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GEOGRAPHICALINDICAT IONS:POINTOFVIEW OFGOVERNMENTS

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“GEOGRAPHICAL INDICATIONS AND TRADEMARKS :
Intellectual Property Any Way You Slice It”

By

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SUMMARY

This paper explores the reasons why geographical indications, a form of intellectual property, are not treated as such by certain WTO Members. The paper further explores the possibilities of using existing trademark systems to provide adequate and effective protection for rights in geographical indications. The paper concludes that use of a collective mark or certification mark regime is the most effective means of providing TRIPS -consistent protection for GIs, and for trademarks in relationship to GIs (as well as vice -versa).

Introduction – Geographical Indications As Intellectual Property

1. What if you received the following notice from a government agency?

“Dear Trademark Owner/Representative:

Please prepare a list of your most important trademarks. Please explain why these trademarks merit protection. Please prioritize your list, as it is likely that only one or two of your trademarks will ultimately receive protection.

Warning: You will receive no compensation for trademarks that do not make the list. In addition, you will be required immediately to cease use of any trademarks deemed in conflict with those that are on the list.

Thank you, and have a nice day.”

2. A letter from an intellectual property office in a parallel universe? Not at all. Discussions at the World Trade Organization (WTO) on the relationship between geographical indications (GIs) and trademarks could result in an international “multilateral registration” regime for geographical indications that has precisely this result.

¹ The views expressed herein are solely those of the author.

What Are Geographical Indications ?

3. What are these “geographical indications” that could have such a dramatic impact on trademarks? “Geographical Indications” are included in the 1994 Agreement on Trade-Related Aspects of Intellectual Property Rights (“TRIPS Agreement”) which came into force in 1995, and had effect in developed countries – including the United States – as of January 1, 1996.²

4. The preamble to the TRIPS Agreement emphasizes that “intellectual property rights are private rights.” TRIPS sets forth standards to regulate international intellectual property protection and enforcement, and establishes international minimum standards for “geographical indications.” Part II, Section 3 of TRIPS, in Articles 22 – 24, specifies the minimum standards of protection that WTO Members must provide for geographical indications.

5. **Geographical indications are, for purposes of the TRIPS Agreement, a type of intellectual property (“IP”).** “Geographical Indications,” are defined, at Article 22(1) of the TRIPS Agreement, as “indications which identify a good as originating in the territory of a Member, or a region or locality in that territory, where a given quality, reputation or other characteristic of the good is essentially attributable to its geographic origin.”

6. The TRIPS Agreement requires that WTO Members provide the legal means for interested parties to prevent the use of a GI that: (1) indicates or suggests that a good originates in a geographical area other than the true place of origin in a manner which misleads the public as to the geographical origin of the good; or (2) constitutes an act of unfair competition.

7. The TRIPS Agreement also provides for an “enhanced” minimum level of protection for GIs that identify wines and spirits. WTO Members are required to provide the legal means for interested parties to prevent the use of GI even if they do not imply that the wines or spirits originate in a place other than the true place of origin. (In other words, for wines and spirits, even if the public would not be deceived by use of a particular GI, a GI may not be used if the wines or spirits do not originate in the place indicated by the GI.)

8. The TRIPS Agreement provides some exceptions to these requirements. For instance, TRIPS does not require that a WTO Member extend protection to a GI if that GI is the “generic” name for the goods in the Member.

9. Another exception to the protection afforded GI arises in situations where a trademark already exists. Where a trademark has been applied for or registered in good faith, or where the rights to the trademark have been acquired through actual use in good faith, either (1) before the date of application of the TRIPS Agreement in a WTO Member, or (2) before the GI was protected in its country of origin, the trademark maintains its legal presumption of superiority.

² Developing countries had until January 1, 2000 to comply with the TRIPS standards with respect to geographical indications and least developed countries have until January 1, 2006 in which to comply.

10. The TRIPS definition highlights the source -indicating capacity of the indication. Not every indication can rise to the level of a GI. There must exist a link between at least one characteristic of the good and the particular region where it was produced. In turn, that link must be material to the consumer's purchasing decision.

Why Are Geographical Indications Suddenly an Issue?

11. WTO Members and their nationals are increasingly recognizing that geographical indications, like trademarks, are valuable marketing tools in the global economy. In addition, some WTO Members are interested in using the concept of geographical indications as a vehicle for "taking back" generic terms.³

12. Inclusion of geographical indications in the TRIPS Agreement as a type of intellectual property was controversial.⁴ Moreover, some WTO Members believe that geographical indications are not intellectual property.⁵ The competing views of GI as either intellectual property rights or something else have been exposed in the context of the TRIPS Agreement's Article 23(4) built-in mandate. To facilitate the protection of geographical indications for wines (and spirits), WTO Members are obligated to conduct negotiations concerning the establishment of a multilateral system of notification and registration of geographical indications for wines eligible for protection in those Members participating in the system. Negotiations under Article 23(4) began in 1998, with proposals put forth by the European Communities, the United States and other WTO Members.⁶ The proposal of the European

³ For example, the Italian government is promoting an April 2002 decision by the Codex Alimentarius Commission to postpone international standard setting for parmesan as granting Italy trademark rights in the term "parmesan." See "Trademarks Codex Protects Mark for Parmesan Cheese; Italy Hails Landmark for Geographic Names," No. 77 Monday April 22, 2002, Page A-22, ISSN 1523-567X, The Bureau of National Affairs, Inc., Washington D.C.

⁴ See Lindquist, *Champagne or Champagne? An Examination of U.S. Failure to Comply With The Geographical Provision of the TRIPS Agreement*, 27 *Geo. J. Int'l & Comp. L.*, 309, 311-312 (Spring 1999) ("The inclusion of these [protection of geographical indications of source] caused heated debates during the Uruguay GATT rounds and continue to generate discussion. The article that causes most debate is Article 23 which deals with the protection of geographical indications for wines and spirits... The current debates surrounding Article 23 is over how much protection should be given to geographical indications that have long been used beyond their boundaries and what obligations TRIPS imposes on its members.")

⁵ See, "Implementation of Article 23.4 of the TRIPS Agreement Relating to the Establishment of a Multilateral System of Notification and Registration of Geographical Indications," Communication of the European Communities and their member States, IP/C/W/107/Rev.1; "Incorporation of elements raised by Hungary in IP/C/W/234 into the proposal by the European Communities and their member States on the establishment of a multilateral system of notification and registration of geographical indications," Proposal by Hungary, IP/C/W/255. But see, "Proposal for a Multilateral System for Notification and Registration of Geographical Indications Based on Article 23.4 of the TRIPS Agreement," Communication from Canada, Chile, Japan and the United States, IP/C/W/133/Rev.1, all available from the World Trade Organization website at <http://www.wto.org>

⁶ See http://www.wto.org/english/tratop_e/dda_e/dohaexplained_e.htm#trips The WTO website notes that "[t]he TRIPS Agreement provides a higher level of protection to geographical indications for wines and spirits. This means they should be protected even if there is no risk of misleading consumers or unfair competition. A number of countries want to negotiate extending this higher level to other products. Others oppose the move, and the

Communities is for a mandatory “multilateral register” for geographical indications – for all goods, not just wines and spirits – that would give supra-national rights to geographical indications.⁷

Trademarks and Unfair Competition Regimes:
An Existing Means for Protection of Geographical Indications

13. The EC argues that a multilateral registration system (similar to that identified in the Lisbon Agreement) is necessary for the effective protection of GIs. This is so, according to the EC, for the following reasons. First, GIs and trademarks are fundamentally different intellectual property rights. Second, a trademark system does not protect GIs against abusive use in translated form, or in connection with modifiers such as “like,” “kind,” “style,” “type,” or “imitation,” or in conjunction with the true origin of the producer.

14. The EC’s stated concerns reflect a fundamental difference in the philosophic positions of the United States and the EC with respect to geographical indications. As an analytic matter, the premise that GIs and TMs are fundamentally different intellectual property rights does not sustain scrutiny. Trademarks are source indicators. GIs are also source indicators.

[Footnote continued from previous page]

debate in the TRIPS Council has included the question of whether the relevant provisions of the TRIPS Agreement provide a mandate for extending coverage beyond wines and spirits.

The Doha Declaration notes that the TRIPS Council will handle this under the declaration’s paragraph 12 (which deals with implementation issues). Paragraph 12 offers two tracks: “(a) where we provide a specific negotiating mandate in this Declaration, the relevant implementation issues shall be addressed under that mandate; (b) the other outstanding implementation issues shall be addressed as a matter of priority by the relevant WTO bodies, which shall report to the Trade Negotiations Committee [TNC], established under paragraph 46 below, by the end of 2002 for appropriate action.”

In papers circulated at the Ministerial Conference, member governments expressed different interpretations of this mandate. Argentina said it understands “there is no agreement to negotiate the ‘other outstanding implementation issues’ referred to under (b) and that, by the end of 2002, consensus will be required in order to launch any negotiations on these issues” (document WT/MIN(01)/W/8).

Bulgaria, Czech Republic, EU, Hungary, Liechtenstein, Kenya, Mauritius, Nigeria, Pakistan, The Slovak Republic, Slovenia, Sri Lanka, Switzerland, Thailand and Turkey (document WT/MIN(01)/W/11) argued that there is a clear mandate to negotiate immediately under (a). India, together with Bulgaria, Kenya and Sri Lanka, sponsored another paper (WT/MIN(01)/W/9) which also argued that the Doha agenda means immediate negotiations.

Key dates: Deadline — negotiations on geographical indications registration system (wines and spirits): by 5th Ministerial Conference, 2003 (in Mexico);

⁷ The EC claims that its Article 23(4) proposal is voluntary, as required by the wording of the TRIPS Agreement. However, the EC also notes that it would consider any notification to be a request to conduct negotiations under TRIPS Article 24(1). Since Article 24(1) notes that Members cannot refuse to conduct negotiations, the EC argues that failure to object to a notification would mean acquiescence to protection. In other words, even if WTO Members chose not to participate in the Article 23(4) system, the EC would expect absolute protection for its notified GIs because it considered the notification to be a request to conduct negotiations. Essentially, under the EC’s proposal, all WTO Members would be forced to participate in the Article 23(4) system, because silence would otherwise be considered assent to protection of all the terms notified.

Trademarks are quality indicators. So are GIs. Trademarks are business interests. GIs are important business interests. In fact, it is analytically reasonable to consider geographical indications as a subset of "trademarks," functioning as trademarks which identify a good as originating in the territory of a WTO Member, 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.

15. The fact that Articles 22 – 24 of the TRIPs Agreement create an inextricable link between trademarks and geographical indications bolsters the philosophical perspective of GIs as a special form of trademark. Certainly, in accordance with the provisions of the TRIPs Agreement, the United States views geographical indications as intellectual property.

16. Article 24(6) of the TRIPs Agreement identifies a hallmark principle of trademark law, namely, that generic terms cannot be viewed as proprietary, or even source indicating. The EC would like to derogate from this principle by making proprietary to the EC terms that are generic. Thus, the EC naturally expresses concern that generic terms, such as "parmesan," are not treated as proprietary rights under an intellectual property system such as a trademark system.

17. Trademark systems, including the Community Trademark System (CTM), do provide protection against abuse of proprietary intellectual property. A trademark system does not permit registration of "Louis Vuitton" style luggage or "Stilton" type cheese over existing registrations for "Louis Vuitton" brand or "Stilton," for luggage and cheese, respectively. However, it is permissible to use generic terms – "feta" style or "imitation parmesan" – to explain characteristics of particular goods.

18. The EC also posits that trademark systems are much more expensive and burdensome for users, especially small users, than is a (EC) GI system of protection. Costly registrations are required. Even more human resources are needed as multiple registrations are required to effect full protection for a single GI (e.g., as word mark in the original language, in translation, in design form). According to the EC, only a multilateral register resolves these problems.

19. Again, the concerns expressed by the EC appear to stem from a world view that geographical indications are not a form of intellectual property. It is doubtful that the EC would propose to fully subsidize the trademark application, prosecution, advertisement, and enforcement costs for small businesses in the EC. But, if the EC is proposing such subsidies for small owners of geographical indications, why shouldn't small trademark users, or small copyright users, or small patent users obtain the same type of government subsidy? Of course, in the context of intellectual property, the costs of application, prosecution, challenge, enforcement and advertisement are borne by users of the system – not by governments.

20. It is also doubtful that the EC would propose a government – to – government register to protect select patents, copyrights, and trademarks. But, if this is good for geographical indications, why shouldn't it be acceptable for other forms of intellectual property? The answer is self – evident: individuals – whether natural or juristic – are the rightsholders. Individuals must decide whether to assert or challenge rights in intellectual property. The role of governments is to provide a fair means, a level playing field. After that, governments should not select a few whom may take advantage of the playing field that was funded by all.

21. The EC has argued that the requirement of continuing use is untenable in the context of adequate protection for GIs. Under circumstances where a GI owner is not able to make actual use of the GI (e.g., for phytosanitary reasons in a target country) protection of GIs via a trademark system would not offer a viable alternative to a multilateral register.

22. The EC's argument betrays a lack of familiarity with at least the United States' trademark system. Trademark registrations – which include certification – mark registrations – can be renewed indefinitely in the United States without the need for use, where circumstances are such that use cannot be made for reasons beyond the registrant's control.⁸

23. As a more fundamental matter, use is an inseparable aspect of geographical indications. Is “Scythian” a viable geographical indication for jewelry made of gold? Is “Damascus” still a geographical indication for sword blades? Use is critical to geographical indications. The mere existence of a place, with the attendant possibility that some characteristic good may come into being, is at odds with the TRIPs Article 22(1) definition of “geographical indications.” Quality, reputation or other characteristics demand use for their very existence. Use is necessary to the creation and existence of geographical indications and is not a feature that distinguishes GIs from trademarks.

24. The EC makes other arguments in favor of a multilateral system of registration of geographical indications. For the sake of ease, these arguments are discussed below under headings that attempt to encapsulate the nature of the EC's stated concerns.

Distinctiveness vs. Quality Guarantee

25. The EC has argued that trademarks are signs that are protected because they are capable of distinguishing products of one company from those of another. Of course, the purpose of trademarks is not to distinguish products. Trademarks distinguish the *source* of the products, even if the source is unknown to the consumer. The products, in fact, might be identical. As source-identifiers, trademarks and geographical indications serve precisely the same function.

⁸ See Section 8 of the United States' Trademark Act, **15 U.S.C. § 1058, “Duration”**

(a) Each registration shall remain in force for 10 years, except that the registration of any mark shall be canceled by the Director for failure to comply with the provisions of subsection (b) of this section***

(b) During the 1 -year period immediately preceding the end of the applicable time period set forth in subsection (a), the owner of the registration shall pay the prescribed fee and file in the Patent and Trademark Office - -

(1) an affidavit setting forth those goods or services recited in the registration or in connection with which the mark is in use in commerce and such number of specimens or facsimiles showing current use of the mark as may be required by the Director, **or**

(2) **an affidavit setting forth those goods or services recited in the registration or in connection with which the mark is not used in commerce and showing that any such nonuse is due to special circumstances which excuse such nonuse and is not due to any intention to abandon the mark.***** (Emphasis added).

26. The EC's use of "Bordeaux" as an example of a GI for which consumers might be willing to pay a premium is instructive. "Bordeaux," as a geographical indication, may indicate origin - but not be more useful than that. In fact, the quality - and even reputation - of "Bordeaux" wines vary depending on many factors, including the abilities, resources, and care of individual vintners. Thus, consumers may find a trademark - the source identifier - more useful to satisfying their preferences for wine than the geographical indication. Certainly, the marks of well-known vintners, such as the "Moët-Chandon"-brand of quality wines, are arguably as much responsible for premium pricing as any geographic reference.

Changing vs. Stable Ownership

27. The EC has expressed concern that the ability to transfer ownership of trademarks is fundamentally at odds with the immutable ownership of GIs. The EC's underlying premise is flawed. Geographical indications are transferable. Ownership of a GI might originally have vested in a collective group, then be transferred to government, which might then transfer ownership and responsibility to an independent agency - or even back to a private collective.

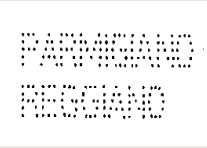
28. As a practical matter, GIs are usually owned by governmental or quasi-governmental organizations (e.g., States or state-chartered enterprises). It is doubtful that even the EC would consider as irreparably destructive to the GI right an assignment of ownership of the GI "ROQUEFORT" from the Community of Roquefort to the Government of France. What would be of importance is the maintenance of the quality standards for cheeses identified by the GI "ROQUEFORT."

29. How Can Geographical Indications Be Protected as Certification Marks or Collective Marks?

Examples of Foreign Geographical Indications Protected in the United States

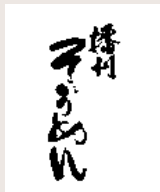
“Parmigiano Reggiano ”

- U.S. Trademark Registration Nos. 1,754,410; 1,892,496; 1,896,683; 2,320,595
- For “Cheese”
- “The certification mark, as used by person authorized by the certifier, certifies that the goods originate in the Parma -Reggio region of Italy, specifically the zone comprising the territory of the provinces of Parma, Reggio Emilia, Modena and Mantua on the right bank of the river Po and Bologna on the left Bank of the river Reno.”




“Banshu Somen ”

- U.S. Trademark Registration No. 2,238,960
- For “Noodles”
- “The certification mark, as used by authorized persons, certifies geographic origin of the goods in the area of Japan known as Banshu.”




“Roquefort ”

- U.S. Trademark Registration No. 571,798 (Registered March 10, 1953)
- For “Cheese”
- “The certification mark is used upon the good to indicate that the same has been manufactured from sheep’s milk only, and has been cured in the natural caves of the Community of Roquefort, Department of Aveyron, France.”



“Swiss ”

- U.S. Registration No. 1,570,455
- For “Chocolate and products made from chocolate...”
- “The certification mark, as used by persons authorized by the certifier, certifies geographic origin of the goods in Switzerland.”




“Halloumi ”

- U.S. Registration No. 1,591,489
- For “Cheese”
- “The certification mark, as used by persons authorized by the certifier, certifies that the cheese product is produced only in Cyprus using historic method unique to that country.”



“DARJEELING ”

- U.S. Reg. No. 2,685,923
- For “Tea”
- Word Mark (Word “DARJEELING” protected)
- As used by authorized persons, certifies that the tea contains at least 100% tea originating in the Darjeeling region of India and that the blend meets other specifications established by the certifier.



Benefits of Using a Trademark System to Protect Geographical Indications

30. There are several common-sense benefits to using a trademark system to protect geographical indications.
31. First, almost all countries – whether Members of the WTO or not – have functioning trademark systems. Practitioners and individuals alike are used to working with a trademark system. There exist many regional systems for the protection of trademarks (e.g., the Community Trademark), in addition to international systems (i.e., the Madrid Agreement and the Protocol to the Madrid Agreement).
32. Second, trademark systems acknowledge that intellectual property rights are private rights. Individuals – whether natural or juristic – have full access to trademark systems.
33. Third, trademark systems provide for the fair treatment of trademarks and geographical indications with respect to one another, as mandated by the TRIPS Agreement. That is, trademark systems provide for opposition and/or cancellation. If examination is provided, on relative and/or absolute grounds, and a refusal is issued, the applicant has an opportunity for judicial review of the refusal.
34. Finally, trademark systems incorporate established enforcement mechanisms. These include border-enforcement (the ability to stop infringing goods from entering a country), and established civil and criminal penalties for willful infringement, counterfeiting, and piracy.
35. It is unclear from an intellectual-property perspective, why a “positivist” or “multilateral register” (of government-negotiated items) approach holds any allure for the users of a trademark or geographical indications system. Taking a practical view, users would have to prevail upon their governments to ensure that their geographical indications and/or marks were protected while the GIs and/or marks of competitors were excluded. It does not require elaboration to understand the frustration and opportunity for bureaucratic mischief such a system would create. After the list was established, additions would require further negotiation. Challenge – for example in a Lisbon-type system – could be made only by governments. Thus, private parties would have to spend even more time than usual working with government representatives to ensure that bureaucrats had the energy and will to oppose undesirable requests for extension of protection.

Use of Collective Marks and Certification Marks

36. All Members of the Paris Union, and Members of the WTO, are required – pursuant to Article 7 *bis* of the Paris Convention – to provide protection for collective marks. In the United States, Section 4 of the Trademark Act of 1946, 15 U.S.C. § 1054, provides for registration of both collective marks and certification marks, without distinguishing between them, but § 45 of the Act, 15 U.S.C. § 1127, defines collective marks and certification marks separately, as distinct types of marks.

Collective Marks Distinguished from Certification Marks

37. Collective trademarks and collective service marks indicate commercial origin of goods or services just as regular trademarks and service marks do, but as collective marks they indicate origin in members of a group rather than origin in one party.⁹ All members of the group use the mark; therefore, no one member can own the mark, and the collective organization holds the title to the collectively used mark for the benefit of all members of the group. An agricultural cooperative of produce sellers is an example of a collective organization, which does not sell its own goods, or renders services, but promotes the goods and services of its members.

38. The collective organization might conduct advertising or other promotional programs in which reference is made to the mark in order to publicize the mark and promote the business of the members, but this would be merely informational use or a publicity display of the mark.

39. Certification Marks - Section 4 of the Trademark Act, 15 U.S.C. § 1054, also provides for the registration of "certification marks, including indications of regional origin." Section 45 of the Trademark Act, 15 U.S.C. § 1127, defines "certification mark" as follows:

The term "certification mark" means any word, name, symbol, or device, or any combination thereof —

1. Used by a person other than its owner, or
2. Which its owner has a bona fide intention to permit a person other than the owner to use in commerce and files an application to register on the principal register established by this Act, to certify regional or other origin, material, mode of manufacture, quality, accuracy, or other characteristics of such person's goods or services or that the work or labor on the goods or services was performed by members of a union or other organization.

40. In the United States, there are generally three types of certification marks. Of relevance here are marks that certify that goods or services originate in a specific geographic region (e.g., ROQUEFORT for cheese).¹⁰ These are the type of marks most likely viewed as being "geographical indications."

41. The U.S. Trademark Act differentiates certification marks from trademarks or service marks by two characteristics. First, a very important feature of a certification mark is that its

⁹ See, e.g., *Opticians' Ass'n of America v. Independent Opticians of America, Inc.*, 734 F. Supp. 1171; 14 U.S.P.Q.2d 2021, reversed on other grounds 920 F.2d 187; 17 U.S.P.Q.2d 1117.

¹⁰ U.S. Registration No. 571,798 ("ROQUEFORT") for cheese from France. Other examples of geographical indications protected as certification marks in the United States include: U.S. Registration No. 1,632,726 ("DARJEELING") for tea - India; U.S. Registration No. 2,014,628 ("PARMAHAM") for ham products - Italy; U.S. Registration No. 1,570,455 ("SWISS") for chocolate - Switzerland; and U.S. Registration No. 1,959,589 ("STILTON") for cheese - United Kingdom. Information regarding these and all other U.S. trademark registrations is available from the United States Patent and Trademark Office's (USPTO) Internet website at: www.uspto.gov.

owner does not use it. Second, a certification mark does not indicate commercial source nor distinguish the goods or services of one person from those of another person. This means that any entity, which meets the certifying standards, is entitled to use the certification mark. However, certification marks are source identifying in the sense that they recognize the nature and quality of the goods and affirm that these goods have met certain defined standards.

42. A certification mark may not be used, in the trademark sense of "used," by the owner of the mark. It may be used only by entities other than the owner of the mark. That is, the owner of a certification mark does not apply the mark to his or her goods or services. In fact, usually the owner does not attach or apply the mark at all. The mark is applied by other persons, to their goods or services, with authorization from the owner of the certification mark.

43. connection with which the mark is used, and thus does not control their nature and quality. However, what the owner of the certification mark does control is use of the mark by others on their goods or services, such control consisting of the taking of steps to assure that the mark is applied only to goods or services which contain the requisite characteristics or meet the specified requirements which the certifier/owner has established or adopted for the certification.

44. The purpose of a certification mark is to inform purchasers that the goods or services of a person possess certain characteristics or meet certain qualifications or standards established by another person. A certification mark does not indicate origin in a single commercial or proprietary source. The strong message conveyed by a certification mark, when it is applied to goods or used in connection with services, is that the goods or services have been examined, tested, inspected, or in some way checked by a person who is not their producer, by methods determined by the certifier/owner. The placing of the mark on goods or its use in connection with services thus constitutes a certification by someone other than the producer that the prescribed characteristics or qualifications of the certifier for those goods or services have been met.

45. In the United States, a geographical term may be used, either alone or as a portion of a composite mark, to certify that the goods originate in the particular geographical region identified by the term.¹¹ Marks, which may be used to certify regional origin, are not necessarily limited to terms, which comprise precise geographical terminology. A distortion of a geographical term, an abbreviation of a geographical term, or a combination of geographical terms can be used as, or in, a certification mark indicating regional origin. It is also possible for a term, which is not technically geographical to have significance as an indication of origin solely in a particular region.¹²

¹¹ See, for example, U.S. Trademark Registration No. 2,369,315 ("MADE WITH FLORIDA CITRUS and Design."). The mark includes a silhouette of the State of Florida.

¹² In addition, the United States protects geographical indications that are not registered. For example, the Trademark Trial and Appeal Board (an administrative appeal body within the USPTO) held that "COGNAC" is protected as a common-law (unregistered) certification mark in the United States. *Institut National Des Appellations v. Brown -Forman Corp.*, 47 USPQ2d 1875, (TTAB 1998) ("Cognac" is a valid common law regional certification mark, rather than a generic term, since purchasers in the United States primarily understand the "Cognac" designation to refer to brandy originating in the Cognac region of France, and not to brandy produced elsewhere, and since opposers control and limit use of the designation which meets certain standards of regional origin.)

46. In the experience of the United States, in most instances, the authority that can exercise control over the use of a geographical term as a certification mark is a governmental body or a body operating with governmental authorization. When a geographical term is used as a certification mark, two elements are of basic concern: first, preserving the freedom of all persons in the region to use the term and, second, preventing abuses or illegal uses of the mark which would be detrimental to all those entitled to use the mark. Generally speaking, a private individual is not in the best position to fulfill these objectives satisfactorily. The government of a region is often the logical authority to control the use of the name of the region. The government, either directly or through a body to which it has given authority, would have power to preserve the right of all persons and to prevent abuse or illegal use of the mark.

WTO's Committee on Agriculture: The Next GI Battle Ground

47. The EC has taken to its logical conclusion the premise that geographical indications are not intellectual property. At the January 2003 meeting of the WTO's Committee on Agriculture, the EC presented a "modalities" proposal that contained provisions relating to geographical indications.

48. Relevant portions of the EC's "modalities" proposal in the WTO Committee on Agriculture are reproduced below:

Part I
Article 1
Definition of Terms

**** (...) "geographical indication" means an indication which identifies an agricultural good as originating in the territory of a Member, 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 and which is protected in the laws and regulations of that Member;*

*(...) "originating" when used in relation to the territory of a Member, or a region or locality thereof, means that an agricultural product is produced or processed within the territory, region or locality of the Member concerned; ****

Part III
Article 4
Market Access

3. Members shall ensure protection of the geographical indications referred to in Annex W in accordance with the individual commitments undertaken and included therein.

The protected names are exclusively reserved to the agricultural products originating in the place indicated by the geographical indication in question and can no longer be used after

the phase out period. Geographical indications not included in annex W will continue to benefit from the protection provided for in Articles 22 and 23 of the TRIPS Agreement.

Any use of indications protected by virtue of this Agreement for products originating in a geographical area other than the true place of origin shall be prohibited, even when:

- a) the true origin of the product is indicated;*
- b) the geographical indication is used in translation;*
- c) the indications are accompanied by expressions such as "kind", "type", "style", "imitation", "method", or the like.*

*Where indications protected by virtue of this Agreement are homonymous, protection shall be granted to each indication, provided it is traditionally and consistently used, its use for that purpose is regulated by the country of origin, it does not falsely represent to the public that the goods originate in another territory and consumers are not misled as to the true origin of the product.****

49. The EC's GI Agriculture proposal appears to have three main components:

- (1) International elimination of prior trademarks containing terms designated by the EC;
- (2) International elimination of generic terms such as feta; and
- (3) Derogation from existing WTO obligations with respect to both trademarks and geographical indications.

50. The EC proposes to accomplish these goals through: (1) a restricted definition of "geographical indications," (2) explicit derogation from negotiated WTO texts, and (3) a list of "protected" names.

51. The EC has great incentive to demand in the Agriculture Committee what it cannot achieve in the Council for TRIPs. As noted earlier in this paper, the TRIPs Agreement permits use of existing generic terms such as parmesan. The "positivist" approach suggested by the EC would require companies in all WTO Members, including developing countries, to abandon names even in domestic markets no matter how long those names have been used or how much has been invested in them. In cases where a company is forced to abandon use of the term, it would lose the benefit of the reputation built up in that product, their market access, and the benefit of use of a well-known name. Although difficult to quantify, such losses would likely be substantial.

52. The following are just a few examples of terms that should be of concern to trademark owners and industry representatives worldwide in considering the effect of the EC's proposal on both their domestic and export markets:

- asiago cheese;
- balsamic vinegar;
- bologna (processed meat);
- emmentaler cheese;

- fetacheese;
- fontinacheese
- goudacheese;
- kalamata(olivesandoliveoil);
- kassericheese;
- mortadella(processedmeat);
- neufchatelcheese;
- parmesancheese;
- pilsnerbeer;
- salami(processedmeat);and
- tyroleancheese

The EC's GI Proposal Eliminates the Right of Private Owners

53. The “positive” list approach advocated by the EC in both the Council for TRIPs and the Agriculture Committee is reminiscent of the notification and registration system established in the Lisbon Agreement for the Protection of Appellations of Origin and their International Registration (Lisbon Agreement of 1958, revised at Stockholm in 1967, and amended in 1979). As of January 15, 2003, the Lisbon Agreement consisted of 20 Member States.

54. Lisbon is a “government -to-government” notification and registration system. Private parties may neither notify geographical indications nor object to their protection. In fact, if Member States do not object to a notification within 12 months of its receipt, they must protect the notified appellation. Article 5(6) of the Lisbon Agreement specifically requires termination of any conflicting pre-existing use of a notified appellation in the Members agreeing to accept protection.

55. According to an analysis of the Lisbon Agreement conducted by the South Centre [*See* <http://www.southcentre.org/publications/geoindication/paper10-05.htm>] based on statistics compiled by WIPO, of the 800 or so appellations registered under the Lisbon Agreement, the vast majority (over 66%) belong to France. Significantly, many Lisbon Agreement Members have no appellations.

56. Applying the Lisbon Agreement -model to the EC’s “positive list” approach, the detriment to owners of intellectual property becomes obvious. As a government -to-government system, private right holders have no opportunity to voice concerns, to challenge notifications, or to petition for cancellation. Even if private right holders are somehow able to discuss notifications with their government representatives, to do so requires an expenditure of political capital. Rather than having a system by which private right holders can object, challenge and assert rights, the decision to object or challenge is left in the hands of bureaucrats.

Conclusion

57. It is difficult to overcome the suspicion that the EC’s arguments against a trademark system of protection for geographical indications are really trade arguments. A critical review of the EC’s GI proposals, both in the TRIPs Council and the Agriculture Committee lead to

the following conclusions. Under the guise of the need for expanded intellectual property protection, the EC propose to:

- (1) Eliminate WTO rights;
- (2) Obtain exclusive world-wide rights to words that presently are generic;
- (3) Require WTO Member states to accept additional enforcement burdens on behalf of EC farmers; and
- (4) Ignore the intellectual property character of geographical indications.

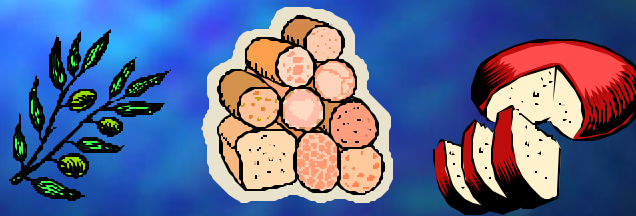
58. At the international level, the relationship between geographical indications and trademarks is developing. Some countries do not offer any means for 3rd-country holders of geographical indications to obtain protection, or to combat misuse of foreign GIs.¹³ Some countries will extinguish existing trademark rights in favor of later-created GIs. However, via use of the trademark system, through registration either as a collective or certification mark, it is possible for anyone asserting rights in a GI to obtain formal protection

[Presentation follows]

¹³ At the conclusion of the 1999 Special 301 review, the United States initiated a WTO dispute settlement case against the EC based on TRIPS deficiencies in E.C. Regulation 2081/92. The European Communities' Regulation 2081/92, as amended, does not provide national treatment with respect to geographical indications, and does not provide sufficient protection to pre-existing trademarks that are similar or identical to a geographical indication. This situation appears to be inconsistent with the European Communities' obligations under the TRIPS Agreement, including but not necessarily limited to Articles 3, 16, 24, 63 and 65 of the TRIPS Agreement.

Updates on this dispute settlement case may be found on the WTO website at: http://www.wto.org/english/tratop_e/dispu_e/distabase_wto_members2_e.htm The complaint is titled "WT/DS174 – European Communities – Protection of Trademarks and Geographical Indications for Agricultural Products and Foodstuffs".

Geographical Indications: IP or “Feta-compli”?



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Introduction



- v What are Geographical Indications (GIs)?
- v What is extension?
- v Why should you be concerned about extension?
- v Examples for discussion



What are Geographical Indications?

- v "GIs" are ...
- v INDICATIONS that
- v IDENTIFY a good as originating in the territory of a WTO Member
- v Where a given *quality, reputation* or other *characteristic* of the good is essentially attributable to its geographical origin.



What Are Geographical Indications?

- v No International Consensus on Eligibility...
- v Country names?
- v Fanciful names?
- v City names?
- v Designs?



What Do You Have to Lose?

- ✓ Use of Generic (Common) names, such as...
- ✓ parmesan...



Feta, Gorgonzola...



...And not just “cheese terms”



- ∨ Use of terms such as “Port Wine” might be prohibited

Why You Should Be Concerned About WTO Proposals in the TRIPs Council and Agriculture Committees

Loss of trademarks

Loss of Generic Terms



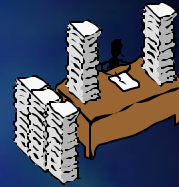
“No Pilsner Allowed”

Burden of renaming, re-branding, marketing common terms & company names

Potential loss of markets domestically and abroad

Why Are WTO Members Concerned About Some GI Proposals?

Government:



- v Need to change laws and regulations
- v Burden of monitoring and enforcement
- v New bureaucracy
- v Unfair exchange? (Protect thousands of others' GIs in exchange for protection of only 1 or 2 local names?)

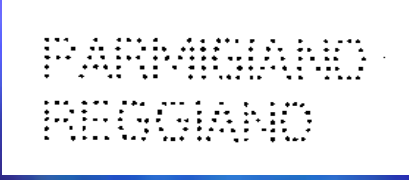
Monitoring & Enforcement



- v WHO PAYS FOR...
- v **Customs?**
 - Border interdiction for mislabeled foodstuffs?
 - Border interdiction of non-conforming foodstuffs?
- v **Regulation?**
New Agencies to control production, packaging and marketing of regulated foodstuffs?
- v **Intellectual Property?**
Ensuring terms aren't used in trademarks or trade names

Examples of Foreign GIs Protected In the United States

"Parmigiano Reggiano"



PARMIGIANO
REGGIANO

- v U.S. Trademark Registration Nos. 1,754,410; 1,892,496; 1896,683; 2,320,595
- v For "Cheese"
- v "The certification mark, as used by person authorized by the certifier, certifies that the goods originate in the Parma-Reggio region of Italy, specifically the zone comprising the territory of the provinces of Parma, Reggio Emilia, Modena and Mantua on the right bank of the river Po and Bolgona on the left Bank of the river Reno."

"DARJEELING"

- v U.S. Reg. No. 2,685,923
- v For "Tea"
- v Word Mark (Word "DARJEELING" protected)
- v As used by authorized persons, certifies that the tea contains at least 100% tea originating in the Darjeeling region of India and that the blend meets other specifications established by the certifier.



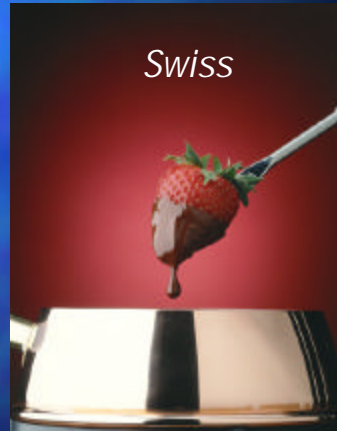
"Roquefort"



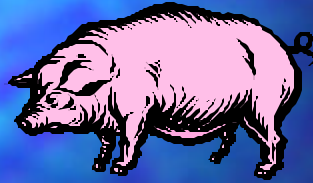
- v U.S. Trademark Registration No. 571,798 (Registered March 10, 1953)
- v For "Cheese"
- v "The certification mark is used upon the goods to indicate that the same has been manufactured from sheep's milk only, and has been cured in the natural caves of the Community of Roquefort, Department of Aveyron, France."

"Swiss"

- v U.S. Registration No. 1,570,455
- v For "Chocolate and products made from chocolate..."
- v "The certification mark, as used by persons authorized by the certifier, certifies geographic origin of the goods in Switzerland."



Examples for Discussion



✓ **PARMA** for ham

Examples for Discussion



✓ **SARDINE** for fish

Examples for Discussion



√ FETA for cheese

Examples for Discussion



√ Mineral Waters