

## MODULE IV

### GEOGRAPHICAL INDICATIONS

#### 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 IPRs, 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 GIs, the relevant treaty is the Paris Convention. Explanations of the provisions of the Paris Convention relevant to GIs are integrated along with explanations of the TRIPS provisions in this module.

This module has to be read alongside the explanation, in other modules, of other relevant TRIPS provisions, notably concerning basic principles, trademarks, procedures for the acquisition and maintenance of rights (Article 62) and enforcement. For example, in respect of GIs, members have to respect the requirements of national and MFN treatment, as they do for other categories of IPRs. A WTO dispute settlement panel has confirmed that those obligations apply with respect to the availability of GI protection, including application and opposition procedures (see Box III.4).

##### 2 Background

The TRIPS Section on GIs represents a delicate balance between different interests that was reached during the Uruguay Round. While the negotiations on certain aspects of TRIPS could, to a large extent, be characterized as a North-South debate, the negotiations on GIs, 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 in interests also had some parallels with divergent interests in the agricultural sector, and links were made with the Uruguay Round negotiations on agriculture.

An additional consideration in the Uruguay Round negotiations, and one that remains applicable today, is the diversity in the national systems for the protection of GIs, 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 GIs 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 GIs.<sup>54</sup> It shows how members' national and regional systems for the protection of GIs 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 GIs.

### 3 What is the relationship of TRIPS with the Paris Convention?

As mentioned in the other modules dealing with industrial property, TRIPS Article 2 incorporates by reference the substantive provisions of the pre-existing Paris Convention, i.e. Articles 1 to 12 and 19. Article 10 of the Paris Convention deals with the seizure or prohibition of importation of goods bearing 'false' indications of source. It defines the 'interested parties' entitled, under certain conditions, to request seizure on importation, namely producers, manufacturers, or merchants. Article 10*ter* 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 10*bis* 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 GIs

Section 3 of Part II of the TRIPS Agreement consists of three provisions. Article 22 deals with the definition of GIs and sets out the minimum level of protection to be available for GIs identifying any given type of good. Article 22 also addresses the question of trademarks bearing GIs. Article 23 provides for a higher level of protection for GIs identifying wines and spirits. It further sets out additional rules regarding the use of such GIs in or as trademarks and provides for a built-in agenda for the negotiation of a multilateral system of notification and registration of GIs for wines. Article 24 provides for certain exceptions that allow the continued use of GIs for goods not originating from the location associated with the GI, such as when a term has become generic.

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<sup>54</sup> [IP/C/W/253/Rev.1](#). The responses from members have been circulated in document [IP/C/W/117](#), addenda, supplements and revisions.

## 1 What subject matter is to be protected?

### (a) TRIPS definition of geographical indications

Article 22.1 defines 'geographical indications' for the purposes of the 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 geographical origin.

### (b) Elements of the Article 22.1 definition

According to that definition in Article 22.1, a GI:

- is a sign
- used to identify
- a good
- coming from a specific location, which could be:
  - the territory of that member,
  - 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 qualify as a GI. Should it be a word or combination of words or could it be an image or a map, for example? 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 GIs: 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, GIs have an identification function. Unlike trademarks, which distinguish the goods of one enterprise from those of another, GIs 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’ (the former name for Sri Lanka), identifies 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 products should benefit from GI protection. As the TRIPS Agreement only prescribes a minimum level of protection, which is limited to goods, members may go beyond that scope and extend protection to GIs for services, such as financial services or tourism.

**(iv) The geographical origin identified by the geographical indication** The geographical origin identified by a GI could be the name of a jurisdiction or territory. It could be a noun or an adjective. For example, ‘Colombia’ in Café de Colombia, ‘Swiss’ in Swiss Made for watches, identify the country associated with the GI. The GI 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 also be a more limited area like a locality, for example a town or a village. Names that are not geographical names are, according to the laws of several members, considered as GIs 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 or automatically considered to be eligible for GI protection in countries beyond their country of origin.

**(v) Quality, reputation, or other characteristics essentially due to the geographical origin** An important requirement under the Article 22.1 definition is that the good identified by the GI has a given quality, reputation or other characteristic that is essentially due to its 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 originating from 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 sorting 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 GI.

(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 large 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 briefly address the relationship between GIs and other terms.

**BOX IV.1 EXAMPLES OF GIs AND LOGOS OR SYMBOLS<sup>55</sup>**

This box provides a range of the various forms of protection of GIs, including under *sui generis* (tailor-made) systems and through the trademark system (including certification and collective marks). These examples are intended only to illustrate some of the approaches taken as presented in GI and trademark databases as at January 2020; they are not intended to attest to actual legal status or validity of any mark or indication, and they do not give a full picture of the status of any term in all jurisdictions.

In the European Union, the *sui generis* GI system of protection available for agricultural products, foodstuffs and wine provides for two categories of GIs: the 'Protected Designation of Origin' (PDO) (every part of the production, processing and preparation process takes place in the specific region) and the 'Protected Geographical Indication' (PGI) (generally, at least one of the stages of production, processing or preparation takes place in the region).



PDO symbol (red and yellow).



PGI symbol (blue and yellow)

<sup>55</sup> All images extracted from the official registries referred to.

**BOX IV.1 EXAMPLES OF GIS AND LOGOS OR SYMBOLS<sup>55</sup>**

In the United States, certain marks with geographical significance are registered as certification marks. For instance, the State of Idaho Potato Commission holds a number of certification marks for the word 'Idaho' and for various labels referring to Idaho, including:

The word 'Idaho' (US Reg. No. 2914308)



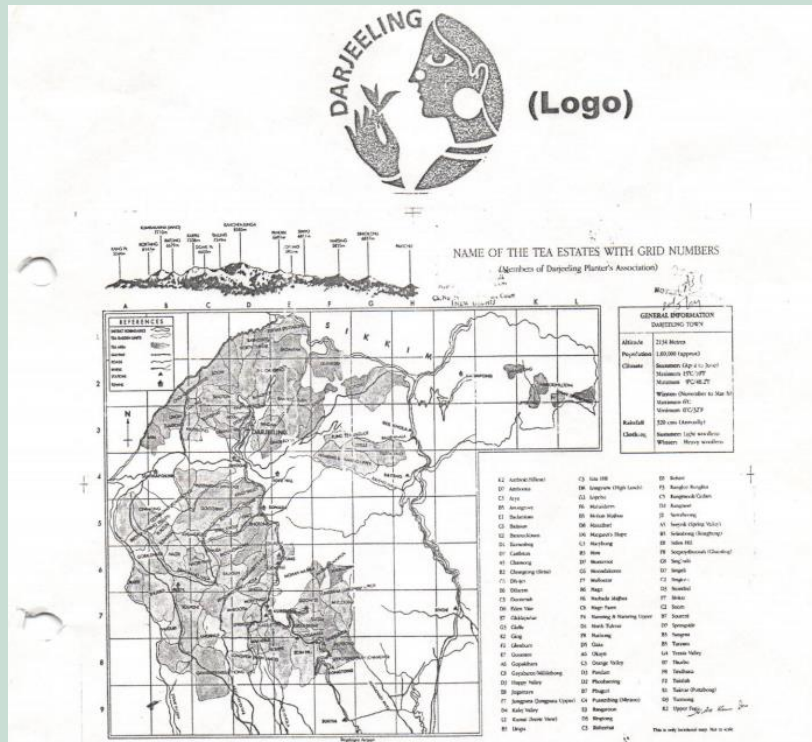
US Reg. No. 2914309



US Reg. No. 4221402

Similarly, Canada has registered 'Idaho' and Idaho labels as certification marks (CA Reg. No. TMA706317 and CA Reg. No. TMA728878).

Indian registered Geographical Indication No. 2 provides for the Darjeeling logo, with the Tea Board as registered user (extract from the Indian GI register below).



## BOX IV.1 EXAMPLES OF GIS AND LOGOS OR SYMBOLS<sup>55</sup>

'Darjeeling' has been registered as a GI in the EU since 2011. The word Darjeeling or the Darjeeling label is also registered as a certification mark or collective mark for tea in a number of jurisdictions, including Australia, the United States, and the European Union.

The term 'Tequila' is a Mexican geographical indication ('denominación de origen'); it is also registered as an appellation of origin under the WIPO Lisbon Agreement (N° 669) and a certification mark in the United States (US Reg. No. 5225126). A number of device/image trademarks that incorporate the term 'Tequila' have been registered in Mexico and throughout the world.

The term 'Café de Colombia' is registered as a 'Denominación de origen' in Colombia and as a protected geographical indication in the European Union. 'Columbian', as applied to coffee, is a certification mark in the United States (US Reg. No. 1160492) and Canada (CA Reg. No. TMA370455).



The Café de Colombia image is a registered trademark in numerous jurisdictions, including in Switzerland (No. P-557185) (note the symbol ®).

The term 'Roquefort' as such, as well as variants of labels and composite marks including the term 'Roquefort', are protected through a range of GI protection, certification marks and collective marks in relation to cheese. For instance,

The term 'Roquefort' has been registered as an appellation of origin under the WIPO Lisbon Agreement since 1967 (N° 459)

Right: 'Roquefort' registered as certification mark in the United States since 1953, subject to the statement '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' (US Reg. No. 571798).

The word "ROQUEFORT" is written in a bold, black, serif font. The letters are slightly arched, following a gentle curve.

Left: Various Roquefort labels are registered as trademark labels under the WIPO Madrid system and in many national jurisdictions, including as certification trademarks (for instance, Australia registration 972462, France 262762, Madagascar M856, US Reg. No. 4680603).

#### BOX IV.1 EXAMPLES OF GIs AND LOGOS OR SYMBOLS<sup>55</sup>



Kampot pepper ('ក្រូចកំពត' (Mrech Kampot) or 'Poivre de Kampot') was the first geographical indication to be registered in Cambodia; it was subsequently registered as a geographical indication in the EU in 2016.

(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 GI 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 GIs 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 GI 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 GIs 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 more specific form of GI. The WIPO Lisbon Agreement – which does not form a part of the TRIPS Agreement – defines, in Article 2(1), an appellation of origin as:

the geographical denomination 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.

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.<sup>56</sup> ‘Roquefort’, ‘Tequila’ and ‘Cognac’ are registered under the Lisbon Agreement as appellations of origin.

The distinction between appellation of origin and geographical indication is underlined in Article 2(1) of the 2015 Geneva Act of the Lisbon Agreement, which provides that it applies in respect of:

(i) any denomination protected in the Contracting Party of Origin consisting of or containing the name of a geographical area, or another denomination known as referring to such area, which serves to designate a good as originating in that geographical area, where the quality or characteristics of the good are due exclusively or essentially to the geographical environment, including natural and human factors, and which has given the good its reputation; as well as

(ii) any indication protected in the Contracting Party of Origin consisting of or containing the name of a geographical area, or another indication known as referring to such area, which identifies a good as originating in that geographical area, where a given quality, reputation or other characteristic of the good is essentially attributable to its geographical origin.

**(iv) Geographical indications, trademarks and certification marks** While both trademarks and GIs 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 GIs 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 GIs, as shown in the ‘Roquefort’ and Idaho potato marks shown above in Box IV.1. For example, the term ‘Roquefort’ is protected as a GI in Europe, but is also protected through collective and certification marks in various jurisdictions. 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, 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 GI or the question of who may use it. This is, in principle, dealt with by domestic laws. In general, producers in the region identified by the GI are the eligible users of that GI. Depending on the system adopted in a member, the GI 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 agreed upon or

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<sup>56</sup> For additional information, see [www.wipo.int/geo\\_indications/en](http://www.wipo.int/geo_indications/en).

adhered to. Under some systems, the GI belongs to the state or the public authority administering the area identified by a GI, and producers in the area are entitled to use the GI provided that, when producing the product in question, they abide by any applicable rules or regulations governing the use of the GI.

## 2 *What are the conditions for protection?*

Under Article 62.1 of the TRIPS Agreement members can require compliance with reasonable procedures and formalities as a condition for the acquisition and maintenance of rights to GIs. In practice, as mentioned earlier, members use a variety of different legal means to protect GIs. These include most laws of general application focusing on deceptive or unfair business practices, which 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 the formalities and procedures necessary to secure prior recognition of the GI 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 context, nationals of countries party to WIPO's Madrid Agreement and Madrid Protocol on the international registration of marks<sup>57</sup> can 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 GI.

## 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 GIs:

- 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 10*bis* of the Paris Convention:

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<sup>57</sup> For additional information on the Madrid Agreement and the Madrid Protocol, see [www.wipo.int/treaties/en/registration/madrid/](http://www.wipo.int/treaties/en/registration/madrid/).

*'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 GI 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 GI. Such features could include the colours of the flag or emblem of the country of origin of the GI, or a photograph or drawing of a landscape or statue well known to the public as representative of that country of origin. In general, determining whether such use would mislead the public depends on the overall perception that the consumer might have of the product. The assessment of whether a given use could 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 10*bis* of the Paris Convention. In *Australia – Tobacco Plain Packaging* (DS435, 441, 458, 467), the Panels found that the phrase 'act of competition' in Article 10*bis* refers to something that is done by a market actor to compete against other actors in the market. It does not, therefore, include laws and other instruments that a member adopts to regulate the market, or the overall regulatory environment within which the market operates.

Article 10*bis* 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; and
- 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 domestic law, the use of a GI for goods coming from another geographical area with a view to benefiting from the reputation of that GI, 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 have the right to invoke these legal means. The Agreement itself does not specify who these 'interested parties' may be. However, as indicated earlier, Articles 10 and 10<sup>ter</sup> 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 GI 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 GI for goods not originating in the area indicated by the GI. For example, to what extent could the French GI '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 GI 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, carried out 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 member concerned, or upon request by any interested party, for example the importer of the product protected by the GI or, if so provided in the law of the member concerned, an association of consumers.

**(iii) Factually true but misleading use (Article 22.4)** This provision addresses the situation where geographical names exist that are identical with respect to their spelling or pronunciation (that is, 'homonyms'), but designate different geographical areas, either within a country or in different countries. For example, it could be the case that a true place name is correctly identified on a product, but could mislead the consumer into thinking that the product comes from a much better-known place bearing the same name.

For example, the name ‘Moillesulaz’ 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 locations bearing this name has developed a famous sausage protected by a GI ‘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 GI for marketing their products. What the rule in Article 22.4 says is that, even if the use of such a GI 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)

Another issue at stake in the Uruguay Round negotiations was whether or not the protection afforded under the future Article 22 would be sufficient. At that time, a higher level of protection of GIs – 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 GIs for all products or to a specific category of products was higher. This meant that only producers coming from the geographical area identified by a GI 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 GIs. This convergence of factors facilitated the agreement between these two major players in the Uruguay Round on a special provision on GIs for wines and spirits.

Article 23 requires members to make available additional protection, beyond that provided in Article 22, for GIs 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 GI 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 with the legal means to prevent use of a GI identifying wines

for wines not originating from the place indicated by the GI or identifying spirits for spirits not originating from the place indicated by the GI. 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 GI is used in translation; or
- the use of the GI 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 an 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 23.1 stipulates that, notwithstanding the first sentence of Article 42, members may, with respect to these obligations, instead provide for enforcement by administrative action. This is an exception to the normal requirement in the enforcement chapter of TRIPS, which states that civil judicial procedures must be available for the enforcement of any IPR. Thus members which have administrative systems for the enforcement of the protection of GIs which 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 must be made available to an interested party in a GI 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 indicated territory. These rights are similar to those that must be made available under Article 22.3 with respect to all GIs, 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 of 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 GI 'Tequila' to demonstrate that its use in the trademark is misleading.

**(iii) Homonymous geographical indications for wines (Article 23.3)** Homonymous GIs, 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 such a situation, Article 23.3 provides for coexistence of the homonymous GIs, 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 GIs comes from the place identified by the other GI). In providing for such coexistence each member is required to determine the practical conditions needed to differentiate the GIs from each other, e.g. by way of labelling or the representation on a map showing the country where the region is located. 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 TRIPS Council to negotiate a multilateral system of notification and registration of GIs for wines, eligible for protection in those members participating in the system, with a view to facilitating the protection of GIs for wines. This built-in mandate is limited to wines. It was extended by the Doha Ministerial Declaration<sup>58</sup> in 2001 to also cover spirits, 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 XI.

#### 4 *Exceptions and negotiations about the use of exceptions*

The obligations to protect GIs in the TRIPS Agreement, especially the additional protection for GIs 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 GIs of other countries that would be brought under protection. However the main *demandeurs* in the negotiations on GIs were not prepared to provide such exceptions, to 'grandfather' pre-existing uses, without any possibility of obtaining full rights over their GIs 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 GIs do not require a member to protect the GI 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

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<sup>58</sup> [WT/MIN\(01\)/DEC/1](#).

association with that place and become, in England and many other countries, the broadly used name for a type of cheese.

The provision contains a special exception concerning GIs 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 GIs 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, the right must have been acquired 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 GI became protected in its country of origin. In these circumstances members are under an obligation to ensure that, in implementing the TRIPS rules on GIs, they do not prejudice the prior trademark rights in question on the basis that the trademark is identical with or similar to a GI. 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 GIs, see also the panel reports in *EC – Trademarks and Geographical Indications* (DS174, DS290), Box III.4.

**(iii) Prior use of the geographical indication (Article 24.4)** This provision relates to the prior use of a GI, and is mainly relevant to situations where there has been prior use of a GI that is not covered by the exceptions in relation to generic terms and prior trademark rights. Its scope is limited to GIs 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 GI in that member to be covered by the exception, it must be:

- continued and similar use
- of a particular GI (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 GI in a continuous manner
- with regard to the same or related goods or services
- in the territory of that member,
- either for at least ten years preceding 15 April 1994 (the date of signature of the WTO Agreement), 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 GI 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 GI 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 GI 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) that is the same as a GI. 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) GIs 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 GI:

- if that geographical name is not protected as a GI in that other member (called in the provision the 'country of origin');
- if the geographical name, which was protected as a GI, ceases to be protected as a GI in the country of origin; or
- if the GI has fallen into disuse in the country of origin.

It should be noted that the possibility for a member not to protect such GIs is optional. It does not prevent a country from protecting such GIs 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 GIs under Article 23, which concerns wines and spirits. They have further agreed that they will not use the exceptions provisions in paragraphs 4 to 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 GIs whose use is the subject of such negotiations. In other words, member A, which has a certain term protected as a GI 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 GI 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 TRIPS Council to keep under review the application of the TRIPS rules on GIs. Extensive work has been done in the Council pursuant to this requirement, including responses by many members to a questionnaire about their national systems for the protection of GIs and a summary of these responses prepared by the Secretariat. Further information on this review can be found in Module XI and Appendix 1.

The second and third sentences of Article 24.2 relate to interventions of the TRIPS Council regarding any issues about compliance with the TRIPS provisions on GIs: 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, the TRIPS Council has not taken any action of this kind.

**(ii) Standstill (Article 24.3)** This provision requires each member, in implementing the TRIPS provisions, not to diminish the level of protection of GIs that existed in that member immediately prior to the date of entry into force of the WTO Agreement, i.e. 1 January 1995. The Panels in *EC – Trademarks and Geographical Indications* (DS174, 290) and *Australia – Tobacco Plain Packaging* (DS435, 441, 458, 467) clarified that this provision applies to measures that implement any of the provisions of Section 3 of Part II of the TRIPS Agreement, and relates to the protection available to individual GIs in a particular member immediately prior to 1 January 1995.