

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?

No there is no need to revise Art. 1(2) of the Agreement and Rule 5(2) of the Regulations.

However, being part of the Lisbon Agreement implies not only to apply for the international registration and protection of national appellations of origin. As contracting parties of the Agreement, countries will have to give protection to foreign appellations as well. As a matter of fact, not all legal systems ensure appellations of origin the kind of protection required by Art. 3 of the Agreement (such as for instance those systems requiring the proof of a risk of confusion for consumers to ban the use of names that imitate an appellation of origin or use it in a translated form).

In light of this, we recommend WIPO to prepare a Model Law to be adopted (in whole or in part) by countries wishing to ratify the Lisbon Agreement. Such a model law should be “neutral” (compatible with both common law and civil law jurisdictions). OriGIn, with its global network of experts coming from various legal traditions, is available to be involved in such an exercise.

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?

On the one hand, the proliferation of legal definitions for denominations used to identify origin products does not serve the goal of transparency. Convergence at the international level (and as a result at the national level) is therefore welcome. In this respect, the fact that WIPO has clarified that art. 2.1 of the Agreement should be read as “quality or characteristics” (in light of the French text of the Agreement) goes in the right direction.

On the other hand, the concept of appellation of origin, which has been consolidating over the years, should be preserved.

This, however, would not prevent the Lisbon Agreement to give protection to all geographical names that would fall under the definition of geographical indications (as provided in art 22.1 of the TRIPS Agreement). To do so, a paragraph should be added to Art. 2 providing that those indications of (or designations relating to geographical names of a country, region or locality), which serve to designate a product which link with the geographical environment is exclusively due to human factors will also be protected as under the Agreement as geographical indications.

In this way, the concept of appellation of origin will be preserved. Meanwhile, protecting the appellations of origin as well as those geographical indications exclusively based on human factors will amount to protect all signs falling within the TRIPS definition of geographical indications.

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?

Article 3 should be amended in order to protect appellations of origin against the use on products that are not of the same kind when such a use creates the likelihood of confusion with the appellation (for instance the consumer would wrongfully believe the new product has the appellation as an ingredient), or it exploits the appellation’s reputation, or blurs its distinctiveness (the use of the new product goes against the uniqueness of the appellations) or creates an association with the appellations (the new product is used to promote the appellation, or there is an agreement or business relationship between the owner and the new product user).

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

No other amendments would be necessary in relation to questions 1 and 2.

However, apart from the issues raised by questions 1 and 2, Art 3 of the Lisbon Agreement should include the protection of appellations of origin against “evocation”. The concept of evocation of a geographical name, which is expressly mentioned in various legislations (for instance in all EU regulations on the protection of geographical indications and designations of origin for agricultural products and foodstuff, wines and spirits) has already been clarified by the consolidated case-law of the ECJ and was key in the reasoning of the ECJ in the “Parmesan case” (Commission vs Germany, C-132/05) that prevented German undertakings to commercialize cheese products as “Parmesan”. The protection against evocation of appellations of origin will ensure a fairer trade of origin products.

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?

No.

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?

To increase the legal certainty within the Lisbon system, the possibility to issue refusals vis-à-vis requests of international registration of appellations of origin should be regulated and not be left at the complete discretion of Member States. We believed that several countries have not hitherto joined the Lisbon Agreement because of the uncertainty generated by art. 5.3.

First of all, the admitted grounds to refuse the protection of an appellation of origin notified under the Lisbon System should be clearly mentioned by the Agreement. Then, each criterion should be somehow regulated in order to ensure the predictability of the system.

For instance, to regulate refusals based on prior rights (prior registered trademarks) – a ground which has occurred in practice – a grandfather clause and the criterion good faith (the latter is in line with the recent jurisprudence, see for instance ECJ, Case C-343/07, Bavaria NV, Bavaria Italia Srl v Bayerischer Brauerbund) should be introduced.

Moreover, should genericity be invoked by a contracting country to refuse an application within the Lisbon System and should interested parties decide to resort in that country, or in other countries of the Lisbon System, to judicial or administrative methods to question it, the proof of the appellation's genericity should be provided by the party invoking it.

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?

There is no need to amend Art. 6, which is straightforward and it is not intended to provide any flexible interpretation. We believe Article 6 is a pillar of the Lisbon Agreement. Any exception to the rule set forth by article 6 would definitely undermine the international protection of appellations of origin. Of particular concern in this context is the need to keep in mind the interests of small producer groups that do not have access to legal advice nor the economic resources to monitor and enforce their rights in several foreign jurisdictions.

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?

No.

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?

This answer should be read in conjunction with the proposals made in the answer to question 6.

*Article 5(6) is satisfactory, but it would be convenient to add that “ ... has already been used by third parties in that country from a date prior to such notification, **or has already been used by third parties in a new country of the Special Union from a date prior to its accession, ...**”. This clarification would be useful because, in practice, it happens that new member countries that have not opposed the international registration of appellations of origin within 1-year following their accession, have not terminated the use of such appellations by third parties within the 2-year period.*

Moreover, Rule 11 should mention the possibility - for countries that withdraw their opposition to the protection of an appellation of origin - to grant a phasing out period longer than the 2 years provided by article 5(6). Such longer period should be agreed upon by the State of the appellation of origin and the State withdrawing its refusal and cannot exceed 5 years. In this regard, it is crucial to associate interested producers in the negotiations among States.

Finally, a paragraph 7 should be added in art.5. Such a paragraph should give Member States the possibility of agreeing upon the coexistence between an appellation of

origin notified through the Agreement and valid trademarks previously registered in good faith within the jurisdictions of a given State or applied for or established by use, if that possibility is provided for by the legislation concerned. Detailed rules for the implementation shall be adopted under the Regulations of the Lisbon Agreement.

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?

Two issues seem crucial to us. First of all, the possibility for Intergovernmental Organizations to join the Lisbon Agreement. Other international registration systems managed by WIPO (such as the Hague Agreement Concerning the International Registration of Industrial Designs) provide this option. This would greatly enhance the chances of further ratifications.

Secondly, the possibility for interested private parties to refer to mediation and/or arbitration (within the framework of the WIPO Arbitration and Mediation Center) any dispute related with the application of the Agreement should also be explored.

*To address the variety of situations in national legal systems as to the entities related to appellations of origin, article 5(1) should be amended in the following way: “ ... in the name of any natural persons or legal entities **or of a group of producers or processors, irrespective of its legal form or composition**, having, according to their national legislation, a right to use such appellations **and /or a right to defend such appellations**”.*

In this respect, it should be mentioned the fact that in some countries the owner of appellations of origin is the State itself, which normally delegates the appellation's administration to a group of producers. Furthermore, there could be countries where the State would not be willing to apply for an international registration or countries where it is not legally possible for the State to make such an application. In such circumstances, the possibility for associations of producers to apply directly for an international registration should be explored.