

Court of Justice EU, 6 July 2017, Moreno Marin v Abadia Retuerta



TRADEMARK LAW

A trade mark such as LA MILLA DE ORO – which refers to a good or service with a high degree of value which is abundantly present in a single place – cannot constitute an indication of geographical origin.

- To indicate a geographical origin the that sign must be accompanied by a name designating a geographical place so that the actual physical space may be identified

In light of the foregoing considerations, the answer to the second question is that a sign such as ‘la Milla de Oro’, referring to the characteristic of a product or service which is that it can be found in abundance in a single place with a high degree of value and quality, cannot constitute an indication of geographical origin, since that sign must be accompanied by a name designating a geographical place so that the actual physical space with which a strong concentration of a product or service of a high degree of value or quality is associated may be identified.

If a good or service with a high degree of value is abundantly present in a single place, is unlikely to have characteristics the use of which as a trade mark would constitute a ground for invalidity within the meaning of article 3(1)(c) of the Directive 2008/95

In the light of the foregoing considerations, the answer to the first question is that Article 3(1)(c) of Directive 2008/95 must be interpreted as meaning that a sign such as ‘la Milla de Oro’, referring to the characteristic of a product or service which is that such a product or service can be found in abundance in a single place with a high degree of value, is unlikely to have characteristics the use of which as a trade mark would constitute a ground for invalidity within the meaning of that provision

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Court of Justice EU, 6 July 2017

(M. Berger, A. Borg Barthet (Rapporteur) and E. Levits)

JUDGMENT OF THE COURT (Tenth Chamber)
6 July 2017 (*)

(Reference for a preliminary ruling — Trade marks — Directive 2008/95/EC — Article 3(1)(c) — National word mark La Milla de Oro — Grounds for refusal of registration or invalidity — Signs indicating geographical origin)

In Case C-139/16,

REQUEST for a preliminary ruling under Article 267 TFEU from the Audiencia Provincial de Burgos (Provincial Court, Burgos, Spain), made by decision of 15 February 2016, received at the Court on 7 March 2016, in the proceedings

Juan Moreno Marín,

María Almudena Benavente Cárdbaba,

Rodrigo Moreno Benavente

v

Abadía RetuertaSA,

THE COURT (Tenth Chamber),

composed of M. Berger, President of the Chamber, A. Borg Barthet (Rapporteur) and E. Levits, Judges,

Advocate General: E. Tanchey,

Registrar: I. Illéssy, Administrator,

having regard to the written procedure and further to the hearing on 16 February 2017,

after considering the observations submitted on behalf of:

– Mr Moreno Marín, Ms Benavente Cárdbaba and Mr Moreno Benavente, by J. García Domínguez, abogado, and by C. Gutiérrez Moliner, procurador,

– Abadía Retuerta SA, by J. C. Quero Navarro and D. Pellisé Urquiza, abogados, and by J.M. Prieto Casado, procurador,

– the European Commission, by T. Scharf and J. Rius and by J. Samnadda, acting as Agents,

having decided, after hearing the Advocate General, to proceed to judgment without an Opinion,

gives the following

Judgment

1. This request for a preliminary ruling concerns the interpretation of Article 3(1)(c) of Directive 2008/95/EC of the European Parliament and of the Council of 22 October 2008 to approximate the laws of the Member States relating to trade marks (OJ 2008 L 299, p. 25).

2. The request has been made in proceedings between Mr Juan Moreno Marín, Ms Maria Almudena Benavente Cárdbaba and Mr Rodrigo Moreno Benavente, and Abadía Retuerta SA concerning the use by that company of the sign ‘El Pago de la Milla de Oro’ for commercial, promotional or advertising purposes with regard to wines.

Legal context

EU law

3. Article 3 of Directive 2008/95, entitled ‘Grounds for refusal or invalidity’, provides, in paragraphs 1 and 3:

‘1. *The following shall not be registered or if registered shall be liable to be declared invalid:*

...

(b) *trade marks which are devoid of any distinctive character;*

(c) trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin or the time of production of the goods or of rendering of the service, or other characteristics of the goods or service;

...

3. *A trade mark shall not be refused registration or be declared invalid in accordance with paragraph 1(b), (c) or (d) if, before the date of application for registration and following the use which has been made of it, it has acquired a distinctive character. Any Member State may in addition provide that this provision shall also apply where the distinctive character was acquired after the date of application for registration or after the date of registration.*

4. Article 7(1)(b) of Council Regulation (EC) No 207/2009 of 26 February 2009 on the European Union trade mark (OJ 2009 L 78, p. 1) states that trade marks which are devoid of any distinctive character are not to be registered.

Spanish law

5. Article 5 of the Ley 17/2001 de Marcas (Law 17/2001 on trade marks) of 7 December 2001 (BOE No 294 of 8 December 2001, p. 45579), entitled ‘Absolute prohibitions’, provides, in paragraph 1(c):

‘The following signs may not be registered:

...

(c) signs consisting exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin, or the time of production of the goods or of rendering of the service, or other characteristics of the good or service.’

The dispute in the main proceedings and the questions referred for a preliminary ruling

6. Ms Benavente Cárdbaba and Mr Moreno Benavente are the proprietors of the Spanish trade mark La Milla de Oro, registered under No 2841993, to distinguish wines. That trade mark was granted to Mr Moreno Marín by decision of the Oficina española de patentes y marcas (Spanish Patent and Trademark Office) of 23 April 2009 and subsequently transferred to Ms Benavente Cárdbaba and Mr Moreno Benavente.

7. The applicants in the main proceedings brought an action against Abadía Retuerta before the Juzgado de lo Mercantil de Burgos (Commercial Court, Burgos, Spain). They complain, in essence, that Abadía Retuerta uses the sign ‘El Pago de la Milla de Oro’ on the labelling of the wines it produces and that the use of designation ‘la Milla de Oro’ is liable to give rise to a likelihood of confusion on the part of consumers between the goods sold by Ms Benavente Cárdbaba and Mr Moreno Benavente and those sold by Abadía Retuerta. The applicants consequently claimed that Abadía Retuerta cease forthwith to use in any way whatsoever that designation and refrain from using it in the future.

8. Abadía Retuerta contested the claim and lodged a counterclaim seeking a declaration of invalidity in relation to the trade mark La Milla de Oro. It submitted,

inter alia, that that trade mark constitutes an indication of geographical origin and that it is necessary therefore to apply the absolute prohibition laid down by Article 5(1)(c) of Law 17/2001 on trade marks.

9. By judgment of 29 July 2014, the Juzgado de lo Mercantil de Burgos (Commercial Court, Burgos, Spain) dismissed the action for infringement brought before it at first instance and upheld the counterclaim of Abadía Retuerta, declaring the trade mark La Milla de Oro invalid on the grounds that it was an indication of geographical origin.

10. The applicants in the main proceedings brought an appeal against that judgment before the Audiencia Provincial de Burgos (Provincial Court, Burgos, Spain). They take the view that the sign ‘la Milla de Oro’ is not an indication of geographical origin but is a fanciful name which designates, without reference to a specific geographical area, goods which are characterised by belonging to the luxury brands sector. Thus, within the wine sector, ‘la Milla de oro’ de la Ribera del Duero (Spain) coexists with the ‘la Milla de oro’ de la Rioja (Spain). That sign is also used to designate the stretch of a street in Madrid (Spain) housing businesses and well-known brand names, and another street in which the most important art museums in the city of Madrid are situated.

11. Abadía Retuerta maintains its position and argues that the sign ‘la Milla de Oro’ is commonly used in the wine-growing sector to refer to a very specific geographical area in which both the applicants in the main proceedings and Abadía Retuerta operate and that, on that basis, it is an indication of geographical origin.

12. The referring court states that that sign does not seem to be an indication of geographical origin since it does not designate any place or topographic feature. Furthermore, in geographical indications, there would be a place whose actual name is subsequently used to designate the origin of the product. In the present case, that sign had, on the contrary, been created to refer to a specific class of goods which are already all situated in a specific place.

13. However, the referring court takes the view that the sign ‘la Milla de Oro’ is still associated with a specific place which is characterised by a high concentration of high-quality goods. As with geographical indications, in which a given characteristic of a product is associated with the place in question, that sign would be associated with the place concerned in so far as it was characterised by the quality of the goods and their accumulation.

14. In those circumstances the Audiencia Provincial de Burgos (Provincial Court, Burgos) decided to stay the proceedings and to refer the following questions to the Court of Justice for a preliminary ruling:

‘1. May the prohibitions in Article 3(1)(c) of Directive 2008/95 include the use of a sign referring to the characteristic of a product or service which is that it can be found in abundance in a single place with a high degree of value and quality?’

2. May a sign with these characteristics be regarded as a sign of geographical origin in so far as the product or service will always be concentrated in a specific physical area?

Consideration of the questions referred

The second question

15. By its second question, which it is appropriate to examine first, the referring court asks, in essence, whether a sign such as ‘la Milla de Oro’, referring to the characteristic of a product or service which is that it can be found in abundance in a single place with a high degree of value and quality, may be considered as an indication of geographical origin where the goods or services concerned are concentrated in a specific physical area.

16. In that regard, it should be recalled that the Court has held that Article 3(1)(c) of Directive 2008/95 prohibits the registration of geographical names as trade marks when the names designate places which are, in the mind of the relevant class of persons, currently associated with the category of goods concerned, or when it is reasonable to assume that such an association may be established in the future (see, to that effect, judgment of 4 May 1999, [Windsurfing Chiemsee, C-108/97 and C-109/97, EU:C:1999:230](#), paragraphs 31 and 37).

17. In the present case, the referring court points out that the sign ‘la Milla de Oro’ is not sufficient, by itself, to designate a specific and determined geographical place to which the origin of the wines in question could relate. It is apparent from the file available to the Court that, in the wine-growing sector, the sign ‘la Milla de Oro’ of the Ribera del Duero (Spain) coexists with the sign ‘la Milla de Oro’ of Rioja. In the luxury goods sector, when that sign is associated with the city of Madrid, it designates a district of that city in which luxury businesses, prestigious jewellers and art galleries are concentrated. ‘La Milla de Oro’ of Marbella (Spain) designates a district of that city in which luxury properties and high-end restaurants attracting rich and famous customers are situated.

18. It follows that the sign ‘la Milla de Oro’, first, designates a geographical zone which varies depending on the name of the geographical place which accompanies it and, second, refers to a specific level of quality of the goods and services which varies depending on the name of the geographical place with which that sign is associated.

19. Consequently, that sign must be accompanied by a name designating a given geographical place so that the geographical origin of the goods or services concerned may be identified, the latter being characterised by the possibility of finding in abundance, in that determined physical space, such goods or services of a high degree of value or quality.

20. It follows that there is no connection between the product concerned in the present case, namely wine, and the geographical origin attributed to the sign ‘la Milla de Oro’, since it is precisely on the basis of the name of the given geographical place with which they

are associated that the geographical origin of the goods or services in question can be determined.

21. In light of the foregoing considerations, the answer to the second question is that a sign such as ‘la Milla de Oro’, referring to the characteristic of a product or service which is that it can be found in abundance in a single place with a high degree of value and quality, cannot constitute an indication of geographical origin, since that sign must be accompanied by a name designating a geographical place so that the actual physical space with which a strong concentration of a product or service of a high degree of value or quality is associated may be identified.

The first question

22. By its first question, the referring court asks, in essence, whether Article 3(1)(c) of Directive 2008/95 must be interpreted as meaning that a sign such as ‘la Milla de Oro’, referring to the characteristic of a product or service which is that it can be found in abundance in a single place with a high degree of value and quality, may have characteristics the use of which as a trade mark would constitute a ground for invalidity within the meaning of that provision.

23. It must be recalled, in that regard, that, according to settled case-law, that provision pursues an aim in the public interest, which implies that all signs or indications which may serve to designate characteristics of the goods or services in respect of which registration is sought remain freely available to all undertakings in order that they may use them when describing the same characteristics of their own goods. Marks consisting exclusively of such signs or indications are not eligible for registration unless Article 3(3) of the directive applies (judgment of 12 February 2004, [Koninklijke KPN Nederland, C-363/99, EU:C:2004:86](#), paragraphs 54 and 55 and the case-law cited).

24. Moreover, the Court has also held that, since registration of a mark is always sought in respect of the goods or services described in the application for registration, the question whether or not any of the grounds for refusal set out in Article 3 of Directive 2008/95 apply to the mark must be assessed, on the one hand, by reference to those goods or services and, on the other hand, by reference to the perception which the relevant public has of those goods or services. That assessment must be carried out in concreto, taking into consideration all the relevant facts and circumstances (see, to that effect, judgments of 8 April 2003, [Linde and Others, C-53/01 to C-55/01, EU:C:2003:206](#), paragraph 75, and of 12 February 2004, [Koninklijke KPN Nederland, C-363/99, EU:C:2004:86](#), paragraphs 33 and 34).

25. In the present case, it will be for the referring court to ascertain, during the assessment in concreto of all the relevant facts and circumstances, whether the sign ‘la Milla de Oro’ can be perceived by the relevant public as being descriptive of a characteristic of a product, such as wine, which is that it can be found in abundance in a single place with a high degree of value and quality.

26. Furthermore, assuming that the referring court finds that a sign such as that at issue in the main proceedings is not descriptive of the abovementioned characteristic, it will still be for it to determine whether that sign has distinctive character. In accordance with Article 3(1)(b) of Directive 2008/95, trade marks which are devoid of any distinctive character are not to be registered or, if registered, are liable to be declared invalid.

27. In that regard, it must be noted that it is clear from the settled case-law relating to Article 7(1)(b) of Regulation No 207/2009, which repeats the wording of Article 3(1)(b) of Directive 2008/95, that the distinctive character of a trade mark, for the purposes of Article 7 of that regulation, means that the mark in question makes it possible to identify the product in respect of which registration is applied for as originating from a particular undertaking, and thus to distinguish that product from those of other undertakings (judgment of 21 January 2010, [Audi v OHIM, C-398/08 P, EU:C:2010:29](#), paragraph 33 and the case-law cited).

28. As regards marks composed of signs or indications that are also used as advertising slogans, indications of quality or incitements to purchase the goods or services covered by those marks, registration of such marks is not excluded as such by virtue of such use. For the purposes of assessing the distinctiveness of such marks, it is inappropriate to apply to those marks criteria stricter than those applicable to other signs (judgment of 12 July 2012, [Smart Technologies v OHIM, C-311/11 P, EU:C:2012:460](#), paragraph 25 and the case-law cited).

29. In that regard, the Court has noted that the laudatory connotation of a word mark does not mean that it cannot be appropriate for the purposes of guaranteeing to consumers the origin of the goods or services which it covers. Thus, such a mark cannot be perceived by the relevant public both as a promotional formula and as an indication of the commercial origin of the goods or services. It follows that, in so far as the public perceives the mark as an indication of that origin, the fact that the mark is at the same time understood, perhaps even primarily understood, as a promotional formula has no bearing on its distinctive character (judgment of 21 January 2010, [Audi v OHIM, C-398/08 P, EU:C:2010:29](#), paragraph 45, and the order of the President of the Court of 12 June 2014, [Delphi Technologies v OHIM, C-448/13 P](#), not published, [EU:C:2014:1746](#), paragraph 36).

30. Thus, in the circumstances at issue in the main proceedings, the referring court will have to examine, in the light of all the relevant facts and circumstances, whether the sign ‘la Milla de Oro’, provided that it is not descriptive of the characteristic of a product or service which is that it can be found in abundance in a single place with a high degree of value and quality, is perceived by the public concerned as being a slogan or promotional formula capable of indicating the commercial origin of the product or service concerned.

31. In the light of the foregoing considerations, the answer to the first question is that Article 3(1)(c) of Directive 2008/95 must be interpreted as meaning that

a sign such as ‘la Milla de Oro’, referring to the characteristic of a product or service which is that such a product or service can be found in abundance in a single place with a high degree of value, is unlikely to have characteristics the use of which as a trade mark would constitute a ground for invalidity within the meaning of that provision.

Costs

32. Since these proceedings are, for the parties to the main proceedings, a step in the action pending before the national court, the decision on costs is a matter for that court. Costs incurred in submitting observations to the Court, other than the costs of those parties, are not recoverable.

On those grounds, the Court (Tenth Chamber) hereby rules:

1. A sign such as ‘la Milla de Oro’, referring to the characteristic of a product or service which is that it can be found in abundance in a single place with a high degree of value and quality, cannot constitute an indication of geographical origin, since that sign must be accompanied by a name designating a geographical place so that the actual physical space with which a strong concentration of a product or service of a high degree of value or quality is associated may be identified.

2. Article 3(1)(c) of 2008/95/EC of the European Parliament and of the Council of 22 October 2008 to approximate the laws of the Member States relating to trade marks must be interpreted as meaning that a sign such as ‘la Milla de Oro’, referring to the characteristic of a product or service which is that such a product or service can be found in abundance in a single place with a high degree of value, is unlikely to have characteristics the use of which as a trade mark would constitute a ground for invalidity within the meaning of that provision.