

**STANDING COMMITTEE ON GEOGRAPHICAL INDICATIONS
QUESTIONNAIRE TO NATIONAL GROUPS**

National Group Spain

Questions

Your Group is invited to submit a Report addressing the questions below. If your Group considers that the answer to a question has already been given in its report on Question Q191, and that nothing has changed since then, a cross-reference to the specific paragraph in your Group's report on Q191 is sufficient.

In each case please specify whether your answer differs:

- (a) as between GIs and AOs; and
- (b) depending on whether the GI or AO is foreign or domestic.

I. Analysis of current legislation and case law

1) Are GIs and/or AOs protected under your Group's current law?

Yes. As member of the European Union (hereafter, 'EU'), the Spanish legal framework for GIs/AOs is harmonized –and directly regulated in substantive aspects— by the EU legislation on the matter.

As will be explained in answer to Question 2, in Spain there exist two different categories of rights: 'geographical indications' and 'designations of origin'. Whereas each of these categories have a different definition (and different prerequisites), both have identical scope of protection. Despite this particular nomenclature, in order to follow AIPPI's nomenclature, these two categories of rights will be jointly referred to as 'GIs/AOs' in the answers provided to the present questionnaire.

In Spain, the *sui generis* system of protection of GIs/AOs is completed by the following laws:

- Law 6/2015, of 12th May, on protected designations of origin and geographical indications whose territorial scope extends to more than one of Spain's autonomous communities
- Remaining dispositions of Law 25/1970 of 2 December on vineyards, wine and alcoholic beverages until further development by Royal Decree of Law

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- Law 24/2003 on vineyards and wines
- Royal Decree 1335/2011 of 3 October regulating the procedure for the processing of applications for entry of protected designations of origin and protected geographical indications in the Community register and of opposition thereto.

For GIs/AOs whose territorial scope is limited within the territory of an autonomous community, the territorial legislation of quality in agricultural products will be applied.

In the case of foreign GIs/AOs, we need to take into account the entry of Spain in the EU. Before that date, foreign GIs/AOs were protected in Spain through an international agreement of which Spain is signatory country, such as the Trade Agreement signed by Spain and the Republic of Cuba of 1979. After the entry of Spain in the EU, the competence of such agreements corresponds to the EU, therefore the protection in Spain will be conferred:

- a) Upon registration of the GI/AO under the EU sui generis system; or
- b) By virtue of international agreements concluded by the EU and third parties.

2) If yes, please briefly describe the following:

- a) How AOs and GIs are defined and the prerequisites (in particular the type, nature and intensity of link with a territory).

The concept and the requirements for protection for GIs/AOs are defined in different EU Regulations on the different categories of products; however, these definitions are substantially similar. For instance, regarding foodstuff and agricultural products, the definition of 'Geographical Indication' and 'Designation of origin' is given in article 5 of the Regulation (EU) n° 1151/2012 of the European Parliament and of the Council of 21 November 2012 on quality schemes for agricultural products and foodstuffs.

'Designations of origin', which require a strong link with the territory, are defined as the name which identifies a product:

- (a) originating in a specific place, region or, in exceptional cases, a country;*
- (b) whose quality or characteristics are essentially or exclusively due to a particular geographical environment with its inherent natural and human factors;*
- and*
- (c) the production steps of which all take place in the defined geographical area.*

Only under certain specific conditions, raw materials for the products concerned may come from a geographical area larger than, or different from, the defined geographical area.

'Geographical indications' are defined in similar terms but they require a weaker link with the territory, since (i) the geographical origin of the product can be merely the cause of its 'reputation' (it may be not necessarily the cause of its quality or characteristics); and (ii) it is sufficient that only one of the production steps takes place in the defined geographical area. In line with this broader definition, and unlike in designations of origin, the identified product may originate from a country (instead of a specific place or region) not only in exceptional cases.

The definitions given above also apply to GIs/AOs from not EU members which might be registered according to the EU *sui generis* system.

Regarding wines, 'designation of origin' and 'geographical indication' are defined in relation with the average of grapes used for its production coming from the geographical area. Therefore, according to article 93 of the Regulation (EU) n° 1308/2013 of the European Parliament and of the Council, of 17 December 2013, establishing a common organisation of the markets in agricultural products, the concept of 'designation of origin' corresponds to the name of a region, a specific place or, in exceptional cases, a country used to describe a wine which meets the following conditions:

(i) the quality and characteristics of the product are essentially or exclusively due to a particular geographical environment with its inherent natural and human factors;

(ii) the grapes from which the product is produced come exclusively from that geographical area;

(iii) the production takes place in that geographical area; and

*(iv) the product is obtained from vine varieties belonging to *Vitis vinifera**

In contrast, the concept of 'geographical indication' is defined on the basis of more relaxed prerequisites: the aforementioned article requires that at least 85 % of the grapes used for the production of the wine come exclusively from the geographical area and allows the extraction from vine varieties belonging to *Vitis vinifera* or a cross between the *Vitis vinifera* species and other species of the genus *Vitis*.

Finally, it must be noted that goods belonging to the 'spirits' category can only be protected as GIs.

- b) Whether that protection is provided by *sui generis* laws; solely as aspects of other laws, such as by registration as collective or certification marks; or by other (and if so, what) means.

Protection is provided under *sui generis* laws.

At the EU level, there are four categories of products that may be protected as GIs/AOs. Each of these categories has been regulated by a different EU Regulation:

- Regulation (EU) No 1308/2013 on the protection of geographical

indications for wines

- Regulation (EU) No 251/2014 on the protection of geographical indications for aromatised wines
- Regulation (EC) No 110/2008 on the protection of geographical indications for spirit drinks
- Regulation (EU) No 1151/2012 on the protection of geographical indications for agricultural products and foodstuffs.

Hereafter, the above EU Regulations on different categories of products protected as GIs/AOs will be jointly referred to as 'the EU Regulations on GIs'.

In Spain, the *sui generis* system of protection of GIs/AOs is completed by the following laws:

- Law 6/2015, of 12th May, on protected designations of origin and geographical indications whose territorial scope extends to more than one of Spain's autonomous communities
- Remaining dispositions of Law 25/1970 of 2 December on vineyards, wine and alcoholic beverages until further development by Royal Decree of Law 6/2015.
- Law 24/2003 on vineyards and wines
- Royal Decree 1335/2011 of 3 October regulating the procedure for the processing of applications for entry of protected designations of origin and protected geographical indications in the Community register and of opposition thereto.

For GIs/AOs whose territorial scope is limited within the territory of an autonomous community, the relevant autonomous laws apply. These autonomous laws usually specify and broaden certain aspects of the protection granted to GIs/AOs and define the nature and legal status of the bodies or managing entities which have legal standing to protect the GIs/AOs.

- c) If GIs and/or AOs are protected by *sui generis* laws, whether your Group's laws provide for a system of registration. If so, what are the steps of this procedure including the content of the application and the possibility of opposition by third parties?

In Spain, the system of registration of GIs/AOs involves a national phase and an EU phase the ultimate protection being granted at the EU level. The national phase is guided by the Royal Decree 1335/2011 and the Law 39/2015 of administrative procedure; the second phase –taking place at EU level—follows the rules laid down in the EU Regulations on GIs.

As said before, the EU *sui generis* system of protection is open to GIs/AOs from third countries.

The Spanish legislation reproduces the provisions of the Regulation (EU) n° 1151/2012.

The registration procedure may be summarised as follows:

I.- Applicants

In Spain, the applicants are defined according to EU regulation¹, according to which parties entitled to apply and initiate the procedure are the following:

- Association or group of producers
- Group of operators
- Exceptionally a single natural or legal person may be treated as a group where it is shown that both of the following conditions are fulfilled:

- (a) the person concerned is the only producer willing to submit an application;
- (b) with regard to protected designations of origin and protected geographical indications, the defined geographical area possesses characteristics which differ appreciably from those of neighbouring areas or the characteristics of the product are different from those produced in neighbouring areas

II.- National phase: Application

The national phase only exists for GIs/AOs whose geographical area belongs to the territory of EU member states. Application for registration of GIs/AOs from third countries must be lodged directly with the Commission and it can be submitted by the authorities of the third country or directly by the group of producers.

The national phase begins with the application. Applications must be filed before the relevant body of the autonomous community or before the Ministry of Agriculture depending on whether the territorial scope corresponds to an autonomous community or has a wider scope which exceeds that range. The application must include, at least, the following information and documents:

- (a) the name and address of the applicant group and of the authorities or, if available, bodies verifying compliance with the provisions of the product specification;
- (b) the product specification
- (c) a single document setting out the following:
 - (i) the main points of the product specification: the name, a description of the product, including, where appropriate, specific rules concerning packaging and labelling, and a concise definition of the geographical area;
 - (ii) a description of the link between the product and the geographical environment or geographical origin referred to in Article 5(1) or (2), as the case may be, including, where appropriate, the specific elements of the product description or production method justifying the link.

¹ Articles 4-8 Royal Decree 1335/2011 and article 49 Regulation (EU) n° 1151/2012

In GIs protecting spirits, the document equivalent to the 'product specification' is the "technical file".

The Authority examines the application in order to check that it is justified and meets the conditions. Once the application is examined, if the result is satisfactory, starts a national opposition procedure on which must be ensured the adequate publication of the application for a period of two months within which any natural or legal person having a legitimate interest and established or resident on the territory may lodge an opposition to the application. Furthermore, the national authority studies the admissibility of oppositions received.

Grounds of opposition according Royal Decree 1335/2011 are the following:

- (a) shows that the conditions regarding the definition of 'geographical indication' or 'designation of origin' are not complied with;
- (b) shows that the registration of the name proposed would induce consumer to an error for being contrary or in conflict with denomination of plant variety or animal breed -entirely or partially- ;
- (c) shows that the registration of the name proposed would jeopardize the existence of a total or partially homonymous denomination or a registered trademark or products which have been legally on the market for at least five years preceding the date of the publication provided for the application;
- (d) gives details from which it can be concluded that the name for which registration is requested is a generic term.

After assessment of oppositions received, if the authority considers that the requirements are met, takes a favourable decision which is made public. Any natural or legal person having a legitimate interest is entitled to appeal.

In order to reject the application, the same grounds than for opposition are applicable.

Once the previous phase is concluded, the favourable decision of the national authority can grant a national transitory protection to the GI/AO and enables the authority to lodge an application dossier with the Commission of the EU.

III.- EU phase.

The EU Commission shall scrutinise the application and, if it complies with the EU applicable Regulation, it is published in the Official Journal of the EU.

During a period of two months (in the case of wines), three months (in case of foodstuff) and six months (in the case of spirit drinks) from the date of publication, the authorities of a Member State or of a third country, or a natural or legal person having a legitimate interest and established in a third country may lodge a notice of opposition with the Commission based on the ground that the application

infringes the conditions of the applicable EU Regulation.

In the registration procedure of GIs/AOs of foodstuff, the opponent parties and the applicant shall have consultations to explore the possibility to reach an agreement. If no agreement is reached within a three months period (extendable to three additional months), the Commission shall take a decision on the registration –or rejection— of the GI/AO. If no opposition is received by the Commission, the GI/AO shall be registered.

The above registration procedure applies both to GIs and AOs.

- 3) If your country does not protect GIs and/or AOs, was this a deliberate decision and, if so, why?

Not applicable.

- 4) What are the grounds of invalidity/loss of rights for GIs and/or AOs under your Group's law (e.g. becoming generic, lack of use, not paying fees) and where can such be invoked (which court, office etc.)? Please specify the applicable test, how such is proven (e.g. consumer surveys, expert advice, dictionaries, etc.) and who bears the burden of proof.

As far as the protection is conferred by the European Commission, grounds for invalidity are established by the Regulation EU 1151/2012.

Regarding the grounds of invalidity or loss of rights, it must be remarked that under article 13.2 of Regulation EU 1151/2012, the name of a GI/AO registered under the EU system shall not become generic.

GIs/AOs may be cancelled in case of (a) non-use for a period of 7 years, (b) where compliance of the conditions set forth in the product specifications cannot be ensured any longer, or (c) upon the request of the producers of the product marketed under the registered name. The cancellation may be declared by the Commission either *ex officio* or at the request of any third party with legitimate interest.

As the Regulation EU 1151/2012 does not impose any obligation to prove the use of the GI/AO in order to maintain the registration, it is the third party who bears the burden of proof of the circumstances which lead to cancellation of the GI/AO.

- 5) What is the scope of protection of GIs/AOs under your Group's current law?

The scope of protection is foreseen in article 13 of Regulation EU 1151/2012, article 16 of Regulation 110/2008 and article 103 of Regulation EU 1308/2013 in the terms widely explained in report Q191.

- 6) Against what kind of conduct are GIs/AOs protected? For example, against use misleading consumers, parasitism and free riding.

Although the drafting of the relevant provision defining the scope of protection vary slightly in each EU Regulation on GIs, all of them are highly similar. For instance, article 13 provides protection to the registered names against:

- (a) any direct or indirect commercial use in respect of products not covered where those products are comparable to the products registered under that name or where using the name exploits the reputation of the protected name, including when those products are used as an ingredient;*
- (b) any misuse, imitation or evocation, even if the true origin of the products or services is indicated or if the protected name is translated or accompanied by an expression such as 'style', 'type', 'method', 'as produced in', 'imitation' or similar, including when those products are used as an ingredient;*
- (c) any other false or misleading indication as to the provenance, origin, nature or essential qualities of the product that is used on the inner or outer packaging, advertising material or documents relating to the product concerned, and the packing of the product in a container liable to convey a false impression as to its origin;*
- (d) any other practice liable to mislead the consumer as to the true origin of the product.*

Nevertheless, Law 6/2015 on protected designations of origin and geographical indications whose territorial scope extends to more than one of Spain's autonomous communities, specifies said scope of protection and enlarges or clarifies it at some points. In this sense, it is remarkable that Law 6/2015:

- Clarifies that said protection is extended from the production to all phases of commercialization
- Includes protection against expressions "produced in" or "manufactured in"
- Includes a specific provision concerning domain names.

At this point, it is also relevant that legislation of autonomous communities applied to GIs/AOs can also introduce some variations on the scope of protection conferred.

- 7) Who has legal standing to protect a GI/AO. For example, individual producers, consortiums and associations, public bodies.

Regulation EU 1151/2012 encouraged Member States to designate the authorities responsible to take administrative and judicial steps in order to provide a right protection for the registered denominations.

According to article 36.3.b) of said Regulation, the competent authorities for

official controls also cover the monitoring of the use of registered names to describe product placed on the market.

The authorities designated by Spain are the competent bodies part of the corresponding autonomous governments. These authorities may act against any infringements of GIs which take place in the market within the territory of their respective autonomous community, either *ex officio* or upon request of any person which might be affected by the infringement (i.e. the managing entities of the GIs/AOs, consumers, etc.).

On the other hand, Law 6/2015 on protected designations of origin and geographical indications whose territorial scope extends to more than one of Spain's autonomous communities, entrust the legal standing to protect GIs/AOs to the managing entities (named 'consejos reguladores') where producers and other operators which use the GI/AO are represented.

8) What remedies are available in the case of violation of rights in a GI/AO?

On one hand, the private law offers actions against the infringement of a protected GI/AO which must be exercised under Law 3/1991 of 10 January on unfair competition. These actions include the cessation of the infringement, the removal of the infringing products from the market, the amendment of the misleading information and the compensation for damages. These managing entities have been considered entitled to undertake these actions.

On the other hand, administrative law also provides protection for quality figures under the relevant laws on food quality and labelling.

According to the laws of each autonomous community, the competent authorities (either *ex officio* or upon request of affected party, as seen before), may institute penalty procedures against the responsible of an infringement, who may be fined with a pecuniary penalty.

9) How does your Group's law regulate the conflict between a GI/AO and a prior trademark? Does the GI/AO or the trademark prevail or do they coexist? Under what conditions?

In Spain, conflicts between EU trade marks and GIs/AOs are solved in accordance with European regulations (both on EU trade marks and on GIs/AOs) and conflicts between Spanish trade marks and GIs/AOs are solved in accordance with the Spanish Trademark Law 17/2001.

Regarding the conflicts between GIs/AOs and earlier trade marks, the EU Regulations allows the continuation of the use of the earlier trade mark if it was registered in good faith, provided that no grounds for its invalidity or revocation exist under the national Trade Mark Law or the EU Trade Mark Regulation. Hence, in these cases, both signs may coexist.

- 10) Is there any specific provision or practice concerning the inclusion of a GI/AO in a domain name?

Yes: article 13(4) of Law 6/2015 includes the prohibition of use of the registered GI/AO as a domain name by anyone without right to do so. No one without a legitimate interest or right to use a given GI/AO can register a domain name which consist on, includes or evokes said GI/AO.

- 11) Is there anybody that administers GIs/AOs in your country and/or is responsible for the verification of compliance of goods bearing a GI/AO? Please briefly describe the relevant processes, e.g. the process by which compliance with product specifications is verified before such goods are put on the market and/or the subsequent market controls on such goods?

There exist two different categories of functions concerning GIs/AOs in Spain: on the one hand, the administration, managing and defence of the GIs/AOs (which also include carrying out promotional activities, etc); and, on the other hand, the verification of compliance of goods bearing the relevant GI/AO (the control function).

The functions of administration, managing and defence of the GIs/AOs are entrusted to the managing entities ('consejos reguladores').

Regarding the functions of verification of compliance of goods with the specifications of the relevant GI/AO must be carried on by a certification entity, according to EU provisions on such matter. In Spain, the implemented system offers the possibility for the managing entity of the registered GI/AO of obtaining the accreditation to develop those certifying (control) functions. Otherwise, they are certified by an independent certification entity. Therefore, there are cases where the control is carried out by a certification entity and other cases where it is carried out by the managing entity itself.

- 12) Please describe any other developments in your country in relation to GIs or AOs which you consider relevant, including any proposals for reform. For example, to the extent that your country has been involved in any negotiations or discussions regarding the protection of GIs and AOs in any fora, such as multilateral, regional or bilateral agreements, please specify whether your country is negotiating or has signed any agreement with other countries that includes provisions on AOs/GIs and whether it was necessary to amend domestic legislation as a result of such agreements.

At the national level, the Spanish legislator is working in a new Trademark Law which gives an answer to some particularities found out with the practice related to GIs/AOs.

As said before, whereas the Spanish Trademark Law contains an absolute ground for refusal which specifically protects GIs/AOs for wines or spirits --article 5(1)(h)--, GIs/AOs for foodstuff are only protected by means of the 'general' ground for refusal of deceptive trade marks.

According to the draft of the new Spanish Trademark Law, the absolute ground for refusal will include protection for all kind of GIs/AOs protected in Spain.

Consequently, it is expected the new Trademarks law to equalize the legal framework for GIs/AOs of agricultural products and wines and spirits, establishing specific provisions and providing the same level of protection for both of them.

II. Proposals for improvements and for harmonisation

- 13) Should there be harmonised definitions of AOs and GIs? If so, please propose appropriate definitions and prerequisites.

Yes, we consider that Regulation 1151/2012 contains an appropriate scope of definitions and prerequisites which must be the guiding principle to an harmonised regulation.

- 14) Should there be a registration procedure for AOs and GIs? If so, what should its key features be? For example, content of the application; examination by competent bodies; possibility of opposition by third parties.

Yes, in our opinion the Regulation 1151/2012 contains an appropriate procedure with enough guarantees for the parties which must be the starting point to an harmonised regulation.

- 15) What should the grounds of invalidity/loss of rights for GIs and/or AOs be? For example, becoming generic, lack of use, not paying fees. Please specify what the applicable test should be, how such should be proven and who should bear the burden of proof.

In our opinion, the grounds of invalidity/loss of rights established by Regulation 1151/2012 are well configured and they must remain. In our opinion, not paying fees and becoming generic shall not be included as grounds of loss of rights.

- 16) How should conflicts between GIs/AOs and prior trademark rights be regulated?

In our opinion, the Regulation 1151/2012 contains appropriate provisions: it allows the continuation of use and renewal of the prior trade marks if they were applied for in good faith, but still allows the cancellation of the prior trade marks if grounds for invalidation or revocation exist under the applicable trade mark law.

- 17) What scope of protection should GIs/AOs have and should it matter if these are domestic or foreign? Against which conduct by third parties should they be protected?

The EU Regulations contain an appropriate scope of protection with enough guarantees for the parties.

It must be noted that protection of GIs/AOs against EU/national trade mark applications (regulated, respectively, in the EUTMR and in the Spanish Trade mark law) does not only cover GIs/AOs protected according to the EU uniform and *sui generis* system of protection; it also includes GIs/AOs protected in accordance with national law (which includes foreign GIs/AOs protected in EU member states through bilateral agreements concluded between the EU member state at issue and a third country). From our perspective, the scope of protection granted to GIs/AOs in Spain (both by national and EU laws) is broad enough and coherent with the economic and social function to be developed by these quality figures.

- 18) Who should have legal standing to protect a GI/AO and which remedies are appropriate?

The legal standing shall be held by the managing entity (where producers and other operators using the GI/AO are represented) but also by the public competent authorities. National and EU law have already implemented this double legal standing.

- 19) Should there be a specific provision or practice concerning the inclusion of a GI/AO in a domain name?

Yes, it is a matter which needs a specific provision in the regulation.