereafter: … Sub-region Clariano: … Palomar …'

14 Article 4(1) of the New Regulation on the Registered Designation of Origin 'Valencia' and its Regulatory Council was amended by Ministerial Order APA/1815/2002 of 4 July 2002 (BOE 169 of 16 July 2002, p. 25958). The word 'Palomar' was replaced therein by the words 'el Palomar'.

Background to the dispute

15 On 27 November 2006 the applicant, Abadía Retuerta, SA, filed a Community trade mark application at the Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM), pursuant to Regulation No 40/94.

16 The trade mark for which registration was sought is the word sign CUVÉE PALOMAR.

17 The goods in respect of which registration of the mark was sought are in Class 33 under the Nice Agreement concerning the International Classification of Goods and Services for the Purposes of Registration of Marks of 15 June 1957, as revised and amended, and correspond to the following description: 'wines'.

18 The examiner, taking the view that the mark applied for was inadmissible on the basis of the absolute ground for refusal referred to in Article 7(1)(j) of Regulation No 40/94, refused the application for registration by decision of 5 June 2007.

19 The applicant appealed against the examiner's decision.

20 By decision of 2 April 2008 ('the contested decision'), the First Board of Appeal dismissed the appeal and ordered the applicant to pay the costs incurred relating to the procedure.

21 The Board of Appeal recalls that, in accordance with the case-law (see Case C-245/02 *Anheuser-Busch* [2004] ECR I-10989, paragraph 42 and the case-law cited), since the Community is a party to the TRIPs Agreement, it is under an obligation to interpret its trade-mark legislation, as far as possible, in the light of the wording and purpose of that agreement (paragraph 13 of the contested decision).

22 The Board of Appeal points out that it is apparent from a comparison of Article 22(3) and Article 23(2) of the TRIPs Agreement that the latter provision, the wording of which was incorporated into Article 7(1)(j) of Regulation No 40/94, constitutes a *lex specialis*, which lays down a specific prohibition on registration of geographical indications identifying wines and spirits. That prohibition is, according to the Board of

Appeal, absolute and unconditional, since it is not subject to the condition that the use of the geographical indication in the mark for those goods be such as to deceive the public on the actual place of origin, a condition to which application of the general prohibition on registration of geographical indications referred to in Article 22(3) of the TRIPs Agreement is explicitly subject (paragraphs 16 and 17).

23 The Board of Appeal states, in essence, that el Palomar is the name of a local administrative area in the sub-region Clariano and constitutes, pursuant to the applicable Community and national law, an area of production protected by the registered designation of origin 'valencia' (paragraphs 19 and 20 of the contested decision).

24 The Board of Appeal considers that there is a large degree of similarity between the local administrative area name el Palomar, protected by the registered designation of origin 'valencia', and the word 'palomar' included in the mark applied for (paragraph 26 of the contested decision).

25 The Board of Appeal considers that its use is therefore prohibited pursuant to Article 2(2) of the Ministerial Order of 19 October 2000, since the Community trade mark has not been sought to designate wines from that area of origin (paragraph 26 of the contested decision).

26 The Board of Appeal notes, moreover, that while it is true that the official name of the local administrative area is 'el Palomar', the component 'palomar' is the one which identifies that specific area and constitutes the essential element on which the geographical indication is based, as that recognition cannot depend on the presence or absence of the article 'el'. Further, the local administrative area in question was identified by the name Palomar, without an article, in the Ministerial Order of 19 October 2000 (paragraph 29 of the contested decision).

27 Given that the protection of registered designations of origin extends to the names of local administrative areas, in the present case el Palomar, and to words which may on account of their similarity create confusion, as is the case with the word 'palomar' included in the mark applied for, the Board of Appeal states that the presence of that word in the Community mark applied for is understood, pursuant to the applicable legislation, as a geographical indication identifying a wine. Given that the goods in question do not have that origin, the Board of Appeal takes the view that registration of the Community mark applied for to designate wines should be refused, pursuant to Article 7(1)(j) of Regulation No 40/94, since it contains a false geographical indication (paragraph 30 of the contested decision).

28 The Board of Appeal explains, lastly, that that finding is also applicable in relation to the amended description of the goods covered by the application, namely 'wines from an estate known as "Pago Palomar", situated in the local administrative area of Sardón de Duero (Valladolid, Spain)'. The Board of Appeal considers that that restriction does not overcome the stated objection, since it merely reinforces the fact that the mark applied for contains a geographical indication which does not correspond to the origin of the goods which it describes, which is contrary to the provisions of Article 7(1)(j) of Regulation No 40/94 (paragraph 31 of the contested decision).

Procedure and forms of order sought

29 The applicant claims that the Court should:

— annul the contested decision;

— order OHIM to pay the costs.

30 OHIM contends that the Court should:

— dismiss the action;

— order the applicant to pay the costs.

Law

Arguments of the parties

31 The applicant puts forward a single plea in support of its action, alleging infringement of Article 7(1)(j) of Regulation No 40/94.

32 First, the applicant claims, in essence, that Article 7(1)(j) of Regulation No 40/94 must be construed narrowly because it contains a prohibition on registration. Accordingly, it considers that that provision is not applicable in the present case as the mark applied for CUVÉE PALOMAR does not contain the name of the registered designation of origin 'el Palomar'.

33 The name of the local administrative area is el Palomar, not Palomar, under the wording of Article 4(1) of the New Regulation on the Registered Designation of Origin 'Valencia' and its Regulatory Council, as amended by Ministerial Order APA/1815/2002.

34 Second, the applicant claims that the fact that the bodies responsible for protecting the registered designation of origin 'valencia' did not oppose the trade mark application demonstrates that there is no conflict between that mark and the name of the local administrative area.

35 Third, the applicant points out that the local administrative area of el Palomar has a population of a little over 500 inhabitants. It is, therefore, a very small locality, totally unknown to the average Spanish and European consumer, who do not know that wines with the registered designation of origin 'valencia' are produced at el Palomar. The name el Palomar is therefore a geographical name which is completely unknown to the relevant class of persons.

36 The applicant submits, in essence, that the case-law relating to Article 7(1)(c) of Regulation No 40/94 (now Article 7(1)(c) of Regulation No 207/2009), according to which the absolute ground for refusal in Article 7(1)(c) of Regulation No 40/94 should not be applied in cases where marks consist of names designating unknown geographical areas (Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee* [1999] ECR I-2779, paragraphs 31 to 33), should also apply, mutatis mutandis, to the absolute ground for refusal referred to in Article 7(1)(j) of Regulation No 40/94.

37 Fourth, the applicant claims that Article 7(1)(j) of Regulation No 40/94 must be interpreted as implying that, for the absolute prohibition on registration to be applicable, the mark applied for must contain or consist of a false geographical indication.

38 The trade mark application for CUVÉE PALOMAR does not contain or consist of a false geographical indication, according to the applicant. On the contrary, it identifies the geographical origin of the applicant's wines. In the mark CUVÉE PALOMAR, the word 'palomar' identifies a Palomar vineyard, which has existed since the nineteenth century and which is situated in the Retuerta estate, owned by Abadía Retuerta SA, in the Spanish local administrative area of Sardón de Duero (Valladolid).

39 According to the applicant, it is obvious that, as the owner of the Palomar vineyard, it is fully entitled to identify the wines produced in that vineyard with the mark CUVÉE PALOMAR. That is the reason why, in order to resolve the objections raised by OHIM and in order to avoid any mistake as regards the geographical origin of its goods, it agreed, on 16 February 2007, to limit the trade mark application to 'wines from an estate known as "Pago Palomar", situated in the local administrative area of Sardón de Duero (Valladolid, Spain)'.

40 The applicant takes the view, in essence, that, consequently, the application for the mark CUVÉE PALOMAR contains no false geographical indication, given that the Palomar vineyard exists and belongs to it, and that the mark applied for should not, therefore, be the subject of the absolute prohibition on registration laid down in Article 7(1)(j) of Regulation No 40/94.

41 Fifth, the applicant claims that the name of the Palomar vineyard, owned by it, which has, as indicated in paragraph 38 above, existed since the nineteenth century, is much older than the recognition, in 2000, of the local administrative area of el Palomar as an area of production protected by the registered designation of origin 'Valencia'.

Therefore, the refusal to register the mark CUVÉE PALOMAR constitutes a breach of the general principle of law contained in the Latin maxim *prior tempore, potior iure* (he who is before in time, is preferred in law). The applicant notes that the Ministerial Order of 19 October 2000 which led to the recognition of the local administrative area of el Palomar as an area of production protected by the registered designation of origin 'Valencia' is later even than the Spanish trade mark No 2.085.129 CUVÉE EL PALOMAR, which dates from 1997.

42 Sixth, the applicant claims, in essence, that 'palomar' is a word with many meanings and, according to the dictionary of the Real Academia Española (Royal Spanish Academy), means: '1. noun. Place where doves are reared. 2. Adj. Said of a type of string: finer and more twisted than a normal string'.

43 It is of the opinion that that fact moderates the alleged geographically indicative nature of the local administrative area of el Palomar.

44 It considers that, where the sign which comprises the mark, apart from its geographical meaning, has another meaning which prevails over the geographical meaning, consideration must be given to its principal meaning. Once that assessment has been carried out, the appropriate body of legal rules should be applied. According to the applicant, the word 'palomar' has a principal meaning, known to all consumers, which is a ' place where doves are reared.'

45 The applicant puts forward the argument that, as the alleged geographical nature of the word 'palomar' is weakened by the other meanings of that term, that word 'palomar' can fulfil the specific functions of a mark. It considers that, accordingly, the contested decision constitutes an erroneous interpretation of Article 7(1)(j) of Regulation No 40/94. The protection of a supposed collective interest, which would justify

refusing marks which are the same as geographical indications, cannot, according to the applicant, lead to the absurd situation where marks which have another meaning or which designate — as in the present case — the area of origin of the goods at issue, are refused.

46 Seventh, the applicant alleges, in essence, that it is the proprietor of various Community trade marks — PAGO PALOMAR, ABADIA RETUERTA CUVÉE PALOMAR — for designating wines in Class 33, and of a Spanish trade mark CUVÉE EL PALOMAR which contains the whole of the name of the local administrative area 'el Palomar'.

47 In that regard, the applicant relies on the wording of Article 24(5) of the TRIPs Agreement (see paragraph 3 above).

48 According to it, the Spanish mark No 2.085.129 CUVÉE EL PALOMAR dates from 1997, and it is therefore earlier than the protection of the name of the local administrative area el Palomar, in connection with the registered designation of origin 'Valencia', for which a regulation was adopted in 2000.

49 The applicant considers that, consequently, the validity of the marks CUVÉE EL PALOMAR (registered in 1997) and CUVÉE PALOMAR (applied for in good faith by the applicant) cannot be disputed on the sole ground that those marks are similar to a geographical indication subsequently recognised.

50 The applicant points out, moreover, that the mark CUVÉE EL PALOMAR is also protected in a number of countries of the European Union by international trade mark No 699.977, registered on 23 September 1998.

51 As regards the Board of Appeal's assessment that the earlier registrations are irrelevant, since it is settled case-law that national decisions do not bind OHIM and do not relieve it of its obligation to apply Community rules to the case in hand, the applicant contends that the Board of Appeal failed to mention that two of the earlier registrations (namely Community trade marks No 4.827.978 PAGO PALOMAR and No 5.501.978 ABADÍA RETUERTA CUVÉE PALOMAR) were examined by OHIM itself and are therefore not national decisions.

52 The applicant is of the opinion that the fact that the German, Spanish, French, Italian, Austrian and United Kingdom offices accepted registration of the mark CUVÉE EL PALOMAR ought to have been taken into account by OHIM as providing clear evidence that the Community trade mark CUVÉE PALOMAR does not fall under any absolute ground for refusal of registration, all the more so since OHIM itself had admitted the Community trade marks PAGO PALOMAR and ABADÍA RETUERTA CUVÉE PALOMAR for registration.

53 Eighth, the applicant points out, in essence, that OHIM has registered marks such as CUVÉE MEDITERRANEO, CUVÉE DU GOLFE DE SAINT-TROPEZ and CUVÉE OCCITANE.

54 Yet, according to the applicant, those marks have a direct and obvious link with a geographical area well-known in wine-growing circles, given that the European public in general is able to identify geographically the Mediterranean, the gulf of Saint-Tropez and Occitanie.

55 According to the applicant, it follows that the refusal to register the mark CUVÉE PALOMAR constitutes a breach of the principle of equality and an arbitrary decision on the part of OHIM.

56 Lastly, at the hearing, the applicant submitted, in essence, that the list of quality wines psr published by the Commission in the Official Journal in 2007 does not contain the name el Palomar, but merely lists the provisions of national law in which that name appears. According to the applicant, the publication of the list in the Official Journal constitutes a condition for the geographical designations protected by national law to be binding. As the geographical indication el Palomar has not been published in the Official Journal, it cannot, therefore, be enforceable against the applicant.

57 Furthermore, the applicant claimed at the hearing that the publication of the list in the Official Journal only took place in 2007, that is to say, subsequent to the trade mark application which was filed on 27 November 2006. However, it is the publication of the list in the Official Journal by the Commission, according to the applicant, which makes geographical designations protected by national law enforceable. Accordingly, if the Court were to consider that the publication in the Official Journal of a list which merely refers to the provisions of national law in which the name 'el Palomar' appears is sufficient to ensure that that name has enough publicity, it would then have to find that the publication took place after the filing of the trade mark application and, therefore, that that protected geographical designation cannot be enforceable against the applicant.

58 OHIM contests that line of argument and considers, in essence, that the Board of Appeal correctly determined the facts and the law in the contested decision.

Findings of the Court

59 Article 7(1)(j) of Regulation No 40/94 provides that trade marks for wines which contain or consist of a geographical indication identifying wines with respect to such wines not having that origin are not to be registered.

60 In order to apply that provision, it is necessary to determine the scope of the concept of 'geographical indication identifying wines'.

61 Regulation No 40/94 does not define the concept of geographical indication identifying wines.

62 However, Article 7(1)(j) of Regulation No 40/94 was inserted by Regulation No 3288/94.

63 The fourth recital in the preamble to Regulation No 3288/94 states that 'Article 23(2) of the TRIPs Agreement provides for the refusal or invalidation of trade marks which contain or consist of false geographical indications for wines and spirits without the condition that they are of such a nature as to deceive the public', and that 'a new subparagraph (j) has to be added to Article 7(1) of Regulation (EC) No 40/94'.

64 It should be recalled that, since the Community is a party to the TRIPs Agreement, it is required to interpret its trade-mark legislation, as far as possible, in the light of the wording and purpose of that agreement (see *Anheuser-Busch*, paragraph 21 above, paragraph 42 and the case-law cited).

65 It is settled case-law that a provision of an agreement entered into by the Community with non-member countries must be regarded as being directly applicable when,

regard being had to the wording, purpose and nature of the agreement, it may be concluded that the provision contains a clear, precise and unconditional obligation which is not subject, in its implementation or effects, to the adoption of any subsequent measure (Joined Cases C-300/98 and C-392/98 *Dior and Others* [2000] ECR I-11307, paragraph 42).

66 The Court has however already held that, first, having regard to their nature and structure, the WTO Agreement and the annexes thereto are not in principle among the rules in the light of which the Court is to review measures of the Community institutions in the context of an action for annulment (*Dior and Others*, paragraph 65 above, paragraph 43) and, second, the provisions of the TRIPs Agreement, an annex to the WTO Agreement, are not such as to create rights upon which individuals may rely directly before the courts by virtue of Community law (*Dior and Others*, paragraph 65 above, paragraph 44).

67 It follows that, although the provisions of the TRIPs Agreement do not have direct effect, it is nevertheless true that the trade-mark legislation, that is to say, in the present case, Article 7(1)(j) of Regulation No 40/94, must, as far as possible, be interpreted in the light of the wording and purpose of that agreement.

68 It is to be observed that the expression 'geographical indication identifying wines', which appears in Article 7(1)(j) of Regulation No 40/94, differs, in the French version, from that which appears in Article 23 of the TRIPs Agreement, cited in paragraph 2 above.

69 There are however two other languages which are authentic under the Final Act Embodying the Results of the Uruguay Round of Multilateral Trade Negotiations, signed

at Marrakesh on 15 April 1994 (OJ 1994 L 336, p. 253), the text of which was drafted in French, English and Spanish.

70 Thus, the words 'geographical indication identifying wines' are used both in Article 23 of the TRIPs Agreement and in Article 7(1)(j) of Regulation No 40/94 in the English version of those provisions.

71 In addition, the words 'indicación geográfica que identifique vinos' are used in the Spanish version of Article 23 of the TRIPs Agreement and the words 'indicación geográfica que identifique el vino' in the Spanish version of Article 7(1)(j) of Regulation No 40/94.

72 It must accordingly be held that Article 7(1)(j) of Regulation No 40/94 refers to geographical indications identifying wines, not geographical indications 'destinées à identifier les vins [intended to identify wines]'.

73 Regulation No 1493/1999, which is applicable *ratione temporis* to the present case, establishes the scope and protection of geographical indications in relation to wine.

74 Furthermore, the concept of a geographical indication identifying wines, within the meaning of Article 7(1)(j) of Regulation No 40/94, must be read in the light of the relevant provisions of Community law on determining and protecting geographical indications relating to wines. Consequently, it is necessary to refer to Regulation No 1493/1999, which is also intended to ensure that Community law is consistent

with the provisions of the TRIPs Agreement, as is apparent from recitals 56 and 80 in the preamble to that regulation.

75 Article 50(1) of Regulation No 1493/1999 concerns the protection of geographical indications for products originating in third countries in the context of applying Articles 23 and 24 of the TRIPs Agreement.

76 However, Article 50(2) of that regulation defines the concept of a geographical indication solely for the purposes of applying paragraph 1 of that article.

77 Consequently, reference must be made to the other provisions of Regulation No 1493/1999 in order to determine the meaning of the concept of a geographical indication for the purposes of that regulation.

78 Article 47(1) of Regulation No 1493/1999 provides:

'Rules relating to the description, designation and presentation of certain products covered by this Regulation, and the protection of certain particulars and terms are set out in this Chapter and in Annexes VII and VIII.'

79 Under Article 47(2)(e) of Regulation No 1493/1999, the rules mentioned in paragraph 1 are to include, in particular, provisions governing the use of geographical indications.

80 Point A of Annex VI to Regulation No 1493/1999 states as follows:

'1. "Specified region" shall mean a wine-growing area or a combination of wine-growing areas which produces wines with particular quality characteristics and whose name is used to designate quality wines psr.

2. Each specified region shall be precisely demarcated, as far as possible on the basis of the individual vineyard or vineyard plot. Such demarcation shall be effected by each Member State concerned and shall take into account the factors which contribute towards the quality of the wines produced in those regions, such as the nature of the soil and subsoil, the climate and the situation of the individual vineyard or vineyard plot.

3. The specified region is designated by its geographical name …

4. The geographical name designating a specified region must be sufficiently precise and familiarly linked to the area of production so that, taking account of the existing situations, confusion may be avoided.'

81 The first indent of Point B(1)(c) of Annex VII to Regulation No 1493/1999 states as follows:

'The labelling of the products obtained in the Community may be supplemented by the following particulars, under conditions to be determined: … in the case of quality

wine psr: … reference to a geographical area smaller than the region specified in accordance with the provisions laid down by the Member State of production'.

82 The first subparagraph of Article 52(1) of Regulation No 1493/1999 provides that, if a Member State uses the name of a specified region to designate a quality wine psr, that name may not be used to designate products of the wine sector not produced in that region and/or products not designated by the name in accordance with the provisions of the relevant Community and national rules. This shall also apply if a Member State has used the name of a local administrative area or part thereof or a small locality solely to designate a quality wine psr.

83 In other words, the Member States are competent, pursuant to Regulation No 1493/1999, to use the name of a local administrative area, a part thereof or a small locality to designate a quality wine psr. In such a case, that name cannot be used to designate products of the wine sector which do not come from that local administrative area or part thereof or from that small locality and/or to which that name has not been assigned in accordance with the applicable Community and national rules.

84 It must therefore be held that, in the context of applying Regulation No 1493/1999, it is for the Member States to determine, for their respective territories, the geographical indications which are intended to be protected.

85 Article 2(1) of the New Regulation on the Registered Designation of Origin 'Valencia' and its Regulatory Council, adopted by the Spanish legislature, provides that the protection granted by that registered designation of origin covers the expression 'valencia' and all designations of the sub-regions, districts, local administrative areas, localities and estates which comprise the production and ageing areas referred to in Article 4.

86 Article 4(1) of the New Regulation on the Registered Designation of Origin 'Valencia' and its Regulatory Council, as amended by the Ministerial Order APA/1815/2002, of 4 July 2002, provides that the area of production protected by the registered designation of origin 'valencia' consists of, inter alia, the sub-region Clariano, which includes, inter alia, a local administrative area with the name el Palomar.

87 The name el Palomar thus constitutes a geographical indication for a quality wine psr under Spanish law and, accordingly, under Article 52 of Regulation No 1493/1999, a fact which is not disputed by the applicant, which confirmed, in addition, at the hearing, that it had not contested the validity of that law before the Spanish Courts.

88 As the name el Palomar is a geographical indication for a quality wine psr, it therefore constitutes a geographical indication identifying wines within the meaning of Article 7(1)(j) of Regulation No 40/94.

89 The applicant does not, furthermore, claim that the geographical indication el Palomar is not used to identify a wine produced in the local administrative area of that name. It maintains merely, in essence, that it has the right to use the name Palomar despite the existence of the geographical indication el Palomar.

90 On the other hand, the applicant disputes the enforceability of the geographical indication el Palomar on account of the fact that the list published by the Commission in the Official Journal, in accordance with Article 54(5) of Regulation No 1493/1999, does not refer to el Palomar or even Palomar.

91 In that regard, Article 54(4) and (5) of Regulation No 1493/1999 provides, first, that Member States are to forward to the Commission the list of quality wines psr which they have recognised, stating, for each of those quality wines psr, details of the national provisions governing the production and manufacture of those quality wines psr, and, second, that the Commission is to publish the list in the Official Journal (C Series).

92 First, it must be borne in mind that the New Regulation on the Registered Designation of Origin 'Valencia' and its Regulatory Council was published in the BOE on 3 November 2000. Ministerial Order APA/1815/2002 was published in the BOE on 16 July 2002.

93 Second, a list of quality wines psr was published, in accordance with Article 54(5) of Regulation No 1493/1999, for the first time in Official Journal C 46 of 19 February 1999 (p. 113).

94 As pointed out in paragraph 10 above, a new list of quality wines psr was published by the Commission in the Official Journal on 14 April 2004. Reference is made therein, as regards Spain and the region Valencia, to the sub-region Clariano, to the Ministerial Order of 19 October 2000, to Ministerial Order APA/1815/2002 and to the publication details of those two orders in the BOE.

95 As has been indicated, moreover, in paragraph 11 above, new lists were then published by the Commission in the Official Journal in 2006 and 2007. Those lists include identical references to those appearing in the list published by the Commission in 2004 concerning the region Valencia and the sub-region Clariano.

96 The applicant cannot therefore claim that the list of quality wines psr, including a reference to the geographical indication Clariano and details of the relevant provisions of Spanish law, was published for the first time in the Official Journal only in 2007.

97 In addition, the Community protection of geographical indications which is established by Regulation No 1493/1999 is based on the geographical indications such as they are determined by laws of the Member States in compliance with the relevant provisions of that regulation. That protection does not result from an autonomous Community procedure or even from a mechanism under which the geographical indications recognised by Member States are incorporated in a binding Community measure.

98 The only obligations which result from Article 54(4) and (5) of Regulation No 1493/1999 are, for the Member States, to forward the list of quality wines psr which they have recognised to the Commission, stating, for each of them, details of the national provisions which govern their production and manufacture, and for the Commission to publish that list in the C series — and not the L series — of the Official Journal.

99 As the protection of geographical indications originates in the laws of the Member States, it follows that the enforceability, against third parties, of national measures by which a Member State designates the name of a specific region, the name of a local administrative area or a part thereof, or a locality, as a quality wine psr, pursuant to the first subparagraph of Article 52(1) of Regulation No 1493/1999, results from the publication of those provisions in the Official Journal of the Member State which adopts them.

100 It is not in dispute that the New Regulation on the Registered Designation of Origin 'Valencia' and its Regulatory Council, and Ministerial Order APA/1815/2002, were

published in the BOE in 2000 and 2002 respectively, on dates prior to the trade mark application filed on 27 November 2006.

101 It is also clear, from the fact that the protection of geographical indications originates in the laws of the Member States, that the publication of the list of quality wines psr and details of the national provisions in the C Series of the *Official Journal of the European Union* constitutes only a way of informing the public of the protection of geographical indications implemented by each of the Member States under their national law.

102 It is true that the way in which the Commission published the information forwarded by the Kingdom of Spain hardly seems effective to ensure that the public is fully and completely informed, in so far as the name of the local administrative areas which benefit from an indication of origin in relation to, inter alia, the region Valencia and the sub-region Clariano — including the name of the local administrative area el Palomar — do not appear in the list published by the Commission.

103 It must nevertheless be held, first, that that way of publishing national details complies with the provisions of Article 54(5) of Regulation No 1493/1999 and, second, that that way does not invalidate the protection which Regulation No 1493/1999 grants to geographical indications which benefit from protection under Spanish law, including the geographical indication 'el Palomar'.

104 For the sake of completeness, it should moreover be noted that, under Article 8 of the Agreement between the European Community and the Republic of South Africa on trade in wine (OJ 2002 L 28, p. 4), as regards wines originating in the Community, the geographical indications referred to in Annex II are protected.

105 The name Palomar is referred to in Annex II ('List of geographical indications') to the agreement, Section A. ('Geographical indications of wines originating in the European Community'), III. ('Wines originating in the Kingdom of Spain'), 1. ('Quality wines psr'), 1.2.48. ('Specific region Valencia'), (d) ('Sub-region Clariano').

106 The name Palomar also appears in the annexes to the Agreement between the European Community and the Swiss Confederation on trade in agricultural products (OJ 2002 L 114, p. 132).

107 It should be observed that those agreements date from before the amendment to Article 4(1) of the New Regulation on the Registered Designation of Origin 'Valencia' and its Regulatory Council by Ministerial Order APA/1815/2002 of 4 July 2002, which introduced the name el Palomar in place of Palomar.

108 The name Palomar also appears in the annexes to the Agreement between the European Community and Australia on trade in wine concluded in 1994 (OJ 1994 L 86, p. 3), which leads to the conclusion that the protection granted by the Kingdom of Spain to the geographical indication el Palomar dates from before the provisions of the New Regulation on the Registered Designation of Origin 'Valencia' and its Regulatory Council, as amended by Ministerial Order APA/1815/2002 of 4 July 2002.

109 At the end of that examination, it should be borne in mind that, in accordance with Article 7(1)(j) of Regulation No 40/94, trade marks for wines which contain or consist of a geographical indication identifying wines in respect of such wines not having that origin are not to be registered.

110 It is not in dispute that the wine in respect of which the applicant lodged a Community trade mark application for the word sign CUVÉE PALOMAR does not come from the local administrative area el Palomar referred to in the New Regulation on the Registered Designation of Origin 'Valencia' and its Regulatory Council, published in the BOE prior to that application for registration.

111 The mark applied for consists therefore of a geographical indication which identifies a quality wine psr even though the wine in respect of which the mark is sought does not have that origin.

112 Therefore, the Board of Appeal was right to find that the mark applied for was inadmissible on the basis of the absolute ground for refusal laid down in Article 7(1)(j) of Regulation No 40/94.

113 That finding cannot be called into question by the arguments submitted by the applicant in support of its single plea.

114 First, the applicant claims, in essence, that, since a part of its estate has the name Palomar, having that name in the mark applied for does not constitute a false or erroneous indication.

115 It is however irrelevant that that name is not erroneous, since the only condition for the application of the absolute ground for refusal laid down in Article 7(1)(j) of Regulation No 40/94 is that the mark contains or consists of a geographical indication identifying a wine in respect of such wine not having that origin.

116 The applicant acknowledges that the part of its estate which is called Palomar is not situated in the local administrative area el Palomar, referred to in the New Regulation on the Registered Designation of Origin 'Valencia' and its Regulatory Council.

117 That argument submitted by the applicant must, therefore, be rejected.

118 Second, the applicant claims, in essence, that for the absolute ground for refusal laid down in Article 7(1)(j) of Regulation No 40/94 to apply, the mark applied for must contain or consist of a false geographical indication designating wines which

have a different origin from that which consumers associate with that geographical indication.

119 The fourth recital in the preamble to Regulation No 3288/94 states that Article 23(2) of the TRIPs Agreement provides for the refusal or invalidation of trade marks which contain or consist of false geographical indications for wines and spirits without the condition that they are of such a nature as to deceive the public.

120 Therefore, the ground for refusal laid down in Article 7(1)(j) of Regulation No 40/94 applies without it being necessary to consider whether the marks for which registration are sought are of such as a nature to deceive the public or not, or whether they lead to a likelihood of confusion regarding the origin of the product.

121 The applicant's line of argument on that point must, therefore, be rejected.

122 Third, the applicant submits, in essence, that the mark applied for does not include the name el Palomar, which benefits from the protection granted by Spanish law, but merely the word 'palomar'. The words should be perfectly homonymous, according to it, for the absolute ground for refusal laid down in Article 7(1)(j) of Regulation No 40/94 to apply. Accordingly, in the absence of the article 'el' in the mark applied for, that mark cannot be refused registration by OHIM.

123 It should be noted, by way of illustration, that, if the applicant's argument were to be accepted, it would allow for registration of a mark such as Baux de Provence or Clos Vougeot, even though there are geographical indications for quality wines psr Les Baux de Provence and Clos de Vougeot.

124 Such an interpretation of Article 7(1)(j) of Regulation No 40/94 would clearly clash with the objective of protecting geographical indications for quality wines psr pursued by national and Community law.

125 For the absolute ground for refusal referred to in Article 7(1)(j) of Regulation No 40/94 to apply, it suffices that those marks contain or consist of elements which enable the geographical indication in question to be identified with certainty, without it being necessary to consider the definite or indefinite articles which may possibly form a part of them.

126 It would only be otherwise if the geographical indication consisted of a name of a place containing an article which is inseparable from that name and which gives that name its own, autonomous meaning.

127 In the present case, the name el Palomar does not have its own, autonomous meaning which would distinguish it from the name Palomar.

128 Consequently, the trade mark applied for, that is to say CUVÉE PALOMAR, contains or consists of elements which enable the geographical indication el Palomar to be identified with certainty, namely the word 'palomar'.

129 Therefore, the applicant's argument that the article 'el' should have a decisive influence, in the present case, on whether the ground for refusal laid down in Article 7(1)(j) of Regulation No 40/94 should be applied must be rejected.

130 Fourth, the applicant claims, in essence, that it is necessary to have regard to the fact that the name el Palomar, which benefits from the registered designation of origin

protected under Spanish law, is unknown to the general public or the relevant class of persons, and that it has many meanings which moderate its geographically indicative nature.

131 However, in so far as registration of the mark applied for must be refused on the sole ground that that mark contains or consists of a geographical indication identifying wines in respect of such wines not having that origin, it follows that the fact that the name which benefits from a registered designation of origin is unknown to the general public or the relevant class of persons, or that it has many meanings which moderate its geographically indicative nature, is irrelevant for the application of the absolute ground for refusal laid down in Article 7(1)(j) of Regulation No 40/94.

132 It follows that the applicant's argument that the case-law on Article 7(1)(c) of Regulation No 40/94 — under which the Court held that the absolute ground for refusal in that provision should not apply in the case of marks consisting of a name designating unknown geographical areas — should be applied by analogy cannot succeed.

133 That case-law is not applicable in relation to the absolute ground for refusal laid down in Article 7(1)(j) of Regulation No 40/94, since the provision does not require any assessment of a possible likelihood of confusion.

134 For registration to be refused, it suffices that a mark identifying a wine contains or consists of a geographical indication identifying wines, whereas the wine in respect of which registration is sought does not have that origin.

135 Fifth, as regards the applicant's argument that there was no opposition from the bodies responsible for protecting the designation 'valencia', it must be held that, as the trade mark application was not published, registration of the mark having been refused, third parties, including the regulatory council for the registered designation of

origin and the central and autonomous administrations, had no occasion to submit their observations on the mark applied for.

136 In any event, even if those bodies had had the opportunity to oppose the mark applied for and had not done so, it cannot validly be inferred from that failure to file an opposition that the mark can properly be registered notwithstanding the provisions of Article 7(1)(j) of Regulation No 40/94.

137 Sixth, as regards the applicant's argument according to which the registration of the mark applied for would be merely the extension at Community level of national and international registrations which it already holds, it should be borne in mind that, according to settled case-law, the registrability of a sign as a Community trade mark must be assessed by reference only to the relevant Community rules. OHIM and, if appropriate, the Community judicature are not bound by a decision given in a Member State, or a third country, that the sign in question is registrable as a national mark (Case T-106/00 *Streamserve* v *OHIM (STREAMSERVE)* [2002] ECR II-723, paragraph 47, and Case T-19/04 *Metso Paper Automation* v *OHIM (PAPERLAB)* [2005] ECR II-2383, paragraph 37).

138 Registrations already made in Member States are only one factor which may be taken into account in connection with the registration of a Community trade mark and the mark applied for must be assessed solely on the basis of the relevant Community rules. It follows that OHIM is under no obligation to follow the assessment of the authority with jurisdiction over trade marks in the country of origin or to lay down the same requirements, or to register the mark applied for on account of the existence of a decision to allow registration from the Spanish Trade Marks Office (see, to that effect, Case C-238/06 P *Develey* v *OHIM* [2007] ECR I-9375, paragraphs 66 to 73).

139 Accordingly, the fact of holding national and international registrations cannot prevent a refusal to register a mark pursuant to Community rules.

140 It follows that the applicant's line of argument on that point must be rejected.

141 Seventh, regarding the applicant's complaint that, in essence, there should be nothing to prevent registration of the mark CUVÉE PALOMAR, since OHIM had granted registration of the marks PAGO PALOMAR and ABADÍA RETUERTA CUVÉE PALOMAR, it should be recalled that, according to settled case-law, the decisions concerning registration of a sign as a Community trade mark which the Boards of Appeal have to take under Regulation No 40/94 are adopted in the exercise of circumscribed powers and are not a matter of discretion. Accordingly, the lawfulness of the decisions of the Boards of Appeal must be assessed solely on the basis of that regulation as interpreted by the Community judicature and not on the basis of a previous decision-making practice (see Case C-412/05 P *Alcon* v *OHIM* [2007] ECR I-3569, paragraph 65 and the case-law cited).

142 It follows that the applicant's complaint can only be rejected.

143 Eighth, the applicant claims, in essence, that Article 7(1)(j) of Regulation No 40/94 should be interpreted in the light of the relevant provisions of the TRIPs Agreement and, in particular, in the light of Article 24(5) thereof. Since it has been the proprietor of the Spanish trade mark CUVÉE EL PALOMAR since 1997, account must be taken of the fact that that mark came before the protection of the local administrative area name el Palomar in the context of the registered designation of origin 'valencia', for which a regulation was adopted in 2000.

144 The applicant is of the opinion, in essence, that, pursuant to Article 24(5) of the TRIPs Agreement, the recognition of the registered designation of origin in 2000 does not

invalidate the national trade mark CUVÉE EL PALOMAR which was registered earlier, and the existence of that national trade mark allows for registration of the mark CUVÉE PALOMAR, which was applied for in good faith, since that registration cannot be refused on the sole ground that the mark contains a geographical indication recognised subsequent to the registration of the national trade mark.

145 Under the case-law set out in paragraphs 64 to 67 above, although the provisions of the TRIPs Agreement are not such as to create rights upon which individuals may rely directly before the courts by virtue of Community law, the fact remains that Regulation No 40/94 must be interpreted, as far as possible, in the light of the wording and purpose of that agreement.

146 Under Article 24(5) of the TRIPs Agreement, where a trademark has been applied for or registered in good faith, or where rights to a trademark have been acquired through use in good faith, before the geographical indication is protected in its country of origin, measures adopted to implement Section 1 of the TRIPs Agreement — in which Article 24 appears — are not to prejudice eligibility for or the validity of the registration of a trademark, or the right to use a trademark, on the basis that such a trademark is identical with, or similar to, a geographical indication.

147 That provision presupposes therefore that the mark was applied for or registered in good faith before the geographical indication was protected in its country of origin, or that the mark for which registration is sought was used in good faith, before the geographical indication was protected in its country of origin.

148 In the present case, it should be noted that the trade mark application for CUVÉE PALOMAR was lodged in 2006, that is to say after the geographical indication el

Palomar was protected in its country of origin by the New Regulation on the Registered Designation of Origin 'Valencia' and its Regulatory Council, as amended by Ministerial Order APA/1815/2002 of 4 July 2002.

149 In addition, the applicant has not established that it made use, in good faith, of the name CUVÉE PALOMAR before the geographical indication el Palomar was protected in the country of origin.

150 Lastly, even if the applicant could claim the benefit of being earlier in time in relation to its mark CUVÉE EL PALOMAR, registered in Spain in 1997, it could however claim that benefit, where appropriate, only in respect of that existing mark and not for the registration of new marks, which also consist of that geographical indication, which did not exist at the time when protection was granted to the geographical indication.

151 Therefore, the applicant cannot claim the benefit of Article 24(5) of the TRIPs Agreement in order to obtain registration of the mark applied for.

152 For the sake of completeness, the Court observes that the Commission published a list of quality wines psr in the Official Journal of 19 February 1999, pursuant to the provisions of Article 1(3) of Regulation No 823/87. That list refers to the Ministerial Order concerning the Registered Designation of Origin 'Valencia' and its Regulatory Council of 13 June 1987, as amended by the Regulation of 29 November 1995, published in the BOE on 8 December 1995. That regulation, as amended, refers to the local administrative area Palomar as part of the sub-region Clariano, which itself is part of the geographical area benefiting from the registered designation of origin 'valencia'.

It follows that, in 1995, that is to say before registration of the national mark CUVÉE EL PALOMAR, the local administrative area Palomar constituted a geographical indication protected by national and Community law.

153 Ninth, as regards the applicant's argument that, in essence, OHIM has registered marks such as CUVÉE MEDITERRANEO, CUVÉE DU GOLFE DE SAINT-TROPEZ and CUVÉE OCCITANE and nothing precludes, therefore, the mark CUVÉE PALOMAR from being registered, it must be noted that the applicant has not demonstrated, or pleaded, that the names Mediterraneo, Golfe de Saint-Tropez and Occitane were protected geographical indications identifying wine.

154 Therefore, the applicant's argument is again irrelevant and must be rejected.

155 In the light of all of the foregoing, the action must be dismissed in its entirety.

Costs

156 Under Article 87(2) of the Rules of Procedure of the Court, the unsuccessful party is to be ordered to pay the costs if they have been applied for in the successful party's pleadings.

157 As the applicant has been unsuccessful, it must be ordered to pay the costs incurred by OHIM, in accordance with the form of order sought by OHIM.

On those grounds,

THE GENERAL COURT (Third Chamber)

hereby:

1. Dismisses the action;

2. Orders Abadía Retuerta, SA, to pay the costs.

Azizi Cremona Frimodt Nielsen

Delivered in open court in Luxembourg on 11 May 2010.

[Signatures]