



# The EU GI system and the problematic scope of GI protection

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# Background

- GI's as sui generis protection for
  - Agricultural products (EU, weaker in other countries such as US)
  - Non-agricultural products (in some countries such as India, discussed in EU)
- Developed locally but required international harmonisation of protection standards
- Different standards – protection against confusion – imitation of products – evocation of similarity
- Historically based on broad concepts of unfair competition (Paris Convention 1883) – confusion as to **origin**
- Other forms of protection : collective and certification TMs, unfair competition, passing off (UK), misappropriation

# Protection regimes – general

Through specific (*sui generis*) geographical indications laws.

## ***And/or***

- appellation (or designation) of origin regime (Lisbon Agreement)
- trademark law, or in some countries influenced by English law under the common law tort of passing off – certification/collective
- indirectly through unfair competition law (Paris Convention).

Within statutory intellectual property law. ***Or in:***

- consumer protection rules relating to trade descriptions or food product labelling;
- cultural heritage regulations and policies; or
- rural development regulations and policies.

- *A **geographical indication (GI)** is a name or sign used on certain products which corresponds to a specific geographical location or origin (e.g. a town, region, or country)*
- **Examples: Basmati rice, Swiss watches, Parma Ham, Solingen blades etc**

# Geographical Indications

- Economic Importance
- Currently more than 640 GI's and more than 4200 denominations of origin for wines and Spirits registered in Europe
- Examples: Parma ham (on average, more than twice as expensive); cheese more than 30 %; wine up to 230 %)

# Geographical Indications

- Lack of effectiveness
- Vague provisions and uncertainty as regards scope of protection
- US/EU divide
- TRIPs Agreement 1994 contains definition (Article 22 (1) TRIPs)

- In accordance with international treaties and national laws under a wide range of concepts:
  - special laws for the protection of geographical indications or appellations of origin
  - trademark laws in the form of collective marks or certification marks
  - laws against unfair competition
  - consumer protection laws, or
  - specific laws or decrees that recognize individual geographical indications.



# Types of GIs

- **Protected designations of origin (PDO):**
  - Characteristics resulting solely from the terrain and abilities of producers in the region of production with which they are associated. (require all stages of the food production process to be carried out in the area concerned)

# Types of GIs

- **Protected geographic indications (PGI):**
  - Characteristic or reputation associated with a given area, and at least one stage in the production process must be carried out in that area, while the raw materials used in production may come from another region

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# International Framework

- General Standards of Protection:
  - Paris Convention: (Article 10 and 10ter: false indications of the source of goods
  - Madrid Agreement: Repression of false or deceptive indication of source of goods.

# Rationales for protection

- Denotes quality and origin of products
- Good reputation for the product
- Preventing the product from generic products
- Protecting the domestic market from competitors

# Geographical Indications

- Ratio – enhancing consumer trust as regards origin of goods
- Examples – Bordeaux, Chianti, Cognac, Scotch Whisky, Parmigiano, Aachener Printen, Nürnberger Lebkuchen, Solinger Klagen, Havana Cigars...

# International Registration

- Limited possibilities:
  - Lisbon Agreement for the Protection of Appellations of Origin and their International Registration (very few members)
  - Madrid Agreement Concerning the International Registration of Marks
  - Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks (international registration of certification marks)

# TRIPs 1994

- **TRIPS Agreement** – (1 January 1995): addresses the international protection of GIs as part of World Trade Organization (WTO) framework
  - Minimum Standards
  - Enforcement
  - Dispute Settlement
- Articles 22 to 24: definition - legal means - ex-officio invalidation - unfair competition - exceptions.

# TRIPs

- Art 22 (2) – legal means to prevent the use of any means in the designmation or presentation of a good that indicates or suggets 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 GEOGRPAHICAL ORIGIN



# TRIPs

- Art 22 (2) (b)
- Any use which constitutes an act of unfair competition within the meaning of Article 10bis of the Paris Convention (1967)
- Art 22 (3): members must refuse or invalidate TM application where TM contains or consists of Geographical Indications with respect to goods not originating in the territory indicated if confusion is present

# Geographical Indications

- Wines and Spirits only, Art 23 TRIPs
- More extensive protection
- No need to prove danger of confusion
- No ,escape route‘ such as „Australian Champagne“ or „Champagne style“ etc.
- Thus: Art 22 – claimant must show that consumers are being misled or that use constitutes unfair competition

# Geographical Indications

- Exceptions under Art 24 (4)-24(6)
- Generic terms (such as ceylon tea; darjeeling tea...)
- Grandfather clause (established protection not affected if in use for more than 10 years prior to implementation or in good faith)

# Geographical Indications

- Further substantive limitations:
- No protection for services
- No provision on co-existence for use in more than one country, limited to territory of one jurisdiction
- Vague and open definition
- Uncertainties regarding names of countries (swiss watches; irish whiskey)

# Geographical Indications

- Typical position: increase of use of designation after colonisation in other countries (such as use of French designations for wine in US, Australia; generic use of former German designations in US (Frankfurters...))
- Better protection of agricultural areas in EU, better allocation of values between countries of origin and producing countries, better position for developing countries, general welfare.

# The EU Regime

- EU:
  - Wines and spirits
  - Other agricultural products (three types):
    - communicating product qualities and farming attributes, thereby ensuring fair compensation and fostering rural development, plus enhancing market integration
  - Non-agricultural products?
- Registration system (DOOR database) plus monitoring by national competent authorities

# The EU Regime



Broadly, three types:

- ***Protected Designation of Origin - PDO:*** covers agricultural products and foodstuffs which are produced, processed and prepared in a given geographical area using recognised know-how.
- ***Protected Geographical Indication - PGI:*** covers agricultural products and foodstuffs closely linked to the geographical area. At least one of the stages of production, processing or preparation takes place in the area.
- ***Traditional Speciality Guaranteed - TSG:*** highlights traditional character, either in the composition or means of production



# PDOs

## Strongest:

- protected designation of origin is the name of an area, a specific place or, in exceptional cases, the name of a country, used as a designation for an agricultural product or a foodstuff,
- which comes from such an area, place or country,
- whose **quality or properties are significantly or exclusively determined by the geographical environment, including natural and human factors,**
- whose production, processing and preparation takes place within the determined geographical area.
- product must be traditionally and entirely manufactured (prepared, processed *and* produced) within the specific region and **because of these factors have acquired unique properties.**

# PGI

## Strong protection:

- The protected GI is the **name** of an area, a specific place or, in exceptional cases, the name of a country, used as a description of an agricultural product or a foodstuff,
- which comes from such an area, place or country,
- which has a **specific quality, goodwill or other characteristic property, attributable to its geographical origin,**
- at least one of the stages of production, processing or preparation takes place in the area.
- the entire product must be traditionally and at least partially manufactured (prepared, processed *or* produced) within the specific region and thus acquire unique properties.

# Geographical Indications

- Protection in EU
  - CTM Regulation – Art 64 (2) permits protection as collective marks
  - Reg 1493/1999 on wines
  - Reg 1567/1999 on spirits
  - Reg 510/2006 for agricultural products and foodstuffs (now Council Regulation (EC) No 1151/2012 of 21 November 2012 *on quality schemes for agricultural products and foodstuffs*)

# EU Geographical Indications

- Applications concerning a name from EU member state may be made before EU Commission
- All provisions concerning reciprocity between member states were repealed
- Opportunity for member states to register GI's, plus GI's from third countries where treaties exist
- Invalidity proceedings may be brought by Members States, third countries as well as natural persons and legal entities

# Basic definitions

- (1) quality schemes' means the schemes established under Titles II, III and IV;
- (2) 'group' means any association, irrespective of its legal form, mainly composed of producers or processors working with the same product;
- (3) 'traditional' means proven usage on the domestic market for a period that allows transmission between generations; this period is to be at least 30 years;
- (4) 'labelling' means any words, particulars, trade marks, brand name, pictorial matter or symbol relating to a foodstuff and placed on any packaging, document, notice, label, ring or collar accompanying or referring to such foodstuff;

- (5) ‘specific character’ in relation to a product means the characteristic production attributes which distinguish a product clearly from other similar products of the same category;
- (6) ‘generic terms’ means the names of products which, although relating to the place, region or country where the product was originally produced or marketed, have become the common name of a product in the Union;
- (7) ‘production step’ means production, processing or preparation;
- (8) ‘processed products’ means foodstuffs resulting from the processing of unprocessed products. Processed products may contain ingredients that are necessary for their manufacture or to give them specific characteristics

# Meaning of origin: Parma Ham

Must be sliced and packaged in the region.

Consorzio del Prosciutto di Parma & Salumificio S. Rita SpA v.  
Asda Stores Ltd & Hygrade Foods Ltd, ECJ, Case C-108/01, 20  
May 2003



# Traditional Specialities Guaranteed (TSG)

- The TSG quality scheme aims to provide a protection regime for traditional food products of specific character. Differing from PDO and PGI, this quality **scheme does not certify that the protected food product has a link to specific geographical area.**
- food must be of “specific character”
- → either its raw materials, production method or processing must be “traditional”. Under Art. 3 of Regulation 1151/12 : **“the characteristic production attributes which distinguish a product clearly from other similar products of the same category”.**
- “traditional” is defined as “proven usage on the domestic market for a period that allows transmission between generations; this period is to be at least 30 years”.
- For a food name to be registrable under the TSG scheme it must (a) have been traditionally used to refer to the specific product; or (b) identify the traditional character or specific character of the product.
- A TSG creates an exclusive right over the registered product name. Accordingly, the registered product name can be used by only those producers who conform to the registered production method and product specifications.
- “The legal function of the TSG is to certify that a particular agricultural product objectively possesses specific characteristics which differentiate it from all others in its category, and that its raw materials, composition or method of production have been consistent for a minimum of 30 years. Thus, TSG food denominations are registered trade signs with a distinctive function



# Scope of protection

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

Where a protected designation of origin or a protected geographical indication contains within it the name of a product which is considered to be generic, the use of that generic name shall not be considered to be contrary to points (a) or (b) of the first subparagraph.

- 2. Protected designations of origin and protected geographical indications shall not become generic.
- 3. Member States shall take appropriate administrative and judicial steps to prevent or stop the unlawful use of protected designations of origin and protected geographical indications, as referred to in paragraph 1, that are produced or marketed in that Member State.
- To that end Member States shall designate the authorities that are responsible for taking these steps in accordance with procedures determined by each individual Member State.
- These authorities shall offer adequate guarantees of objectivity and impartiality, and shall have at their disposal the qualified staff and resources necessary to carry out their functions.

# Evocation?

- Note overlap problem with TM law and protection rationale
- Evocation – to be judged by the average consumer?

# Evocation

## Parmesan/Parmagiano

- The use of the name 'Parmesan' must be regarded as an evocation of the protected designation of origin 'Parmigiano Reggiano' in the sense of Article 13(1) (b) of Regulation No 2081/92 on the protection of geographical indications and designations of origin for agricultural products and foodstuffs, which protects registered names against any misuse, imitation or evocation, even if the true origin of the product is indicated or if the protected name is translated.
- There is phonetic and visual similarity between the names 'Parmesan' and 'Parmigiano Reggiano', and that in a situation where the products at issue are hard cheeses, grated or intended to be grated, namely, where they have a similar appearance. In addition, regardless of whether the name 'Parmesan' is or is not an exact translation of the protected designation of origin 'Parmigiano Reggiano' or of the term 'Parmigiano', the conceptual proximity between those two terms emanating from different languages must also be taken into account. That proximity and those phonetic and visual similarities are such as to bring to the mind of the consumer the cheese protected by the protected designation of origin 'Parmigiano Reggiano', when he is confronted by a hard cheese, grated or intended to be grated, bearing the name 'Parmesan'.

# Evocation

- CJEU (Verlados v Calvados, Case C-75/15, Judgement of 21 January 2016, ECLI:EU:C:2016:35.) - covers a situation in which the litigious name incorporates part of a protected designation, so that “when the **consumer** is confronted with the name of the product the image triggered in his mind is that of the product whose designation is protected” who is reasonably well informed and reasonably observant and circumspect”.
- the concept of the ‘average consumer’ covers European consumers in general, and not merely consumers of the Member State in which the litigious product is manufactured.



# Evocation

- Firstly and secondly, the beginning of the name ‘*Verlados*’ corresponds both to the name of the Finnish village ‘*Verla*’ (well-known by Finish people) and the name of the company Viiniverla (which manufactures the concerned product);
- thirdly, Verlados is a local product manufactured and sold in limited quantities ; and
- fourthly, the terms ‘*Verlados*’ and ‘*Calvados*’ have only one syllable in common and / or that only the last four letters of each of those words are identical.
- there may be an ‘*evocation*’ even if the true origin of the product is indicated (in that case, indirectly, the village of Verla). In other words, the fact that the true origin of the product is indicated (in its name or on the label) does not avoid the threat of the evocation of the name ‘*Calvados*’.

# Limits of Protection – Generic GIs

- No GI where TM protection exists
- No protection for generic GIs
- *“When assessing the generic character of a name, it is necessary, under Article 3(1) of Regulation 2081/92 on the protection of geographical indications and designations of origin for agricultural products and foodstuffs, to take into account the places of production of the product concerned both inside and outside the Member State which obtained the registration of the name at issue, the consumption of that product and how it is perceived by consumers inside and outside that Member State, the existence of national legislation specifically relating to that product, and the way in which the name has been used in Community law.”*

# Generic?

- Feta cheese produced in Greece (85% of consumption but only 30% of export market in EU (1996))
- Germany, Denmark and others claim Feta is generic; CJEU agrees (2005)
- Scientific committee concludes it is not (PDO reinstated 2006)
- that most consumers in these other EU member states did not actually consume a significant amount of Feta cheese
- Commission: (1) nearly all packaging for exports from other countries alludes to Greece; association with Greece; often produced with cow's milk (confirmed by CJEU)
- But no protection against Feta products produced outside EU (some bilateral agreements followed (Canada, South Korea))



# FTA between EU and Colombia and Peru

- Art 196(5) – protection of Gis must be guaranteed
- Arts 207-208:
  - 1. Having completed an objection procedure and having examined the geographical indications of the European Union listed in the Appendix 1 of Annex XIII (Lists of Geographical Indications) which have been registered by the EU Party, the signatory Andean Countries will protect such geographical indications according to the level of protection laid down in this Section.
  - 2. Having completed an objection procedure and having examined the geographical indications of a signatory Andean Country listed in the Appendix 1 of Annex XIII (Lists of Geographical Indications) which are registered by such signatory Andean Country, the EU Party will protect the same according to the level of protection laid down in this Section.

- Art. 209 – Addition of New Geographical Indications
- Art. 210 – Scope of Protection of Geographical Indications
- 1. The geographical indications of a Party listed in the Appendix 1 of Annex XIII (Lists of Geographical Indications), as well as those added pursuant to Article 209, shall be protected by another Party at least against:
  - (a) any commercial use of such protected geographical indication:
    - (i) for identical or like products not compliant with the product specification of the geographical indication; or
    - (ii) in so far as such use exploits the reputation of the geographical indication;
  - (b) any other non-authorized use of geographical indications other than those identifying wines, aromatized wines or spirits drinks that creates confusion, including even in cases where the name is accompanied by indications such as style, type, imitation and other similar that creates confusion to the consumer; without prejudice to this subparagraph, if a Party amends its legislation in order to protect geographical indications other than those identifying wines, aromatized wines and spirit drinks at a higher level than the protection provided for in this Agreement, that Party shall extend such protection to the geographical indications listed in Appendix 1 of Annex XIII (Lists of Geographical Indications);



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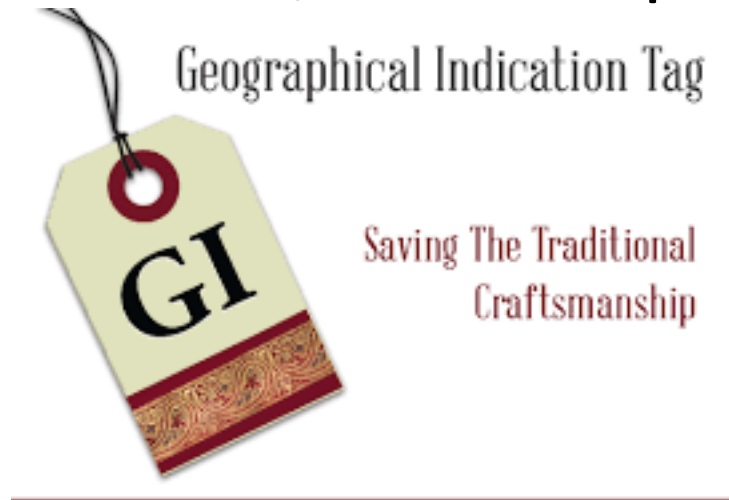
# GI's & TMs

- Complementary and alternative protection
- Trade Mark protection for GI's (certification marks; collective marks)
- Differences –
  - no allocation of rights to one party
  - monopoly control over TM – collective public goods
  - property right, function of TM to indicate origin allowing differentiation
  - Unfair competition

- Collective marks
- Certification mark
- Problems re scope of protection and overlap

# Beyond agriculture

- EU is considering extension to non-agricultural products (eg handicraft items...)
- Exists, for example, in India:





# Overlap with copyright/design protection?

