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INTRODUCTIONTOGEOG RAPHICALINDICATIONS ANDRECENT  
DEVELOPMENTSIN THE WORLDINTELLECTUALP ROPERTYORGANIZATION  
(WIPO)

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## A. INTRODUCTION

1. The purpose of this document is to provide background information on geographical indications and, in particular, on questions concerning terminology, the existing approaches to the protection of geographical indications on the national and regional levels and the international legal framework for the protection of geographical indications. In doing so, the document reproduces material from documents already published by the World Intellectual Property Organization (WIPO), most notably from WIPO document SCT/8/4.

2. The last part of the document contains an update of the recent work of the WIPO Standing Committee on the Law of Trademarks, Industrial Designs and Geographical Indications, with reference to relevant SCT working documents.

## B. TERMINOLOGY

### *“Indications of Source” and “Appellations of Origin”*

3. The terminology traditionally applied in treaties in the field of geographical indications administered by WIPO distinguishes between “indications of source” and “appellations of origin.”

4. The term “indication of source” is used in Articles 1(2) and 10 of the Paris Convention for the Protection of Industrial Property of 1883 (“Paris Convention”). It is also used throughout the Madrid Agreement for the Repression of False or Deceptive Indications of Source on Goods of 1891 (“Madrid Agreement on Indications of Source”). There is no definition of “indication of source” in those two treaties, but Article 1(1) of the Madrid Agreement on Indications of Source contains language which clarifies what is meant by the term. That Article reads as follows:

“All goods bearing a false or deceptive indication by which one of the countries to which this Agreement applies, or a place situated therein, is directly or indirectly indicated as being the country or place of origin shall be seized on importation into any of the said countries.”

Consequently an indication of source can be defined as an indication referring to a country, or to a place in that country, as being the country or place of origin of a product. It is important that the indication of source relates to the geographical origin of a product and not to another kind of origin, for example, an enterprise that manufactures the product. This definition does not imply any special quality or characteristics of the product on which an indication of source is used. Examples of indications of source are the mention, on a product, the name of a country, or indications such as “made in ....”

5. The term “appellation of origin” is defined in the Lisbon Agreement for the Protection of Appellations of Origin and their International Registration, of 1958 (“Lisbon Agreement”). The Lisbon Agreement establishes an international system of protection for appellations of origin which are already protected under the national law of one of the States party to that Agreement. Protection is subject to the international registration of that appellation of origin. Article 2(1) of the Lisbon Agreement defines the term “appellation of origin” as follows:

“Appellation of origin” means the geographical name of a country, region, or locality, which serves to designate a product originating therein, the quality and characteristics of which are due exclusively or essentially to the geographical environment, including natural and human factors.”

Under this definition, an appellation of origin can be regarded as a special kind of indication of source, because the product for which an appellation of origin is used must have quality and characteristics which are due exclusively or essentially to its origin. Examples for protected appellations of origin are “Bordeaux” for wine, “Noix de Grenoble” for nuts, “Tequila” for spirit drinks, or “Jaffa” for oranges.<sup>1</sup>

### “Geographical Indications”

6. The Agreement on Trade-Related Aspects of Intellectual Property Rights of 1994 (“TRIPS Agreement”) contains a section dealing with the protection of geographical indications (Part II, Section 3). Article 22.1 of the TRIPS Agreement provides the following definition:

“Geographical indications are, for the purposes of this Agreement, indications which identify a good as originating in the territory of a Member [of the World Trade Organization], or a region or locality in that territory, where a given quality, reputation or other characteristic of the good is essentially attributable to its geographical origin.”

This definition is apparently based on the definition of appellation of origin in Article 2 of the Lisbon Agreement. However, it deviates from Article 2 of the Lisbon Agreement in some respects. Article 21.1 of the TRIPS Agreement defines geographical indications as “indications which identify a good [...]”, whereas Article 2 of the Lisbon Agreement defines appellations of origin as “the *geographical name* of a country, region, or locality, which serves to designate a product [...]”.<sup>2</sup> Signs other than geographical names, for example a non-geographical name or an emblem, would not be covered by Article 2 of the Lisbon Agreement. However, they would fall into the category of signs that could constitute geographical indications under the TRIPS Agreement. Furthermore, the Lisbon Agreement requires that the quality and the characteristics of the product in question be due exclusively, or essentially, to the geographical environment, including natural and human factors. The TRIPS Agreement covers goods which have a given quality, reputation or other characteristic that is essentially attributable to their geographical origin. It is generally understood that goods which have “merely” a certain reputation, but not a specific quality being due to their place of origin, are not covered by the definition of appellation of origin as provided by the Lisbon Agreement.

7. If the definitions of indication of source, appellation of origin and geographical indication are compared with each other, the following can be observed. Indication of source is the broadest term. It comprises geographical indication and appellation of origin.

<sup>1</sup> All of these examples are appellations of origin registered under the Lisbon Agreement.

<sup>2</sup> Emphasis added.

Indications of source only require that the product on which the indication of source is used originate in a certain geographical area. Thus, there are indications of source, which seem not to be covered by the definition of geographical indication under the TRIPS Agreement, namely indications of source whose use on products does not imply a particular quality, reputation or characteristic of those products. Geographical indications are more broadly defined than appellations of origin. In other words, all appellations of origin are geographical indications, but some geographical indications are not appellations of origin.

8. For the purpose of the present document, the term geographical indication will be used in the sense of Article 22.1 of the TRIPS Agreement, covering geographical indication (within the meaning of Article 22.1 of the TRIPS Agreement) and appellation of origin. However, it must be borne in mind that the terms “indication of source,” “appellation of origin” and “geographical indication” are used in different international legal instruments. Rights and obligations flowing from those instruments, exist only in relation to the category of “geographical indication” to which the instrument in question refers. Therefore, it may not always be possible to speak broadly of “geographical indications”; rather, a distinction must be made within the context of the international agreement that is under consideration. This point will be further developed in the portion of the document dealing with existing problems in obtaining protection for geographical indications in other countries.

### C. EXISTING APPROACHES FOR THE PROTECTION OF GEOGRAPHICAL INDICATIONS

9. Protection of geographical indications on the national and regional levels is characterized by the existence of a variety of different legal concepts. Those concepts were developed in accordance with different national legal traditions and within a framework of specific historical and economic conditions. These differences have a direct bearing on important questions such as condition of protection, entitlement to use and scope of protection. In the following paragraphs, the main existing concepts of protection are introduced: Unfair competition and passing off, protected appellations of origin and registered geographical indications, collective and certification trademarks, and administrative schemes of protection. The historical development of the different concepts and the nature of the rights involved will be touched upon. Given the large variety in national laws and regulations concerned with the protection of geographical indications, a division into four different categories is necessarily artificial and may not precisely reflect the situation in every Member State. It is therefore possible that a mechanism of protection exists in a Member State that does not necessarily fall into any of those four categories as defined.

10. Furthermore, it is important to note that the mechanisms described do not necessarily apply on an exclusive basis. On the contrary, cumulative application of different means of protection is very common. Cumulative protection of geographical indications under different systems of protection is accentuated by the existence of different means of protection for different categories of products.

## I. UNFAIR COMPETITION AND PASSING OFF

### (a) Unfair Competition

11. It can be observed that countries have established some kind of safeguard against unfair business practices. This is reflected on the international level through the inclusion of Article 10*bis* into the Paris Convention at the 1900 Brussels Revision Conference, establishing a basic international rule concerning protection against unfair competition. It requires all States party to the Paris Convention to provide effective protection against unfair competition, which is defined as “any act of competition contrary to honest practices in industrial or commercial matters.”

12. At the national level, protection against unfair competition has developed differently in different countries. However, there is at least one objective that is common to all different approaches, and that is to provide those in trade with an effective remedy against unlawful and dishonest business practices of their competitors. In some countries, specific statutes providing for the repression of unfair competition also fulfil the function of consumer protection.

13. A determination of whether a given commercial act is contrary to honest practices in industrial or commercial matters will have to be made in application of national laws for the protection against unfair competition. However, it is accepted that commercial practices which are misleading, or are likely to mislead the public with respect to an enterprise or its activities, in particular, the geographical origin of products offered by such enterprise, constitute an act of unfair competition.

14. In order to prevent the unauthorized use of a geographical indication on the basis of an action against unfair competition, a plaintiff must regularly show that the use of the geographical indication in question by an unauthorized party is misleading and, as the case may be, that damages or a likelihood of damages result from such use. Such an action can only be successful if the geographical indication in question has acquired distinctiveness; in other words, if the relevant public associates goods sold under that geographical indication with a distinct geographical origin and/or certain qualities or reputation.

15. Furthermore, protection of geographical indications under unfair competition law may be supplemented by specific statutory provisions having as their object the protection of unregistered geographical indications, for example, Sections 126 to 129 of the German Trademarks Act of 1994. Under these provisions, natural and legal persons having the right to use a given unregistered geographical indication are entitled to request courts to prevent use of that geographical indication by unauthorized parties and, as the case may be, to accord damages for such use. Sections 126 to 129 of the German Trademarks Act of 1994 are based on principles developed by the courts in applying the law against unfair competition in order to prevent unauthorized use of geographical indications, if such use would be misleading or would take unfair advantage of the reputation of a geographical indication.

## (b) Passing Off

16. Countries having a civil-law tradition that provide for some kind of protection for businesses against unlawful commercial acts from competitors usually base that protection on general tort law. In countries that follow the common law tradition, the action of passing off is often considered as the basis of protection against dishonest business competitors. The passing off action can be described as a legal remedy for cases in which the goods or services of one person are represented as being those of somebody else. What is common to these cases is that the plaintiff loses customers because the defendant led them to believe that they were buying the plaintiff's goods, when they actually obtained the goods of the defendant.

17. Very broadly speaking, in order to prevent the unauthorized use of a geographical indication through a successful action for passing off, a plaintiff must establish that goodwill or reputation is attached to the goods on which the geographical indication is regularly used and which are supplied by him, that the defendant misrepresents to the public that the goods offered by him originate from the plaintiff and that he is likely to suffer damage from such a misrepresentation.

## II. PROTECTED APPELLATIONS OF ORIGIN AND REGISTERED GEOGRAPHICAL INDICATIONS

## (a) Protected Appellations of Origin

18. The system of protected appellations of origin was developed out of a perceived need to provide a remedy against fraudulent commercial practices involving the origin of agricultural products and, in particular, products of the vine. Although such practices are probably as old as trade itself, they occurred increasingly during periods when there was a shortage of supply of certain products, such as was the case with certain wines during the phylloxera crisis in parts of European vineyards in the 19<sup>th</sup> century.

19. A protected appellation of origin is the geographical name of a country, region, or locality, which serves to designate a product originating therein, the quality and characteristics of which are due exclusively or essentially to the geographical environment, including natural and human factors.<sup>3</sup> Appellations of origin are explicitly mentioned as objects of industrial property protection under Article 1(2) of the Paris Convention. They are titles of protection for geographical indications used on products that have a specific quality or characteristic that is exclusively or essentially due to their geographical origin. The recognition of a protected appellation is usually based on a legislative or administrative act, such as a law or a decree. This act is at the conclusion of an administrative procedure involving representatives of the producers concerned and the administration. As a result of this procedure, the protected appellation is recognized, and the product or products on which it is used, the geographical area of production and the conditions of use are defined.

<sup>3</sup> Article 2(1) of the Lisbon Agreement. See also, for example, Article L.115-1 of the French Consumer Code, or Article 2 of EEC Council Regulation No. 2081/92 of July 14, 1992, on the Protection of Geographical Indications and Designations of Origin for Agricultural Products and Foodstuffs.

20. Unauthorized use of a protected appellation of origin constitutes an offence and engages the criminal and civil responsibility of the person who has made such use. Proceedings are usually instigated by public law bodies, such as fair trading bodies, authorities entrusted with the administration of protected appellations of origin or consumer protection bodies. Often, authorities competent for the enforcement of fiscal laws play an important role in prosecuting the fraudulent use of protected appellations of origin.

(b) Registered Geographical Indications

21. Registered geographical indications are titles of protection that are very similar to protected appellations of origin, although differences as regard the scope of protection and the applicable procedure may exist depending on the national laws of those countries which apply that type of protection. Thus, the protection of a registered geographical indication depends on the registration of that geographical indication, whereas the protection of an appellation of origin usually is subject to the adoption of a specific law or decree. The decision to register a geographical indication may be an administrative decision, for example a determination of a committee, rather than an executive decision by, for example, the comptroller general or the executive head of the agency responsible for the registration of geographical indications.

### III. COLLECTIVE AND CERTIFICATION MARKS

22. Because of the general principle that individual trademarks must not be descriptive or deceptive, geographical terms cannot serve as individual trademarks, unless they have acquired distinctive character through use, or their use is fanciful and, therefore, is not deceiving as to the origin of the goods on which the trademarks are used. However, this rule does not apply to certification marks and collective marks.

(a) Certification Marks

23. Certification marks are marks which indicate that the goods or services on which they are used have specific qualities, which may also include geographical origin. The owner of the certification mark undertakes to certify that the goods or services on which the certification mark is used have those qualities. As a basic rule, the owner of the certification mark does not have the right to use the mark. This principle is also referred to as the "anti-ownerrule."

24. Every producer who complies with standards of production as defined by the owner of the certification mark has the right to use that mark. The owner of the certification mark, who may be a private or public entity, must ensure that the goods or services on which the certification mark is used possess the certified quality. In order to carry out this certification function in a neutral and impartial manner, the owner of the certification mark has to file, together with the application for the registration of the certification mark, detailed regulations which prescribe, *inter alia*, the characteristics certified by the mark, the authorized users and details concerning the certification and control. As already pointed out, in order to safeguard the objectivity of the owner of the certification mark, he is not allowed to use the certification mark himself. Disregard of that rule regularly leads to the invalidity of the certification mark.

25. The protection of a geographical indication in the form of a certification mark is enforced under general trademark law. In principle, an action for infringement of a certification mark is initiated by the owner of the certification mark. For example, this may be the case where the defendant uses a certification mark that certifies a specific geographical origin of goods, for goods not having that geographical origin.

(b) Collective Marks

26. It has been pointed out that it is difficult to distinguish collective marks from certification marks, and that the difference is one of form rather than one of substance. Collective marks are owned by a collective body such as, for example, a trade association or an association of producers or manufacturers, and serve to indicate that the person who uses the collective mark is a member of that collectivity. Membership in the association that is the owner of the collective mark is, generally speaking, subject to compliance with certain rules, such as the geographical area of production of the good on which the collective mark is used, or standards of production of such goods. A further difference between the two categories of marks is that the owners of collective marks are regularly not barred from using the mark themselves.

27. Like in the case of certification marks, the protection of collective marks is enforced under general trademark law. An action for infringement may be brought by the owner of the collective mark, for example in a case, where a collective mark is owned by an association of producers who are entitled to use the collective mark, and the mark is used by a person who is not a member of that association.

IV. ADMINISTRATIVE SCHEMES FOR PROTECTION

(a) General

28. Where geographical indications are used on goods the marketing of which is subject to an administrative approval procedure, this procedure may be applied also for controlling the use of geographical indications applied to those goods. The example that comes readily to mind is wines and spirits, the sale of which is regulated in many countries.

29. Under an administrative approval procedure for product labels, the authority entrusted with the administration of that scheme controls whether the product for which marketing authorization is sought complies with relevant legal requirements, including the permitted use of a geographical indication on the label of the product. If the requirements for approval are not met, for example, because the use of a given geographical indication on a specific product is not permitted, marketing approval is not granted and, consequently, the geographical indication cannot be used.



## D. THE INTERNATIONAL LEGAL FRAMEWORK FOR THE PROTECTION OF GEOGRAPHICAL INDICATIONS

30. This part of the document first describes the existing situation concerning the international protection of geographical indications with reference to bilateral and multilateral agreements. It then goes on to summarize past efforts to arrive at new solutions for improved protection of geographical indications at the multilateral level.

### I. BILATERAL AGREEMENTS

31. Bilateral international agreements are typically concluded between two countries on the basis of reciprocity in order to increase protection of the countries' respective geographical indications. They may be independent treaties or form part of a wider trade agreement.<sup>4</sup> They may simply provide for a prohibition of use of the other party's geographical indications for goods (usually listed in an annex to the agreement) not having that origin. Or they may go further and provide for the extraterritorial application of the other country's national law concerning the protection of geographical indications. This latter aspect may be important in cases where a given geographical indication does not only indicate the geographical origin of certain goods, but also certain qualities that are due to that origin, such as is the case with protected appellations of origin.

32. Bilateral international agreements may cover a wider range of products or be limited to specific goods only. They have been concluded most frequently between European nations earlier in the 20<sup>th</sup> century. However, they continuously appear to be important with regard to specific economic sectors and, in particular, the wine industry.

### II. MULTILATERAL AGREEMENTS

A second possibility for obtaining international protection for geographical indications is through the conclusion of, and the adherence to, multilateral agreements. The following is a summary of the scope of protection that is provided for geographical indications under the following multilateral treaties administered by WIPO: the Paris Convention, the Madrid Agreement on Indications of Source, and the Lisbon Agreement. Since geographical indications and the World Trade Organization are covered by a separate speaker, this document will not deal with the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS Agreement).<sup>5</sup>

<sup>4</sup> E.g., the "Crayfish Agreement" between France and South Africa from the 1930s (see *Symposium on the International Protection of Geographical Indications*, Somerset West, 1999, page 31)

<sup>5</sup> A summary of existing international notification and registration systems for geographical indications is contained in WTO document IP/C/W/85 and IP/C/W/85/Add.1.

## (a) The Paris Convention

33. Article 1(2) of the Paris Convention enumerates among the objects of the protection of industrial property indications of source and appellations of origin. More specific provisions concerning indications of source are contained in Articles 10 and 10*ter*.<sup>6</sup>

34. A provision prohibiting the use of a false indication of source appeared as early as in the original text of the Paris Convention of 1883. However, that protection was rather limited, since the prohibition was only applicable where the false indication of source was used in conjunction with a fictitious or non-existing trade name.

35. Article 10 of the Paris Convention in its current version sets forth that, in cases of “direct or indirect use of a false indication of the source of the goods or the identity of the producer, manufacturer or merchant,” Article 9 of the Paris Convention should be applicable. Article 9 provides that goods bearing a false indication of source are subject to seizure upon importation into countries party to the Paris Convention, or within the country where the unlawful affixation of the indication of source occurred or within the country of importation. This seizure shall take place at the request of the public prosecutor, or any other competent authority, or any interested party. However, Article 9(5) and (6) of the Paris Convention allows that countries party to the Paris Convention whose national laws do not permit seizure on importation or inside the country to replace those remedies by either a prohibition of importation or by any other nationally available remedy.

36. Furthermore, Article 10*ter*(2) contains an undertaking of the States party to the Paris Convention to allow federations and associations representing producers and trade circles to bring actions in order to enforce the means of protection envisaged in Articles 9 and 10.

## (b) The Madrid Agreement for the Repression of False or Deceptive Indications of Source on Goods

37. The positions of the founding States of the Paris Convention at the 1883 Paris Diplomatic Conference regarding the protection of indications of source did not allow more than a minimum common position with regard to protection on the multilateral level. As already indicated, the original text did not provide for the prevention of the use of false indications *per se*, but only where such use occurred in connection with the use of a false trade name.

38. Consequently, countries which had greater interest in an improved international protection of indications of source established a special union under the Madrid Agreement for the Repression of False or Deceptive Indications of Source on Goods (“Madrid Agreement on Indications of Source”).<sup>7</sup>

<sup>6</sup> On April 15, 2003, 163 States were party to the Paris Convention (for a complete list, see <http://www.wipo.int/treaties/docs/english/d-paris.doc>).

<sup>7</sup> On April 15, 2003, 32 States were party to the Madrid Agreement on Indications of Source.

39. The Madrid Agreement on Indications of Source binds the States which are party to it to prevent not only the use of “false” indications of source, but also the use of indications of source which are “deceptive,” i.e., literally true but nevertheless misleading. This may be the case, for example, where a given geographical name exists in two different countries, but was used as an indication of source only for products originating from that place in one country. Use of that indication of source by producers from the other country cannot be regarded as use of a “false” geographical indication, although consumers may be deceived by such use.

40. Article 4 of the Madrid Agreement on Indications of Source contains a special provision for “regional appellations concerning the source of products of the vine” which constitutes an exception to the rule that, in application of the Agreement, the courts are free to decide whether or not a given indication of source is a generic term. This article is not worthy, since it constitutes a departure from the general rule that the conditions of protection of an indication of source and, in particular, whether a specific indication of source is considered generic, are to be determined by the country in which protection is sought.

41. However, the application of Article 4 of the Madrid Agreement on Indications of Source is limited to the products of the vine, and the provision is subject to different interpretations. It was also repeatedly noted that the Madrid Agreement on Indications of Source does not significantly increase the level of protection for indications of source already provided under the Paris Convention. Considering also its limited membership, the Madrid Agreement on Indications of Source did not gain great practical significance.

(c) The Lisbon Agreement for the Protection of Appellations of Origin and Their International Registration

42. One of the results of the Lisbon Diplomatic Conference of 1958, which had attempted, *inter alia*, to improve the international protection for geographical indications within the framework of the Paris Convention and the Madrid Agreement on Indications of Source, was the adoption of the Lisbon Agreement for the Protection of Appellations of Origin and Their International Registration.<sup>8</sup>

43. The Lisbon Agreement takes the protection of indications of source beyond the level of protection provided under the Paris Convention and the Madrid Agreement on Indications of Source. The main principle of the Lisbon Agreement is that the States which are party to it undertake to protect appellations of origin that are protected “as such” in the country of origin and registered in the international register administered by WIPO (Article 1(2)). That means in practice that it is only applicable to appellations of origin which are already protected on the national level in the country of origin. Once a given appellation of origin is protected in its country of origin, that appellation of origin can be registered in an international register administered by WIPO. After its registration, the appellation of origin is published and notified to all other States party to the Lisbon Agreement.

<sup>8</sup> On April 15, 2003, 20 States were party to the Lisbon Agreement (for a complete list, see <http://www.wipo.int/treaties/docs/english/j-lisbon.doc>).

Since its entry into force on September 25, 1966, 844 appellations of origin have been registered under the Lisbon Agreement, of which 774 are still in force.<sup>9</sup>

44. Following the receipt of a notification of registration, a State that is party to the Lisbon Agreement may declare during a period of one year that it cannot protect the appellation of origin which was the subject of the notification. With respect to those registrations made under the Lisbon Agreement, 62 refusals of protection, concerning 51 international registrations, have been entered in the international register.<sup>10</sup>

45. According to Article 6 of the Lisbon Agreement, an appellation which has been granted protection in one of the countries party to that Agreement pursuant to the procedure under Article 5 cannot, in that country, be deemed to have become generic, as long as it is protected as an appellation of origin in the country of origin.

46. The scope of protection for internationally registered appellations of origin is broader than the protection for indications of source under the Paris Convention and the Madrid Agreement on Indications of Source. Thus, under Article 3 of the Agreement, not only misleading use of a protected appellation of origin is prohibited, but “any usurpation or imitation [of the protected appellation of origin], even if the true origin of the product is indicated or if the appellation is used in translated form or accompanied by terms such as “kind,” “type,” “make,” “imitation” or the like.”

### III. ATTEMPTS TO REVISE THE MULTILATERAL SYSTEM OF PROTECTION AFTER 1958

#### (a) Preparation in 1974 and 1975 of a New Multilateral Treaty on the Protection of Geographical Indications

47. In 1974, WIPO started work on the preparation of a new multilateral treaty for the protection of appellations of origin and indications of source. After a first session of a Committee of Experts in 1974, the International Bureau of WIPO prepared a draft treaty which was submitted to the second session of the Committee in 1975. The WIPO draft treaty intended to establish a new definition of geographical indication for the purposes of a system of international registration. The new definition was broader than the definition of appellation of origin under the Lisbon Agreement.<sup>11</sup>

48. The substantive provisions of the draft treaty were dealt with in two chapters. The first chapter contained a provision according to which the use of denominations, expressions or signs which constitute or directly or indirectly contain false or deceptive geographical indications as to the source of products or services must be prohibited.

<sup>9</sup> Internationally registered appellations of origin are published in the WIPO periodical *Les appellations d'origine*. Internationally registered appellations of origin are also published on the CD-ROM *Romarin*

<sup>10</sup> LI/GT/1/2, paragraph 7

<sup>11</sup> TAO/II/2 and 6, respectively

49. Thesecondchapterprovidedforasystemofinternationalregistrationinrespectofany geographical indication which fulfillsthefollowingconditions:(i)thegeographical indicationconsistsoftheofficialorusualnameofaState(the“filingState”)orofthename ofamajorcircumscriptionofaState<sup>12</sup>orofadenominationwhichservestointicate the sourceofaproduct;(ii)theindicationisdeclaredbythefilingStatetobereferencetoitself astheStateoforigin;(iii)theindicationisusedinthecourseoftradeinrelationtoproducts originatingintheState,andthesaidStatecertifiessuchuse.

50. Inmostotherrespects,thesystemofthedrafttreatywassimilartotheLisbon Agreement.Inparticular,theprocedureofinternationalregistrationincludedthepossibility ofobjectionsandprovidedforprotectionunlimitedintimeonceinternationalregistration hadbecomeeffective.However,unliketheLisbonAgreement,thegroundsforobjection werelimitedtothefollowing:(i)thesubjectoftheapplicationforinternationalregistration consistseitheroftheofficialorusualnameofthefilingStateorofthatofamajor circumscriptionofthatState,norofadenominationwhichservestointicate thesourceofa product;(ii)thedominationinquestiondoesnotrefertothefilingStateastheStateof origin;(iii)inthefilingState,thedominationinquestionisusedinthecourseoftradein relationtoproductsoriginatinginanyState;(iv)intheobjectingStatethedominationin questionisregardedasagenerictermbythegeneralpublicandisusedassuchinthecourse oftrade;(v)certainrequirementsconcerningtheapplicationhavenotbeenfulfilled.

51. Althoughunlimitedintime,continuedprotectionwoulddependonthepaymentof maintenancefees.Inaddition,thedrafttreatycontainedachapteronsanctions,therightsto bringanaction,andthesettlementofdisputesthroughdiplomaticchannels.

52. WhenpreparationsfortherevisionoftheParisConventionstartedinthelate1970s,and itbecameapparentthatthosepreparationsalsodealtwiththepossiblerevisionofthe provisionsoftheParisConventionthatdealwithgeographicalindications,workonthedraft treatywasnotcontinued.

#### (b) RevisionoftheParisConvention

53. Asindicated,duringthetimetheWIPOdrafttreatyongeographicalindicationswas beingprepared,theprocessfortherevisionoftheParisConventionwasinitiated.Inthe courseofthediscussionsontherevisionoftheParisConvention,aworkinggroupon conflictsbetweenanappellationoforiginandatrademarkpreparedaproposaltoincludein theParisConventionanewarticleonthe protectionof appellationsoforiginandindications ofsource.UndertheRulesofProcedureoftheDiplomaticConferenceontheRevisionofthe ParisConvention,thesaidproposalbecameabasicproposalfortherevisionoftheParis Convention.<sup>13</sup>

<sup>12</sup> ThecommentsonArticle6ofthedrafttreatycontainthefollowingexplanation:“major circumscriptions shouldnotonlycoverexistingadministrativecircumscriptions(e.g., “Burgundy”whichisnotthename ofanadministrativeentity).Thecircumscriptioninquestion shouldalsobeofacertain sizeandimportance,asexplainedbytheuseoftheadjective“major.” Inthelatterconnection,somerestrictionsarecalledfor:thenamesofcommunes,forexample, shouldnotbeabletobenefitfromabsolute protection”(TAO/II/2,page20).

<sup>13</sup> PR/DC/4

In the proposal, the terminology used in the WIPO draft treaty of 1975 was adopted; thus the term “geographical indication” was used. The purpose of the new article of the Paris Convention, which was provisionally numbered Article 10*quater*, was twofold. First, the article would ensure more extensive protection of appellations of origin and indications of source against their use as trade marks. Second, a special provision in favor of developing countries would be included, which would allow those countries to reserve a certain number of potential geographical indications for the future so that, even if they were not yet used as geographical indications, they could not be used as trade marks.

54. Draft Article 10 *quater* established in its paragraph (1) the principle that a geographical indication which directly or indirectly suggested a country of the Paris Union or a region or locality in that country with respect to goods not originating in that country may not be used or registered as a trade mark, if the use of the indication for the goods in question was of a nature as to mislead the public as to the country of origin. Draft paragraph (2) extended the application of draft paragraph (1) to geographical indications which, although literally true, falsely represented to the public that the goods originated in a particular country.

55. Draft paragraph (3) contained an additional provision in respect of geographical indications which had acquired a reputation in relation to goods originating in a country, region or locality, provided that such reputation was generally known in the country where protection was sought by persons engaged in the production of goods of the same kind or in trade in such goods. This additional provision would have established a reinforced protection for certain generally known geographical indications without the requirement of misleading use.

56. Draft paragraph (4) allowed the continuation of use which had been begun in good faith. Draft paragraph (5) required that all factual circumstances must be considered when applying the preceding provisions. Draft paragraph (6) reserved the possibility of bilateral or multilateral negotiations between member countries of the Paris Union.

57. Finally, draft paragraph (7) provided that each developing country may notify the International Bureau of up to 200 geographical names denoting the country itself or a region or locality on its territory, with the consequence that the International Bureau would notify all Paris Union member States and that these States would be obliged to prohibit the registration or use of trade marks containing or consisting of the notified names. The effect of the notification would last for 20 years. During this period, any developing country having made an notification would have the possibility of making known and protecting the geographical indication as referring to a geographical area in its territory from which certain goods originated so that subsequently the general provisions on protection of geographical indications would apply.

58. Draft Article 10 *quater* was discussed in the four sessions of the Diplomatic Conference as well as in some of the subsequent consultative meetings. Although, initially, the Group of industrialized market economy countries was divided in respect of the protection of geographical indications which had acquired a certain reputation, in 1984, those countries agreed on a proposal for a new Article 10*quater*, which can be summarized as follows: <sup>14</sup>

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<sup>14</sup> PR/DC/51

59. Draft paragraphs (1) and (2) were similar to draft paragraphs (1) and (2) of Article 10 *quater*, as contained in the basic proposals for the revision of the Paris Convention, subject to some minor changes; draft paragraph (3) dealt with the special case of any “geographical indication generally known in a country to consumers of given products or of similar products designating the origin of such products manufactured or produced in another country of the Union,” and provided that the protection would not, as in the basic proposal, be directed against the use as a trademark but against the development of such an indication to a designation of generic character for the said products or similar products;

60. Draft paragraph (4) contained an amended version of the special provisions in favor of developing countries; in contrast to the basic proposal, the number of geographical indications which could be reserved was up to 10, and they could only be reserved if the goods for which the name was or was going to be used had been indicated; draft paragraphs (5) to (7) contained slightly amended versions of the provisions of the basic proposal in respect of acquired rights, the consideration of all factual circumstances and the possibilities of concluding bilateral and multilateral agreements. However, this proposal was never discussed in the sessions of the Diplomatic Conference itself.

61. It should also be mentioned that in 1982 the competent Main Committee of the Diplomatic Conference on the Revision of the Paris Convention adopted an amendment to Article 6 *ter* of the Paris Convention.<sup>15</sup> That Article, in its text as applicable at present, contains a prohibition on using a trademark, state emblems, official marks or emblems of intergovernmental organizations. The proposed amendment concerned the inclusion of the official names of States in the list of emblems, etc., which may not be used as trademarks. This would be of importance for protection of geographical indications since official names of States would always have to be excluded from use as trademarks.

62. Since the Diplomatic Conference for the Revision of the Paris Convention was never concluded, the two proposals for addressing geographical indications within that framework Convention described above were never fully discussed and remained drafts.

(c) The 1990 Committee of Experts on the International Protection of Geographical Indications

63. In 1990, the WIPO Committee of Experts on the International Protection of Geographical Indications considered the establishment of a new treaty dealing with the international protection of geographical indications.<sup>16</sup> The main reasons for a perceived unsatisfactory situation concerning the international protection of geographical indications were the limited scope of the provisions of the Paris Convention, and the limited acceptance of the Madrid Agreement on Indications of Source and the Lisbon Agreement. It was felt that this situation could only be overcome through the establishment of a new worldwide treaty.

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<sup>15</sup> PR/DC/INF/38 Rev.

<sup>16</sup> GEO/CE/I/2

64. In order to make the treaty attractive to all States party to the Paris Convention, the replacement of the concepts of “appellation of origin” and “indication of source” by the notion of “geographical indication” was evoked. It was felt that this notion could cover all existing concepts of protection. Furthermore, a need was perceived to establish a new international registration system, which would be more widely acceptable than the Lisbon Agreement. To that end, a basic principle was that Contracting Parties should be free to choose the manner of protection of a geographical indication in its country of origin, rather than requiring a specific form of protection. In addition, the new treaty should provide for effective protection of geographical indications against degeneration into generic terms, and ensure effective enforcement of protection.

65. The Committee of Experts discussed the following three groups of issues pertinent to the establishment of a new treaty, namely: What should be the subject matter of protection? What should be the general principles of protection, including the conditions of protection, its contents, and the mechanisms for its enforcement and for setting disputes arising under the new Treaty? Should there be a system of international registration and, if so, what should it consist of?<sup>17</sup>

66. The Committee did not reach a common position on those questions. At the end of its first session, the Chair concluded that a number of delegations had expressed the wish for the preparation of a new treaty, whereas others had expressed reservations. Those reservations concerned, in particular, whether the new treaty should provide for a registration system or for the establishment of lists of geographical indications protected by Contracting Parties.<sup>18</sup> The work concerning the establishment of a new treaty was not continued, since the Committee of Experts on the International Protection of Geographical Indications did not meet for any further session.

## E. RECENT DEVELOPMENTS CONCERNING GEOGRAPHICAL INDICATIONS IN WIPO

67. The issue of geographical indications features regularly on the agenda of the WIPO Standing Committee on the Law of Trademarks, Industrial Designs and Geographical Indications (SCT). Concerning the most recent session of the SCT, the Secretariat prepared the following working documents: document SCT/8/5, dealing with the definition of geographical indications, protection of geographical indications in their country of origin, protection of geographical indications abroad, generic terms, conflicts between geographical indications and trademarks, and homonymous geographical indications; document SCT/9/5, dealing with the definition of geographical indications; document SCT/9/6, on geographical indications and the territoriality principle; and document SCT/10/4, containing a study setting out the issues generally considered with regard to the protection of geographical indications, taking into account the elements contained in the definition of the Agreement on

<sup>17</sup> GEO/CE/I/2, paragraph 64

<sup>18</sup> GEO/CE/I/3, paragraph 122



Trade-Related Aspects of Intellectual Property Rights (TRIPS Agreement), in particular, the elements supporting a claim for quality, reputation or other characteristics, and what is considered in evaluating a claim that these elements are “essentially attributable” to the geographical origin.

68. The above-mentioned papers were discussed in the respective sessions of the SCT, and the discussions were recorded in the reports for each of those sessions (see in particular documents SCT/8/7, SCT/9/9 and SCT/10/9.<sup>19</sup>

### Special Sessions of the SCT

69. At their meeting from September 24 to October 3, 2001, the WIPO Member States decided to subject the final report of the Second WIPO Internet Domain Name Process, including its recommendation on geographical indications, to a comprehensive analysis by the SCT which was to meet in two Special Sessions for this purpose (Document WO/GA/27/8, paragraph 33).

70. The Special Sessions of the SCT were held from November 29 to December 4, 2001, and from May 21 to 24, 2002. The minutes of these meetings reflect extensive discussion on the issue of geographical indications (see document SCT/S1/6, paragraphs 50 to 87; and document SCT/S2/8, paragraphs 211 to 229). Document WO/GA/28/3 summarizes those discussions as follows:

“43. Discussions at the first Special Session reflected a division of views on the appropriateness of creating protection for geographical indications in the DNS. On the one hand, a group of countries noted that there exists a practice of abusing geographical indications in the DNS and was of the view that the international legal framework regarding geographical indications is sufficiently well developed to constitute a legal basis for establishing the protection in question. On the other hand, a group of countries believed that this legal framework is not sufficiently well developed and that subjecting geographical indications to the UDRP would lead panelists to develop undesired new law. Despite extensive discussions at the first Special Session, no progress was made in bridging this divergence of opinion. At the end of the first Special Session, the Chair consequently noted that “[v]iews on the question were divided. Whilst more delegations favored the modification of the UDRP to allow protection for geographical indications than those who opposed such a modification, no agreement had been reached. Accordingly, it was decided to continue discussions on the issue at the second Special Session to examine the many useful questions raised. Any delegation would be free to submit comments or papers for consideration before the second Special Session.”

“44. At the second Special Session, delegations essentially reiterated their positions as reflected above. Those delegations in favor of protecting geographical indications in the DNS noted the urgency of the matter and requested that discussions continue in

<sup>19</sup> All SCT documents cited in this document are available on WIPO's website at <http://www.wipo.int/news/en/index.html>

order to find a solution to the problems that are being encountered. Those that did not favor such protection stated that, while they agreed to continued discussing the matter, those discussions should focus first on a number of fundamental issues concerning geographical indications, before returning attention to their protection in the DNS. Finally, the Special Session:

- (i) Decided that it was not timely to take definitive decisions with respect to the protection of geographical indications in the Domain Name System.
- (ii) Noted that some delegations considered that the issue needed urgent attention, while others considered that a number of fundamental questions concerning the protection of geographical indications needed to be resolved before the question of their protection in the Domain Name System could be discussed.
- (iii) Recommend[ed] that the WIPO General Assembly revert this issue to the regular session of the SCT to decide how the issue of the protection of geographical indications in the Domain Name System be dealt with.

71. At their meeting from September 23 to October 1, 2002, the WIPO Member States adopted the recommendation of the SCT with respect to geographical indications, it being understood that the SCT is to continue the discussions on this topic (document WO/GA/28/7, paragraph 78).

72. Subsequently, the SCT decided at its ninth Session (November 11 to 15, 2002) to continue discussions on the issue of Internet domain names and geographical indications, and requested the International Bureau to prepare a paper summarizing the state of the positions, drawing together work already done by the International Bureau and including the comments made by several delegations at the SCT (document SCT/9/8, paragraph 5). This summary paper (SCT/10/6) was presented to the SCT at its tenth session. The SCT took note of document SCT/10/6 and the Chair concluded that there was a split in the positions of Member States on the issue of Internet domain names and geographical indications (see document SCT/10/9 Prov, paragraph 28).

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