A. INTRODUCTION

1. General

This module explains the provisions of Section 3 of Part II of the TRIPS Agreement entitled "Geographical Indications". A geographical indication (GI) is defined in the TRIPS Agreement as an indication which identifies a good as originating in the territory of a Member, or a regional locality in that territory, where a given quality, reputation or other characteristic of the good is essentially attributable to its geographical origin. Typical examples would be "Cognac" for a brandy coming from that region of France and "Darjeeling" for tea coming from that region of India.

Like other sections in Part II of the TRIPS Agreement that cover standards of intellectual property rights, Section 3 has to be read together with the relevant provisions of the pre-existing treaties in the area of international intellectual property law which are incorporated by reference into the TRIPS Agreement. In the case of geographical indications, the relevant treaty is the Paris Convention. Explanations of the provisions of the Paris Convention relevant to geographical indications are integrated along with explanations of the TRIPS provisions in this module.

This module also has to be read with other relevant provisions of the TRIPS Agreement that are explained in other modules, notably those on basic principles, on trademarks, on procedures for the acquisition and maintenance of rights (Article 62) and on enforcement. For example, in respect of geographical indications, Members have to respect the requirements of national and MFN treatment, in the same way as for other categories of IPRs. A WTO panel has confirmed that those obligations apply in respect of the availability of GI protection, including application and opposition procedures (see Module III).

2. Background

The TRIPS Section on geographical indications represents a delicate balance that was found in the Uruguay Round between different interests. While the negotiations on some TRIPS issues could, to a large extent, be characterized as a North-South debate, the negotiations on geographical indications, particularly on wines and spirits, were characterized by what was then described as an "Old World - New World" debate; that is to say between the "Old World" countries of Europe and the "New World" countries of the United States, Australia, Canada, New Zealand, Argentina and Chile and some others. These differences also, to a significant extent, paralleled those between agricultural importers and exporters and links were made with the Uruguay Round negotiations on agriculture.

An additional consideration in the Uruguay Round negotiations, and one that continues to apply today, is the diversity of national systems for the protection of geographical indications, where there is a considerably lower level of harmonization than, for example, in the areas of patents or trademarks. The rules of the TRIPS Agreement on geographical indications reflect this diversity and complexity of systems, as seen in the language used in certain provisions of the GI Section. This is illustrated in the WTO Secretariat's summary of Members' responses to a
checklist of questions regarding the way they apply the TRIPS provisions on geographical indications. That document shows how Members’ national and regional systems for the protection of geographical indications include a mixture of laws of general application relating to business practices, in particular against consumer deception and unfair competition, certification or collective mark protection (see Module III) under trademark law, and a range of sui generis systems (i.e. systems created specifically for a category of IP) dedicated to the protection of geographical indications.

3. **What is the relationship with the pre-existing provisions of the Paris Convention?**

As mentioned in the other modules dealing with industrial property, TRIPS Article 2 incorporates by reference the substantive provisions of the Paris Convention, i.e. Articles 1 to 12 and 19. Article 10 of the Paris Convention deals with seizure or prohibition of importation of goods bearing "false" indications of source and defines the "interested parties" entitled, under certain conditions, to request seizure on importation, namely producers, manufacturers, or merchants. Article 10ter further extends, under certain conditions, the possibility to take action to federations and associations representing interested producers, or traders.

Article 22.2 of the TRIPS Agreement specifically refers to Article 10bis of the Paris Convention, which deals with unfair competition. This provision obliges Members to assure effective protection against acts of competition that are contrary to honest practices in industrial or commercial matters.

**B. TRIPS PROVISIONS ON GEOGRAPHICAL INDICATIONS**

Section 3 of Part II of the TRIPS Agreement consists of three provisions. Article 22 deals with the definition of geographical indications and sets out the minimum level of protection to be available for geographical indications identifying any type of good. Article 22 further deals with the question of trademarks bearing geographical indications. Article 23 provides for a higher level of protection for geographical indications identifying wines and spirits. It further sets out additional rules regarding the use of such geographical indications in or as trademarks and provides for a built-in agenda for the negotiation of a multilateral system of notification and registration of geographical indications for wines. Article 24 provides in particular for certain exceptions allowing continued use of geographical indications for goods not coming from the place indicated, e.g. when a term has become generic.

1. **What is the subject matter to be protected?**

   (a) **TRIPS definition of geographical indications**

   Article 22.1 of the TRIPS Agreement defines geographical indications as follows:

   > Geographical indications are, for the purposes of this Agreement, 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 geographical origin.

   (b) **Elements of Article 22.1 definition**

   According to that definition in Article 22.1, a geographical indication:
is a sign
used to identify
a good
coming from a specific location, which could be:

- the territory of that country;
- a region in that territory; or
- a locality in that territory;

having:

- a given quality,
- reputation, or
- other characteristics
- that are essentially due to that geographical origin.

(i) **It is a sign**

Article 22.1 does not specify which kind of sign should be considered as a geographical indication. Should it be a word or combination of words or could it be another kind of sign, such as an image or a map? In general, geographical names are words or combinations of words. For example, "Roquefort" for ewe's milk cheese is the name of a place located in a region of France. In certain countries, graphical representations of places, symbols and emblems are accepted as geographical indications: for example, the image of a famous mountain in Switzerland, the Matterhorn, is, under Swiss law, an "indirect geographical indication", which identifies that a product comes from Switzerland.

(ii) **Function of identification**

Like trademarks, geographical indications have an identification function. Unlike trademarks, which distinguish the goods of one enterprise from those of another, geographical indications identify the location from where the good originates. For example, while there are many countries producing tea, "Darjeeling" identifies tea coming from that region in India and "Ceylon" (old name for Sri Lanka) tea coming from Sri Lanka.

(iii) **Subject matter of identification**

Article 22.1 is limited to goods. However, it is not limited to any particular kind of goods. Thus all categories could be covered, whether agricultural produce, foodstuffs, handicrafts or industrial products. It is open to each Member to decide which of its own products should benefit from GI protection. As the TRIPS Agreement prescribes a minimum level of protection, Members may go beyond the scope of protection limited to goods and extend protection to geographical indications for services, e.g. financial services or tourism.

(iv) **The geographical origin identified by the geographical indication**

The geographical origin identified by a geographical indication could be the name of the country ("territory"). It could be the designation as a noun or in its adjective form. For example,
"Colombia" in Café de Colombia, "Swiss" in Swiss Made for watches identify the country associated with the geographical indication. The geographical indication could be the name of a region: "Beaujolais" (for red wine produced in a region in the Eastern part of France), "Napa Valley" for wine coming from a region in the US State of California, "Pinggu peaches" (for peaches coming from a region in China), or "Idaho" for potatoes produced in the US State of Idaho. It could be a more limited area like a locality, for example a town or a village. Names that are not geographical names are, in several Members, considered as geographical indications if they evoke a geographical location, for example, "Cava" for sparkling wines from a region of Spain, "Vinho Verde" for a Portuguese white wine, "Fendant" for a white wine from the Canton of Valais in Switzerland, or "Feta" for a Greek cheese in brine. These examples are not necessarily considered to be eligible for GI protection in other countries.

(v) Quality, reputation or other characteristics essentially due to the geographical origin

An important requirement under Article 22.1 definition is that the good identified by the geographical indication has a given quality, reputation or other characteristic that is essentially due to the geographical origin. In other words, there must be a direct linkage between the place identified by the geographical indication and these features. For example, olive oil in one part of a country may possess a particularly high concentration of certain organoleptic elements. It may also be reputed for being extracted from olives that are carefully pruned and collected in a net, which helps avoid the fruits being mixed with dust or dirt, and pressed after a careful sorting of the olive fruits according to defined practices. Note that, in principle, meeting only one of the three requirements – quality, reputation or other characteristics – can suffice for eligibility as a geographical indication (Box IV.1).

**BOX IV.1 SOME EXAMPLES OF GEOGRAPHICAL INDICATIONS AND LOGOS OR SYMBOLS**

In the European Union, the sui generis GI system of protection available for agricultural products and foodstuffs provides for two categories of GIs: the "Protected Designation of Origin" (PDO) and the "Protected Geographical Indication" (PGI).

Left: PDO symbol (red and yellow)
Right: PGI symbol (blue and yellow)

Swiss "appellation d'origine contrôlée" (AOC) "L'Etivaz" with the logo of Swiss AOC.
Mexican geographical indication ("denominación de origen") "Tequila"; also registered under N° 666 under the WIPO Lisbon Agreement.

French cheese "Roquefort": French collective mark and AOC symbol; European Union's AOP symbol; and certification mark in the United States.

Right: French collective mark of ewe's milk producers and of Roquefort producers

Left: French AOC symbol
AOC (French Institut National de l'Origine et de la Qualité (INAO));
Right: European Union's AOP* symbol

Right: "Roquefort" registered as certification mark in the United States (US Reg. No. 571798)

US geographical indication registered as certification mark in the United States: "Idaho" (for potatoes).

"Café de Colombia": "Denominación de origen" and certification mark in Colombia; PGI in the European Union; certification mark in the United States and several other countries (picture on the right: see symbol ®).

*AOP = The French term for PDO (Protected Designation of Origin) in the European Union
(c) Geographical indications, indications of source, rules of origin, appellations of origin and trademarks

The packaging of a single product may contain a number of designations. To illustrate this, consider two bottles of brandy in a wine store: one with a label bearing in big characters the word "Cognac" and, under that word, "Maria®"; the other with a label bearing the words "Cognac" and "Henry®". Both labels bear in small characters the words "Produce of France". Cognac is a French appellation of origin identifying the geographical region from which the product originates, Henry® and Maria® are individual trademarks identifying the enterprise producing the product, and "Produce of France" is an indication of source identifying the country or place of origin. The following paragraphs will briefly address the relationship between geographical indications and other terms.

(i) Geographical indications and indications of source

"Made in Switzerland" or "Produce of Switzerland" are indications of source. Under Swiss law, they are different from "Swiss Made" for watches, which is defined in a special piece of legislation as a geographical indication as defined by Article 22.1. Indications of source give the consumer the basic information that the good comes from a particular country. Indications of source are not geographical indications as defined under Article 22.1, unless the good they identify possesses a certain quality, reputation or other characteristics essentially due to the origin indicated. Thus, while "Swiss Made" is a geographical indication under Swiss national law, "Made in Switzerland" is an indication of source.

(ii) Geographical indications and rules of origin

There is often some confusion between geographical indications and rules of origin. Rules of origin are used for various trade policy purposes, including the application of marking requirements or to implement measures such as tariff preferences or anti-dumping duties. They are not designed to be used for the purpose of assessing eligibility for GI protection.

(iii) Geographical indications and appellations of origin

Appellations of origin are a special type of geographical indication. The WIPO Lisbon Agreement - which does not form part of the TRIPS Agreement – gives, in Article 2, the following definition:

"(1) 'appellation of origin' means the geographical name of a country, region, or locality, which serves to designate a product originating therein, the quality or characteristics of which are due exclusively or essentially to the geographical environment, including natural and human factors.

(2) The country of origin is the country whose name, or the country in which is situated the region or locality whose name, constitutes the appellation of origin which has given the product its reputation."

It should be noted that the requirements under Article 2(1) of the Lisbon Agreement appear in many respects similar to those in Article 22.1 of the TRIPS Agreement but in other respects appear stricter.2 "Roquefort", "Tequila", and "Cognac" are appellations of origin, registered under the Lisbon Agreement.

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2 For additional information, see http://www.wipo.int/geo_indications/en.
(iv) Geographical indications, trademarks and certification marks

While both trademarks and geographical indications convey information about the source and reputation of goods, they are normally very different in that trademarks convey information about the company or undertaking that is responsible for the goods whereas geographical indications identify their geographical origin (and carry information about the quality, reputation or other characteristics linked to that origin). However certain types of trademarks, known as certification (or guarantee) and collective marks, can be and are used to protect geographical indications. The above two examples of geographical indications protected under trademark laws show that "Roquefort" is also protected in France as a collective mark, and in the United States as a certification mark. To put it simply, both types of marks are different from individual trademarks that identify individual companies in that they can be used by a multiplicity of producers who fulfil the requirements for the use of the mark in question agreed to by those producers. While the right holder of the collective mark can also use it, the right holder of a certification mark, under many laws, cannot do so, and is usually a certification agency whose function is to certify the eligible products.

(d) Right holders and eligible users

The definition in Article 22.1 does not address the question of who may own the geographical indication or the question of who may use it. This is, in principle, dealt with in domestic laws. In general, producers that are in the region identified by the geographical indication would be the eligible users of that geographical indication. Depending on the system adopted in a Member, the geographical indication may be collectively owned by the producers organized as an entity (e.g. cooperative or association) representing them and ensuring that the product fulfils certain requirements they have agreed upon or adhered to. Under some systems, the geographical indication belongs to the state or the public authority administering the area identified by a geographical indication, and producers in the area are entitled to use the geographical indication provided that, when producing the product in question, they abide by any applicable rules or regulations governing the use of the geographical indication.

2. What are the conditions for getting protection?

Under Article 62.1 of the TRIPS Agreement Members can require compliance with reasonable procedures and formalities as a condition of the acquisition and maintenance of rights in geographical indications. In practice, as mentioned earlier, Members use a variety of different legal means to protect geographical indications. Some, such as most laws of general application focusing on deceptive or unfair business practices, are typically available without the need to comply with prior procedures and formalities; whereas others, such as protection under trademark law and under most forms of sui generis GI protection, generally require compliance with formalities and procedures necessary to secure prior recognition of the geographical indication as eligible for protection. In the case of collective or certification marks under trademark law, the rules on the registration and renewal of trademarks apply. In this connection it might be noted that, for nationals of countries participating in WIPO's Madrid Agreement and Madrid Protocol on the international registration of marks, it is possible to obtain an international registration for collective and certification marks providing for protection in a number of countries through a single application. In regard to sui generis forms of protection, procedures vary, from the "automatic" to more or less sophisticated systems of registration with regulations or specifications regarding the production of the products. For


example, in Mexico "Tequila" is a registered "denominación de origen" with strict rules regarding the production of the spirit and the use of the geographical indication.

3. Protection and rights conferred

(a) For geographical indications for all goods (Article 22)

(i) Protection against use by others (Article 22.2)

Under Article 22.2, Members must provide the "legal means for interested parties" to prevent two types of use of geographical indications:

- the use of any means in the designation or presentation of a good that indicates or suggests that the good in question 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; and

- any use which constitutes an act of unfair competition within the meaning of Article 10bis of the Paris Convention.

"Use which misleads the public"

The provision refers to "any means in the designation or presentation of a good that indicates or suggests" the origin in a way which may mislead the public. This could include, in addition to the use of the word name of the geographical indication for a product that does not come from the area indicated, the presentation of the product using features that may remind the consumer of an origin protected by a geographical indication. Such features could include the colours of the flag or emblem of the country of origin of the geographical indication, or a photograph or drawing of a landscape or statue well known to the public as representative of that country of origin. In general, the test in respect of whether such use would mislead the public would be the overall perception that the consumer would have of the product. The assessment of whether a given use would be misleading or not may well vary from one country to another, and from one product to another. For example, the average consumer in India could be expected to be more discerning when looking at labels that relate to rice than the average consumer in Switzerland, and vice versa for cheese.

"Unfair competition"

Article 22.2(b) does not define acts of unfair competition but refers to Article 10bis of the Paris Convention. Article 10bis of the Paris Convention gives a non-exhaustive list of acts of competition contrary to honest practices in industrial or commercial matters that constitute an act of unfair competition. These are:

- all acts of such a nature as to create confusion by any means whatever with the establishment, the goods, or the industrial or commercial activities, of a competitor;

- false allegations in the course of trade of such a nature as to discredit the establishment, the goods, or the industrial or commercial activities, of a competitor;

- indications or allegations the use of which in the course of trade is liable to mislead the public as to the nature, the manufacturing process, the characteristics, the suitability for their purposes, or the quality, of the goods.

Depending on national law, the use of a geographical indication for goods coming from another geographical area with a view to benefiting from the reputation of that geographical indication,
sometimes referred to as "free-riding" on that reputation, may be considered an act of unfair competition.

"Legal means"

It should be noted that Article 22.2 does not specify any particular legal means by which the protection is to be provided, but rather leaves this to each Member. As mentioned earlier there is a considerable diversity in the legal means found in Members.

"Interested parties"

It should also be noted that the TRIPS Agreement states that it is "interested parties" that are to have the right to invoke these legal means. The TRIPS Agreement itself does not specify who should be these "interested parties". However, as indicated earlier, Articles 10 and 10ter of the Paris Convention give a list of persons entitled to take action in respect of false indications of source and acts of unfair competition.

(ii) Protection against use as a trademark (Article 22.3)

This provision relates to a situation different from the one where the geographical indication itself is protected as a certification or collective mark and is used on goods from the area indicated by the GI. This provision deals with the question of the extent to which a person can obtain and maintain a trademark registration incorporating a geographical indication for goods not originating in the area indicated by the GI. For example, to what extent could the French geographical indication "Roquefort" be employed in a trademark for goods not coming from that area of France?

What the TRIPS Agreement requires is that, if the use of a geographical indication in a trademark with respect to goods not originating in the territory indicated by the GI would be of such a nature as to mislead the public as to the true place of origin of the good, there must be legal means to refuse or invalidate the registration of such a trademark. This means that, if the trademark is still at the application stage, the consequence will be the refusal of the application (this is, in general, done by the trademark office which has received the application). If the trademark has already been registered, the consequence will be invalidation of the registered mark (depending on the system of the Member concerned, invalidation can be pronounced by the trademark office or by a court).

This action is to be taken ex officio, i.e. by the competent public authority on its own initiative, if so provided in the law of the country concerned, or upon request by any interested party, for example the importer of the product protected by the geographical indication or, if so provided in the law of the country concerned, an association of consumers.

(iii) Factually true but misleading use (Article 22.4)

This provision addresses the situation where there are geographical names that are identical in respect of spelling or pronunciation (that is, "homonyms"), but designate different geographical areas, within a country or in different countries. For example, it could be the case that the true place name is correctly identified on a product, but could mislead the consumer into thinking the product comes from a much better known place bearing the same name.

For example, the name "Moillesulaz", which exists both in France and in Switzerland. In the latter, there is a commune called "Moillesulaz" in the Canton of Geneva; there are also many places bearing the same name in France. Supposing that one of the French places has
developed a famous sausage protected by a geographical indication "Moillesulaz", the question would be to what extent could producers of processed meat located in the Geneva commune of "Moillesulaz" use that name as a geographical indication for marketing their products. What the rule in Article 22.4 says is that, even if the use of such a geographical indication is literally true as to the origin of the goods, the rights under Articles 22.2 and 22.3 to prevent such use by producers in Moillesulaz, Geneva must be applicable if that use would falsely represent to the public that the sausage originates in the reputed French place "Moillesulaz".

(b) Additional protection for geographical indications for wines and spirits (Article 23)

In the Uruguay Round, another issue at stake was whether or not the protection afforded under the future Article 22 would be sufficient. At that time, a higher level of protection of geographical indications – termed "additional" or "absolute" – protection was available in certain countries, either by virtue of domestic laws and systems, or under bilateral or plurilateral agreements. In those countries, the protection granted to geographical indications for all products or to a specific category of products was higher in the sense that only producers coming from the geographical area identified by a geographical indication could use that GI and enjoy protection against any other producer that did not come from that geographical area and used the GI with, for example, an indication that it came from the locality where that other producer was situated. This "higher" level of protection existed, for example, in the United States under a labelling – and classification – system of names for wines, administered by the US Bureau of Alcohol, Tobacco and Firearms (BATF), and in the European Communities under a set of regulations dealing with wine production requirements and geographical indications. This convergence of factors facilitated the agreement between these two major players in the Uruguay Round on a special provision on geographical indications for wines and spirits.

Article 23 requires Members to make available additional protection, compared to Article 22, for geographical indications for wines and spirits. The main difference between these two levels of protection is that, under Article 23, an interested party must have the legal means to prevent the use of a geographical indication for a wine on a wine which does not come from the geographical area indicated irrespective of whether or not such use misleads the public or constitutes unfair competition. The same goes for spirits. Thus, Article 23 is often referred to as an "absolute" form of protection since no such tests have to be satisfied in order to exercise it. However, it should be noted that the "absoluteness" of the protection is significantly tempered by the important exceptions contained in Article 24, which are addressed below.

(i) Protection against use by others (Article 23.1)

Under Article 23.1, Members have to provide interested parties the legal means to prevent use of a geographical indication identifying wines for wines not originating from the place indicated by the geographical indication or identifying spirits for spirits not originating from the place indicated by the geographical indication. It is made clear that this has to be possible even where:

- the true origin of the goods is indicated (i.e. there is not necessarily any confusion on this point);

- the geographical indication is used in translation; or

- the use of the geographical indication is accompanied by expressions such as: "type", "kind", "style", "imitation", or the like.
It should be noted that Article 23.1 uses the same wording as Article 22.2 in stating that the obligation is to "provide the legal means for interested parties to prevent ...". The observations made under Article 22.2 regarding this language are thus equally relevant here. Some delegations to the WTO have recently referred to the test of "correctness" or "correct use" when referring to Article 23 level of protection, i.e. a term used is exactly the one identifying the true place of origin, as opposed to the misleading test under Article 22.

It should also be noted that a footnote to Article 23 stipulates that notwithstanding the first sentence of Article 42, Members may, with respect to these obligations, instead provide for enforcement by administrative action. As an exception to the normal requirement in the enforcement module of the TRIPS Agreement that civil judicial procedures must be available for the enforcement of any intellectual property right, Members may instead provide for enforcement by administrative action in this particular case. Thus countries which have administrative systems for the enforcement of the protection of geographical indications otherwise meet the requirements of the TRIPS enforcement rules, for example through labelling laws, are not obliged to introduce judicial enforcement mechanisms.

(ii) Protection against use as a trademark (Article 23.2)

Article 23.2 deals with the rights that have to be available to an interested party in a geographical indication for a wine or a spirit to prevent the registration of a trademark containing or consisting of that GI with respect to goods not originating in the territory indicated. These rights are similar to those that have to be available under Article 22.3 in respect of all geographical indications, except that they apply irrespective of whether or not the use of the indication in the trademark would be of such a nature as to mislead the public as to the true place of origin.

For example, suppose that an application for the registration as a trademark is made for a spirit called "Tequila Paradise Delight", which does not come from Mexico. The trademark office has, as a general rule, to reject the application, either if the law so permits or upon request of an interested party. There is no need for the owner of the geographical indication "Tequila" to demonstrate that the use in the trademark is misleading.

(iii) Homonymous geographical indications for wines (Article 23.3)

Homonymous geographical indications, i.e. where two wine producing regions have the same name or the same sounding name (termed "homonyms"), are not unknown. One prominent example, which was much referred to in the negotiation of this provision, is "Rioja", a name identifying wines coming from important wine producing regions in both Spain and Argentina. In this kind of situation, Article 23.3 provides for coexistence of the homonymous geographical indications, subject to Article 22.4 (i.e., provided there is no false representation to the public that a wine from a place identified by one of the geographical indications comes from the place identified by the other geographical indication). In providing for such coexistence each Member is required to determine the practical conditions to differentiate the geographical indications from each other, e.g. by way of labelling or the representation of a map showing the country where the region is. Differentiation should be done in a manner that ensures equitable treatment of the producers concerned and that consumers are not misled.

(iv) Negotiation of a multilateral register of geographical indications for wines (Article 23.4)

Article 23.4 calls upon the Council for TRIPS to negotiate a multilateral system of notification and registration of geographical indications for wines, eligible for protection in those Members participating in the system, with a view to facilitating the protection of geographical indications
for wines. This built-in mandate is limited to wines. It was extended by the Doha Ministerial Declaration in 2001 to cover spirits also, confirming a decision taken at the 1996 Singapore Ministerial Conference. Currently, the negotiation of the system is taking place in a negotiating group of the Doha Round, which takes the form of Special Sessions of the Council for TRIPS. For further information on these negotiations, please see Module X.

4. Exceptions and International negotiations

The obligations to protect geographical indications in the TRIPS Agreement, especially the additional protection for geographical indications for wines and spirits, were only acceptable to many Members under the condition that some important exceptions be provided for, notably to cover pre-existing uses in their countries of the geographical indications of other countries that would be brought under protection. However the main demandeurs in the negotiations on geographical indications were not prepared to provide such exceptions, to "grandfather" pre-existing uses, without any possibility of obtaining full rights over their geographical indications at some stage in the future. Thus Article 24 deals both with exceptions and with the possibility for negotiations about the continued use of those exceptions.

(a) Exceptions

(i) Generic terms (Article 24.6)

This provision indicates that the TRIPS rules on geographical indications do not require a Member to protect a geographical indication of another Member if that indication is "identical with the term customary in common language as the common name" for the goods or services in question in that Member, i.e. has become the generic term for describing the goods or services in the local language. An example would be "cheddar" for cheese. This type of cheese is named after a village in south-west England, but has lost its association with that place and become, in England and many other countries, the name for a type of cheese.

The provision contains a special exception concerning geographical indications of other Members with respect to products of the vine where the indication in question is identical with the customary name of a grape variety. In such cases Members are not required to apply the TRIPS rules on geographical indications if the indication was already used in this way prior to the beginning of 1995 when the TRIPS and WTO Agreements came into force. Examples of grape varieties that might be covered include "Chardonnay", "Merlot", "Syrah", "Cabernet", "Cabernet Sauvignon", and "Gamay". It may be noted that this provision refers to "products of the vine" and not "wines". The scope is therefore wider; it can cover, for example, spirits obtained from products of the vine.

(ii) Prior trademark rights (Article 24.5)

This exception concerns trademarks that have been applied for or registered in good faith or where rights to a trademark have been acquired through use in good faith. For the exception to apply, this has to have been done either before the date of application of the TRIPS Agreement in the Member concerned (i.e. at the end of any relevant transition period) or before the date that the geographical indication became protected in its country of origin. In these circumstances Members are under an obligation to ensure that, in implementing the TRIPS rules on geographical indications, they do not prejudice the prior trademark rights in question on the basis that the trademark is identical with or similar to a geographical indication. In other words, the eligibility for, or the validity of, the registration of the trademark or the right to use the trademark must not be impaired. It should be noted that, unlike most of the other exceptions provided for in Article 24, this one puts an obligation on Members to provide the
exception and is not merely permissive. With respect to the issue of the relationship between prior trademarks and geographical indications, see also the EC – Trademarks and Geographical Indications cases (DS174, DS290) discussed in Module III.

(iii) Prior use of the geographical indication (Article 24.4)

This provision relates to the prior use of a geographical indication, and is mainly relevant to situations where there has been prior use of a geographical indication which is not covered by the exceptions in relation to generic terms and prior trademark rights. Its scope is limited to geographical indications for wines and spirits. It is optional in the sense that it allows, but does not oblige, a Member to permit the continuation of the forms of prior use covered by the provision.

For prior use of a geographical indication in that Member to be covered by the exception, it must be:

- continued and similar use;
- of a particular geographical indication of another Member identifying a wine or a spirit;
- in connection with goods or services;
- by nationals or domiciliaries of that Member;
- who have used that geographical indication in a continuous manner;
- with regard to the same or related goods or services;
- in the territory of that Member;
- either for at least 10 years preceding 15 April 1994 (the date of signature of the TRIPS and WTO Agreements); or
- for any period before that date, provided the use has been in good faith.

The "similar" use that can be continued is understood by at least some Members to require that the use be similar in respect of both scale and nature.

(iv) Time limit to challenge trademarks under Article 22.3 and Article 23.2 (Article 24.7)

As indicated in the previous paragraphs on Articles 22.3 and 23.2, these provisions provide that a trademark consisting of, or containing, a geographical indication may be challenged. Article 24.7 allows a Member to provide a time limit of five years for such actions, counting from:

- the time the adverse use of the protected geographical indication became generally known in that Member; or
- the date of registration of the trademark in that Member if the trademark has been published by that date, if that date is earlier than the date on which the adverse use became generally known in that Member;
- provided that the geographical indication is not used or registered in bad faith.

(v) Use by a person of his name (Article 24.8)

This paragraph covers the situation where a person has been using "in the course of trade" his or her personal name (or predecessor's name) which is the same as a geographical indication.
This provision, which is mandatory for Members, requires such persons to be able to continue this use provided it would not mislead the public.

(vi) **Geographical indications not protected in their country of origin or which have fallen into disuse in their country (Article 24.9)**

No Member is required to protect on its territory another Member's geographical indication:

- if that geographical name is not protected as a geographical indication in that other Member (called in the provision the "country of origin");

- if the geographical name, which was protected as a geographical indication, ceases to be protected as a GI in the country of origin; or

- if the geographical indication has fallen into disuse in the country of origin.

It should be noted that the possibility for a Member not to protect such geographical indications is optional. It does not prevent a country from protecting such geographical indications if it so wishes.

(b) **International Negotiations, review and standstill**

(i) **International negotiations (Article 24.1)**

In Article 24.1 Members have agreed in advance to their readiness to enter into negotiations aimed at increasing the protection of individual geographical indications under Article 23, which concerns wines and spirits. They have further agreed that they will not use the exceptions provisions in paragraphs 4-8 of Article 24 to refuse to conduct such negotiations or to conclude bilateral or multilateral agreements. They have also agreed that in such negotiations they will be willing to consider the continued applicability of these exceptions to individual geographical indications whose use is the subject of such negotiations. In other words, Member A, which has a certain term protected as a geographical indication in its territory may, in the context of bilateral negotiations with Member B, request the latter to cease permitting the use of that term as a generic and, hence protect it as a geographical indication in its territory ("roll-back" or "claw-back"). Member B may, of course, counter such a request if it desires to permit the generic use to continue in its territory.

Article 24.2 provides for the Council for TRIPS to keep under review the application of the TRIPS rules on geographical indications. Extensive work has been done in the Council for TRIPS pursuant to this requirement, including responses by many Members to a questionnaire about their national systems for the protection of geographical indications and a summary of these responses prepared by the Secretariat. Further information on this review can be found in Module X and Appendix 1.

The second and third sentences of Article 24.2 relate to interventions of the Council for TRIPS regarding any issues about compliance with the TRIPS provisions on geographical indications: at the request of a Member, the Council shall consult the Member or Members concerned if it has not been possible to find a satisfactory solution through bilateral or plurilateral consultations. So far, there has not been any action of this kind by the TRIPS Council.
(ii) **Standstill (Article 24.3)**

This provision requires each Member, in implementing the TRIPS provisions, not to diminish the level of protection of geographical indications that existed in that Member immediately prior to the date of entry into force of the WTO Agreement, i.e. 1 January 1995.