

## **LISBON AGREEMENT FOR THE PROTECTION OF APPELLATIONS OF ORIGIN AN THEIR INTERNATIONAL REGISTRATION**

### **Portuguese responses to Survey on the Lisbon System**

#### **Question 1**

We are of the opinion that Article 1 (2) does not impose a specific form of protection of a AO. Indeed, the interpretation that PT gives to this article is the second referred to in the paragraph concerning *“basis for protection in the country of origin”* of Annex I: *“this phrase does not impose a means by which an AO 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”*.

The objective of this article is to indicate the subject of the protection under this Agreement - the AO - through the recognition of a standard-concept of the AO, referred to in Article 2. .This standard-concept is purposely characterized in a wide way, so as to allow the several national concepts of AO can be reflected in it.

Therefore, all systems of protection of the AO are included in this concept – both *sui generis* and non-*sui generis* systems, since the protection requirements are established regardless the specific type of protection defined in the national legislation. In fact, paragraph 8 of Annex II states that *“the condition that the AO must be recognized and protected in the country of origin means that the AO must be constituted by a geographical denomination that is protected in the country of origin as the denomination of a geographical area recognized as serving to designate a product that originates therein and meets*

*certain qualifications. Such recognition of the denomination must be based on the reputation of the product and protection of the AO must have been formalized by means of legislative provisions, administrative provisions, the judicial decision or any form of registration. The manner in which recognition takes place is determined by the domestic legislation of the country of origin".*

Then, the concept of AO that appears in the Agreement consists of three elements (point 10 of Annex II):

- The AO should be constituted by the geographical name of a country, region or locality;
- The AO should be used to designate a product originating in that geographical area
- The qualities or characteristics of the product in question must be due exclusively or essentially to the geographical environment in which the product originates.

We consider that article 2 - by establishing only the requirements of what is an AO – doesn't impose a restriction to their protection and registration, neither in countries that have a *sui generis* system of protection, nor in countries with other systems of protection; so we are of the opinion that there is no need to amend this article.

The important thing is to ensure that national AO actually fill the AO definition provided under the Lisbon Agreement; so that is not feasible to extend the protection of indications that, given the characteristics of individualized products, do not deserve the title of AO and the protection granted by the Agreement. The aim here is not to make this title of protection trivial and to prevent the deterioration of the added value associated to the AO – in general by all people and by the consumers.

However, given the different interpretations that the article 1 has been subjected and attempting to harmonize the interpretation and implementation of the Agreement, we believe that the scope of this article should be explained.

## Question 2

The Portuguese Industrial Property Code provides in its Article 305<sup>o</sup> *“Definition and Ownership”* for a specific system of protection of Geographical Indications (GIs) and Appellations of Origin (AO). This article states in its paragraph 1 that *“Denomination of origin is defined as the name of a region, of a specific place or, in exceptional cases, of a country, which serves to designate or identify a product: (..)*

*b) Whose quality or characteristics are derived, essentially or exclusively, from the geographic environment, including the natural and human factors, and whose production, processing and development are carried out within the demarcated geographic area”.* Paragraph 3, provides that *“A geographic indication is understood to mean the name of a region, a specific place or, in exceptional cases, a country that serves to designate or identify a product: (...)*

*b) Whose reputation, specific quality or another characteristic can be attributed to that geographic origin and whose production, processing or development are carried out within that demarcated geographic area”.*

Thus, the Portuguese legislation provides for both the definition of AO and the definition of GI, unlikely some countries provide protection of GIs through the definition of Article 22 of TRIPS.

The Lisbon Agreement requires a greater and closer connection between the product and the region of origin for the protection of a product by means of an AO, thus eliminating from its scope the protection of products which connection to the region of origin is weaker.

Therefore, the definition provided in the Portuguese legislation is consistent with that provided for in Article 2 of Lisbon Agreement. However, we believe that it would be appropriate, in accordance with UE Regulation 510/2006 as well as in the Portuguese legislation, to also consider as AO certain traditional geographical or non geographical names designating a product originating in a region or specific place. We think that this will allow the modernization and the widening of this definition.

We therefore consider that the Lisbon Agreement could become more comprehensive, so as to include geographical indications, provided for in various national systems, that also meet certain strict requirements – such as those in the Portuguese legislation. This would prevent discrimination against indications that also meet certain strict requirements and that, therefore, should also be given international protection afforded by the Lisbon Agreement.

### **Question 3**

We believe that the issue of protection of Appellations of Origin against its use in non identical or similar products should be overcome by creating two different levels of protection of the AO, corresponding to a two-pronged definition of them based on their degree of prestige.

We understand that the provisions of the Portuguese legislation may once again serve as an example and a basis for discussion, so we transcribed the relevant article:

Article 312<sup>o</sup>, paragraph 4:

*“Likewise prohibited is the use of a AO or geographic indication of prestige in Portugal or the European Union for products without identity or affinity, whenever the use thereof seeks to unjustly derive benefit from the distinctive or prestigious character of the previously registered AO or geographic indication or can be prejudicial to them”.*

We therefore advocate the establishment of a distinction between “ordinary” Appellations of Origin and prestige Appellations of Origin; we consider that different protection of the AO should be granted on the basis of the “prestige criteria”, i.e., the “ordinary AO” should be protected only against its use on identical products or of the same type, while the “prestige Appellations of Origin” should be protected against its use on every type of product.

In order to make this possible, we suggest the creation of a list of “*prestige Appellations of Origin*”. For this purpose each country should point out the AO that are considered prestigious in its territory.

It should therefore be included in the Lisbon Agreement clear and precise criteria for classifying certain AOs as “*prestige AO*” and to that extent, as a DO able to qualify for protection even against non identical or similar products. To this aim, the criteria followed in several national legislations should be examined, as for example, the definition of a prestige trademark.

#### **Question 4**

We consider that the terms “*imitation*” and “*usurpation*” should be clearly defined in the Agreement, as the current wording of the Agreement does not provide effectively the scope of protection granted to the AO. We therefore believe that leaving the definition of these concepts to the national legislator / enforcer may lead to situations of unequal protection of the AO in different countries, a situation that we strongly believe should be avoided.

We therefore require a definition of the scope of protection for AO, by means of defining these concepts or other means that shall be considered as appropriate.

We therefore believe that the Portuguese legislation adequately establishes the protection granted to AO, so we transcribe the relevant articles so that they can serve as an example and basis for discussion on this point.

Article 312:

*”Rights granted by registration:*

*1 – Registration of an AO or geographic indication confers upon the proprietor the right to prevent:*

- a) *The use by third parties, in the designation or presentation of a product, of any means that indicates or suggests that the product in question originates from a geographic region other than the true place of origin;*
- b) *Use that would constitute unfair competition as defined in Article 10bis of the Paris Convention, as modified by the Stockholm Revision of 14 July 1967;*
- c) *Use by persons not authorised by the registration holder.*

*2 – The wording that makes up a legally defined, protected and controlled AO or a geographic indication may not feature in any form in appellations, labels, advertising or any documentation on products that do not come from the respective demarcated regions.*

*3 – The aforementioned prohibition also applies when the true origin of the products is mentioned or the wording belonging to the appellations or indications in question are accompanied by qualifiers such as “type”, “style”, “quality” or similar expressions and also extends to the use of any expression, presentation or graphic combination that may mislead or confuse the consumer.*

*4 – Likewise prohibited is the use of a AO or geographic indication of prestige in Portugal or the European Union for products without identity or affinity, whenever the use thereof seeks to unjustly derive benefit from the distinctive or prestigious character of the previously registered AO or geographic indication or can be prejudicial to them.*

*5 – The provisions of the preceding paragraphs do not prohibit a seller from putting its name, address or trademark on products coming from a region or country different from that in which the same products are sold. In such a case, the seller may not, however, suppress the trademark of the producer or manufacturer.”*

### **Question 5**

We believe that there are no elements in the application and registration procedure requiring improvement.

We consider, however, that it is necessary for the country of origin to define clearly the boundaries of each AO, i.e., the limit of the particular geographical locality, region or territory to which the AO is granted, as well as the connection between the qualities/characteristics of the product and its geographical environment.

### **Question 6**

During the first meeting of the WG of the Lisbon Agreement, the International Bureau suggested the addition of a Rule 11bis of Chapter 4 of the Regulations. This chapter sets out the procedures to be adopted when a decision of refusal is going to be taken by the competent authority of a member country of the Lisbon Agreement – rule 9 and 10 – or when that authority withdraws in whole or in part its statement of refusal – rule 11.

A proposal was made to adopt the optional procedures in this chapter; this will enable the authorities of the member countries to notify a statement of grant of protection where this was adopted within the time period of one year fixed by the Agreement to take the decision of refusal. Instead of waiting until the end of the time period for the making of the decision of refusal, the applicant who has required for protection will now be able to know that it has been granted in a shorter time and with an explicit decision.

Thus, the protection will no more be the simple result of the expiration of a time period (deadline for the refusal) and will now be communicated by an explicit grant.

We believe this is a significant modification to be undertaken under the Agreement, while all countries agreed on the WG with the subsequent drafting

of this article. We applaud the agility and simplification made possible by the new wording, which in this way revitalize and accelerate the system of protection of AO. Thus we believe there is nothing to add at this point.

### **Question 7**

We consider important not to change the wording of article 6. The objective of this article is to prevent a protected AO from becoming generic. Considering that this article does not give leeway for the creation of exceptions, we consider very important to maintain its wording as it is.

### **Question 8**

No need to revise.

### **Question 9**

No need to revise.

### **Question 10**

1. The system of partial grant/refusal raised some uncertainty during the negotiations because some countries, including Portugal, do not have such a system. We therefore ask for clarification in this point, particularly as to the legal and commercial consequences of the implementation of this partial grant/refusal.

2. We consider very important to improve the mechanisms of opposition – by third parties – for the granting of rights. This will enhance the attractiveness and reliability of the Lisbon System. It is important to better publicize and explain the ways of administrative opposition and legal challenge to the registration of AO.

3. We also are of the opinion that it will be interesting and important that the disputes arising from the implementation of the Lisbon Agreement could be settled via the OMPI Mediation and Arbitration Centre so as to allow a speedy and economical way of dispute resolution.



4. We suggest the improvement of the access to information in the databases of WIPO, making available the information on the grounds for refusal of an AO raised by any member state and on the legal status of the application/granted files in each country.

5. We also suggest that any member state make available their examination guidelines in English allowing any interested party to become familiar with the procedures and practice for the granting of an AO followed in each Office.

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