

Questions to be Addressed in Response to the Survey on the Lisbon System

The Basis for Protection in the Country of Origin

Some have interpreted the phrase “recognized and protected as such” in Article 1(2) of the Lisbon Agreement as restricting eligibility for registration and protection under the Agreement to appellations of origin recognized and protected under *sui generis* legislation in the country of origin. Others take the view that this phrase does not impose a means by which an appellation of origin should be protected in the country of origin, nor the specific legal form of protection, as long as the geographical denomination in question meets the definition provisions of Article 2 of the Agreement. Rule 5(2)(a)(vi) of the Regulations under the Lisbon Agreement broadly refers to protection in the country of origin by virtue of legislative provisions, administrative provisions, judicial decisions or registration.

Question 1: Should the basis for protection in the country of origin in Article 1(2) of the Agreement and Rule 5(2)(a)(vi) of the Regulations be revised, in view of the different means of protection existing around the world for geographical indications?

Answer 1: In our opinion, there is no need to revise the basis for protection in the country of origin.

Terminology and Definitions

A number of domestic laws exist under which protection is available for appellations of origin on the basis of a definition that corresponds to the definition provisions of Article 2 of the Lisbon Agreement. Other domestic laws provide protection for geographical indications on the basis of the definition provisions of Article 22.1 of the TRIPS Agreement. Domestic legislation also exists with both a definition for appellations of origin and a definition for geographical indications or variations of those terms. Moreover, there are also domestic laws dealing with the same subject matter without defining the term “appellation of origin” or the term “geographical indication”.

Question 2: Should the definition provisions of Article 2 of the Lisbon Agreement be amended?

Answer 2: Yes. Our national legislation (Act No. 452/2001 Coll., on the Protection of Designations of Origin and Geographical Indications and on the Amendment to the Act on Consumer Protection) and also the relevant EU legislation allows to register also traditional geographical or non-geographical names, which might not be regarded as geographical names of a country, region, or locality within the meaning of Article 2 of the Lisbon Agreement by the other members of the Lisbon Agreement. On that ground, such traditional names could subsequently be a subject of refusal. Therefore, we suggest the definition provisions of Article 2 to be amended in order to include also traditional geographical and non-geographical names.

Scope of Protection

The Lisbon Agreement does not define the terms “usurpation” and “imitation”, as contained in its Article 3, but the negotiating history would appear to indicate that these terms are aimed to prevent use of an internationally registered appellation of origin on a product of the same kind not originating from the area to which the appellation of origin refers or a product of the same kind that, while originating in that area, does not meet the quality or characteristics on which protection for the appellation of origin is based.

Question 3: Should Article 3 of the Lisbon Agreement be amended so as to address the protection of appellations of origin against use on products that are not of the same kind and, if so, on the basis of what criteria?

Answer 3: We are of the opinion that Article 3 of the Lisbon Agreement should be amended. As our national legislation and also the relevant EU legislation provides for much broader protection than Article 3, we would like to have ensured comparable level of protection also in the member states of the Lisbon Agreement, that are not members of EU.

Question 4: What amendments would be necessary to Article 3 in connection with the answer to questions 1 and 2 above?

Answer 4: We suggest the following amendments to Article 3, which would be coherent with the existing Czech national legislation and EU legislation. However, there is no interdependence between the suggested amendments and our answers to questions 1 and 2.

Protection shall be ensured against:

- (a) any direct or indirect commercial use of a registered name in respect of products not covered by the registration in so far as those products are comparable to the products registered under that name or in so far as using the name exploits the reputation of the protected name;
- (b) any misuse, imitation or evocation, even if the true origin of the product 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;
- (c) any other false or misleading indication as to the provenance, origin, nature or essential qualities of the product, 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.

Effects of Registration

The negotiating history of the Lisbon Agreement shows that the Lisbon system is meant to: (a) require a country of origin to provide information in international applications allowing the other member countries proper examination as to whether they can protect the

internationally registered appellations of origin concerned; (b) require these other countries to take position within a period of one year from receipt of the notification of an international registration and, in case they submit a declaration of refusal, to specify the grounds for such refusal; and (c) shield such an appellation of origin against becoming a generic denomination.

Question 5: As regards point (a) above, are there elements in the application and registration procedures requiring improvement and, if so, which are these elements?

Answer 5: We are of the opinion that the current volume of information provided by countries of origin is sufficient. No improvement is required.

Question 6: As regards point (b) above, are there elements in the procedures for the notification of refusals, withdrawals of refusals and statements of grant of protection requiring improvement and, if so, which are these elements?

Answer 6: In our opinion, the current legal framework does not need to be substantially amended. However, certain regulation of the procedures that would lead to unification of procedural requirements, which are now in the competence of individual member states, would be useful. For example, in the case of Article 5 (5) of the Lisbon agreement (The International Bureau shall, as soon as possible, notify the Office of the country of origin of any declaration made under the terms of paragraph (3) by the Office of another country. The interested party, when informed by his national Office of the declaration made by another country, may resort, in that other country, to all the judicial and administrative remedies open to the nationals of that country) the time limit given by certain national legislations to apply for judicial or administrative remedies is very short and therefore it is almost impossible for the interested party to obtain the remedy open to the nationals of that country.

Question 7: As regards point (c) above, would there be a need to amend Article 6 of the Lisbon Agreement, in order to allow for certain exceptions, or does the phrase “cannot, in that country, be *deemed* to have become generic” provide sufficient leeway in that respect?

Answer 7: In our opinion, the phrase “cannot, in that country, be *deemed* to have become generic” in Article 6 of the Lisbon Agreement does not allow for any exceptions. We do not suggest any amendments.

Question 8: Are there elements in the procedures of Rule 16 of the Regulations under the Lisbon Agreement concerning the notification by a member country of an invalidation of the effects of an international registration and its recording in the International Register requiring amendment and, if so, which are these elements?

Answer 8: In our opinion, Rule 16 of the Regulations under the Lisbon Agreement does not need to be amended. However, the Rule 16 seems to lack legal basis as the Lisbon Agreement does not provide for the possibility of invalidation of the effects of an international registration.

Prior Users

Question 9: Would there be a need to amend Article 5(6) of the Lisbon Agreement, or does the fact that Article 5(6) of the Lisbon Agreement and Rule 12 of the Regulations under the Agreement only apply in case a member country does not notify a declaration of refusal provide sufficient leeway in this respect?

Answer 9: We have no practical experience with the application of Article 5 (6) of the Lisbon Agreement and therefore we do not suggest any amendments.

Other Issues

Question 10: What other issues concerning law or practice directly or indirectly related to the functioning of the Lisbon system do you consider require amendment or modification of the existing Lisbon Agreement and would you like to bring to the attention of the Working Group on the Development of the Lisbon System?

Answer 10: We would like to draw attention to the relationship between the Lisbon system and the Community system for protection of denominations of origin and geographical indications. As a member state of the European Union, the Czech Republic (and also 5 other members of the Lisbon Agreement) is obliged to respect the legislation of the European Union, including the Judgments of the European Court. On 8 September 2009, the European Court in the case C-478/07 (Bud) came to the conclusion, that the Community system of protection laid down by Council Regulation (EC) No 510/2006 on the protection of geographical indications and designations of origin for agricultural products and foodstuffs is exhaustive in nature, with the result that the Regulation No 510/2006 precludes the application of a system of protection laid down by agreements between two member states of the European union. It appears to be also the opinion of the European Commission, that the national protection of denominations of origin and geographical indications for agricultural products and foodstuffs cannot coexist with the Community system. Recently, the Community system of protection similar to the one for agricultural products and foodstuffs has been established for wines and spirits. The relationship between the Community system of protection and the Lisbon system has not been clarified yet, nevertheless it is possible that the idea of exhaustive nature of the Community systems will prevail. In that case, the protection of appellations of origin for the concerned products registered through the Lisbon system could no longer be accorded for the territory of the Czech Republic and other EU members of the Lisbon Agreement. As this would be probably vital to the effort make the Lisbon Agreement more attractive for the users and prospective new members, it should be paid great attention.