

An Exploration of the Laws and Systems for the Protection of Geographical Indications in USA, China and India: A Comparative Analysis

Dr. Faizanur Rahman *

Intellectual property protection that each country allows is directly related to its level of development. The extent to which intellectual property protection is offered in a country is directly proportional to its technological and economic development. Protection of geographical indications has become front-page news in the present scenario because of their economic value. The protection that is offered is not for some invention but is to the reputation associated with a quality attribute linked to a geographical area. Each country has set out its own standards for the protection and registration of Geographical Indications (GIs).

No doubt there is Trade Related Aspects of Intellectual Property Rights (TRIPS) Agreement to deal with the protection of IPRs universally which though appears well defined, in case of GIs, it is often the cause of differences in regulations between countries. Even after the broad guideline given by the TRIPS Agreement with respect to GIs in Article 22, across the globe, each country has taken a different approach to geographical indication regulation. Countries have generally chosen between two systems of jurisprudence for the protection of GIs, namely, the Common Law system and the Civil Law. Most of the countries have enacted sui generis legislations for the protection of geographical indications after the establishment of the World Trade Organization (WTO).

This paper critically examines the system and practice of protection granted in respect of Geographical Indications in United States of America, China and India.

1. Concept and Ideals Implicit in Geographical Indications

GIs designate products that originate from a particular region or country and have a unique character due to their particular qualities and production methods. A GI is considered a public right, owned by the state or a collectivistic

entity, with the government being in charge of registering and administering it. Geographical Indications stand at the intersection of three hotly debated issues in International Law: International Trade, Intellectual Property and Agricultural Policy.

* Assistant Professor, Law, Jamia Millia Islamia. The author can be contacted at faizan.faziylaw@gmail.com

Because of the diverse ways in which the protection of Geographical Indications evolved, there was no universally accepted terminology. Although they are part of one of the oldest intellectual property regimes, there is difference in opinion regarding the meaning of their nature. GIs are closely interrelated with

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and seemingly identical to two other varieties of intellectual property recognized in the earliest international treaties: “appellations of origin” (AO) and “indications of source”. These are supplemented by the European Community’s two kinds of agri-food GIs:¹ Protected Designations of Origin (PDO) and Protected Geographical Indications (PGI).² The first international legal definition of an appellation of origin was specified in 1958, in the Lisbon Agreement for the Protection of Appellations of Origin and their

International Registration. Article 2 (1) of this Agreement states that:³

The ‘appellation of origin’ means ‘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’.

The Lisbon Agreement also defines “Country of Origin” as:⁴

The country whose name or the country in which is situated the region or locality whose name constitutes the appellation of origin which has given the good its reputation for the quality and characteristic.

According to these definitions, an AO should always be a name which designates a country, region or locality. Also, it is fundamental that a good bearing the name exhibits quality and characteristics attributable to the designated area of geographical origin. Thus, an AO designates a given quality and characteristic of a good originating from a certain geographical origin, as exemplified by goods such as Darjeeling Tea, produced in the hilly regions of the Darjeeling district of West Bengal and known for its unique taste, texture and qualities.

1 From 1st August, 2009, the GI protection in the wine sector within the EC will be parallel to the agri-food field, also applying the terms (protected) designations of origin (PDO) and (protected) geographical indications (PGI)

2 See Article 2(1) of Council Regulation (EC) No 510/2006 on the Protection of Geographical Indications and Designations of Origin for Agricultural Products and Foodstuffs, *OJEU* (L 93/12)(2006)

3 Lisbon Agreement for the Protection of Appellations of Origin and their International Registration of 31th October, 1958, as revised at Stockholm on 14th July ,1967, and as amended on 28th September, 1979, Article 2.1, available at: http://www.wipo.int/lisbon/en/legal_texts/lisbon_agreement.html (Visited in January, 2016) This definition is under review in order to comply with the original French text of the Agreement and with the TRIPS definition

4 See Article 2(2) available at: <http://www.wipo.int/lisbon/en/general/> (Visited on October, 2015)

"Indications of Source" are characterized by a link between the "indication" and the "geographical origin" of the product, which may be a certain country or a place in a country. Such indications are also referred to as "country of origin" indications. The indication in an "indication of source" need not necessarily be a geographical name. Words or phrases that directly indicate geographical origin, or phrases, symbols or iconic emblems indirectly associated with the area of geographical origin may constitute indications of source. Thus, it refers to a sign that simply indicates that a product originates in a specific geographical region, for example, labels saying "Made in India", "Swiss Made" or "Product of USA". Unlike AO, an indication of source need not represent a particularly distinctive or renowned quality associated with the product's origin, although both designations refer to geographical locations.⁵

The term 'geographical indication' has been chosen by WIPO to describe the subject matter of the TRIPS Agreement for the international protection of names and symbols which indicate a certain geographical origin of a given product. In this connection, the term is intended to be used in its widest possible meaning. WIPO defines GIs as:⁶

A sign used on goods that have a specific geographical origin and possess qualities, reputation or characteristics that are essentially attributable to that place of origin.

WIPO chose to use the term "geographical indications" instead of previously used terms like "indications of source" or

"appellations of origin" to increase the amplitude of its meaning. WIPO has indicated that "reputation" with respect to GIs is mainly related to the history and historical origin of the product, an attribute more consistent to products of traditional knowledge. For GIs such as "Basmati rice",⁷ the quality of the rice from the region denoted is closely connected to the reputation of the product connoted by the symbolic name. As such, the protection

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extends not only to the term "Basmati" as denoted in reference to the region of Punjab, but also to the reputation of the product that the term connotes, the traditional method of production developed over time, and the cultural aspects of the product. This distinction is significant in that the content of the rights in the latter exhibits "many of the hallmarks of a property right," while the former grants a "mere right of action for misrepresentation-easily justified in terms of honest trade and consumer protection."

The TRIPS Agreement is the first multilateral agreement to have introduced the concept of "geographical indications" in a ground-breaking manner. TRIPS use the term "geographical indication", though the writers prefer the term "geographic indication" to describe the

5 Teshager Dagne, Law and Policy on Intellectual Property, Traditional Knowledge and Development: Legally Protecting Creativity and Collective Rights in Traditional Knowledge Based Agricultural Products through Geographical Indications, 11 *ECJILTP* 68-117 at 73 (2010)

6 About Geographical Indications-World Intellectual Property Organization, *available at*: http://www.wipo.int/geo_indications/en/about.html (Visited on April, 2014).

7 Basmati rice is grown in Haryana & Punjab, Himachal Pradesh, Rajasthan, Uttar Pradesh, Uttarakhand and Greater Punjab region of Pakistan

concept. It is also sometimes called “geographic indicator”, “geographical indicator”, or “geographic designation”. Article 22(1) of the agreement provides the most extensive definition of GIs:

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.

GIs are similar to AOs in that both associate the quality of a good with a geographical location identified by an indication. Scope-wise, GIs are wider than “appellations of origin” because GIs are not restricted to the names of geographical locations. Other indirect references to geographical locations such as pictorial symbols may also be included under the definition of GIs, as long as they can identify a good with “a given quality, reputation or other characteristic” as originating in a territory, region or locality in the territory.

“Reputation” in the protection of GIs may arise not necessarily from natural factors emanating from climate or soil quality of the product but from other human factors in the geographical origin also such as local inventiveness or the traditional knowledge or know how used in the place where the product originates. Such factors must contribute to the distinctiveness of the product, i.e., its capacity to distinguish itself from other products, and the reputation must be assessed, *inter alia*, from the consumer’s perception of the indication. The WIPO maintains that GIs can also ‘highlight specific qualities of a product which are due to human factors that can be found in the place of origin of the products, such

as specific manufacturing skills and traditions’. The European Court of Justice in the Feta case⁸ argued that there was a close and important interplay between natural geographic factors and human innovation in the making of feta cheese. In the case of feta cheese, this interplay was said to include the development of small native breeds of sheep and goats which are extremely tough and resilient, fitted for survival in an environment that offers little food in quantitative terms but, in terms of quality, is endowed with an extremely diversified flora, thus giving the finished product its own specific aroma and flavour. The interplay between the natural factors and the specific human factors, in particular the traditional production method, which requires straining without pressure, has thus given Feta cheese its remarkable international reputation.

From this swirl of definitions, the most important conclusion to be drawn is that the nature of GI protection is completely different not only according to the countries but also according to the categories of the products concerned. It is pertinent to mention the following quote from a WIPO document in order to understand the concept of geographical indications:⁹

Geographical Indications are understood by consumers to denote the origin and the quality of products. Many of them have acquired valuable reputations which, if not adequately protected, may be misrepresented by dishonest commercial operators. False use of geographical indications by unauthorised parties is detrimental to consumers and legitimate producers. Consumers are deceived into believing

⁸ [1999] ETMR 478

⁹ World Intellectual Property Organization, WIPO-International Bureau, 2002; About Geographical Indications, Why do Geographical Indications Need Protection? *available at*: http://www.wipo.int/sme/en/ip_business/collective_marks/geographical_indications.htm (Visited in January, 2016)

that they are buying a genuine product with specific qualities and characteristics, when they are in fact getting an imitation. Legitimate producers are deprived of valuable business and the established reputation of their products is damaged.

Geographical Indications are a form of intellectual property rights that do not protect novel elements but rather an accumulated goodwill built up over the years.¹⁰ Historically, the concept of geographical indications has been closely related to the notion of *terroir*, literally, "soil" or "terrain". The term connotes a limited geographical area, whose geology, topography, local climate, flora and other factors impart distinctive qualities to products originating there. Thus the concept of *terroir* expresses the connection between the geographical location where a food or beverage is produced and the quality or other characteristic of the product. *Terroir* may also comprehend the human element of the geographical environment, i.e., the skilled exercise of techniques and knowledge acquired, developed and handed down over generations.¹¹

GI applies to a specific region within a given state. The relevant region can be very large, and in some cases encompasses an entire state; even the name of a Member State can be recognised as a GI, as in the cases, for example, of 'Darjeeling Tea', 'Irish Whiskey', 'Mysore Silk' and 'Canadian Rye Whisky'. Typically, national rules limit the use of a given GI to producers who, in addition to residing in the designated region, follow specified manufacturing practices and use

particular ingredients. These rules aim to ensure that the authentic and special quality claimed for the protected good is present in all products that carry the GI. European case laws indicate that, when considering the grant of a defined geographical area, the size of the area is immaterial.¹² In 2005 the European Court

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of Justice held that Greece had the exclusive right to call its famous salty white cheese 'feta'. The indication 'Swiss-made' is also a protected GI for watches. Hence, within a GI-protected region there may be numerous distinct and competing producers.

GIs could be iconic symbols or emblems like the Eiffel Tower to designate a French good, or the Taj Mahal to designate an Indian good or the Statue of Liberty to designate an American good. Moreover, denominations that are not 'direct geographical names' (such as Basmati) are also feasible.

GI protection means that producers outside a designated region cannot use recognized GIs, no matter how similar their product is to the GI-protected

10 Philippe Cullet, *Intellectual Property Protection and Sustainable Development*, 330 (LexisNexis Butterworths, Nagpur, 2005)

11 T.Broude, "Culture, Trade and Additional Protection for Geographical Indications", *BRIDGES* September–October 2005 No. 9:18

12 See Concerning the definitional breadth of the specified Geographic Area Case T-109/97, concerning the PDO 'Altenburger Ziegenkase' (goats' cheese made in the Altenburg region, which must contain a minimum percentage of goats' milk), which was registered by Germany under Regulation No. 2081/92

product. Even the phrase *methode champenoise*, which denotes a product or process method, rather than any regional quality *per se*, has been held to be improper for German producers of sparkling wine to employ on their labels.¹³ In the *Prosciutto di Parma* case before the European Court of Justice, the *Conzorio del Prosciuttodi Parma* successfully sued two UK firms that imported whole hams and sliced them in Britain, on the ground that the slicing and packaging of prosciutto di parma was central to the ham's valuable reputation and therefore can only occur within the limited region designated by the GI.¹⁴

2. Protection of Geographical Indications-A Comparative Analysis

2.1 United States of America

The US is a member of the World Intellectual Property Organization from 25 August 1970, a signatory of the Paris Convention for the Protection of Industrial Property from 30 May 1887, and the Madrid Protocol Concerning the International Registration of Marks from 2 November 2003.¹⁵ The US is also a WTO Member from 1st January 1995.¹⁶ There is an agreement between the European Community and the United States of America on the mutual recognition of certain distilled spirits/spirit drinks of

25th March 1994.¹⁷ The European Community and the United States of America have also another agreement on Trade in Wine of 10th March, 2006.

The United States has provided protection to foreign and domestic GIs since at least 1946, decades prior to the implementation of the *TRIPS Agreement* when the term of art "geographical indication" came into wide use.¹⁸ Geographical indications are viewed in the US as a sub-set of trademarks. Therefore, GIs are protected as trademarks, collective or certification marks employing the existing trademark regime.¹⁹ Applications for registration of collective or certification trademarks must be submitted to the US Patent and Trademark Office (USPTO) that is the authority responsible for the registration of all trademarks. The United States has found that by protecting geographical indications through the trademark system, usually as certification and collective marks, it can provide *TRIPS* plus level of protection to GIs, of either domestic or foreign origin.

The United States protects the geographical indications in the following different ways:

(a) United States Certification Marks

Under the US Intellectual Property Rights Law, geographical indication is protected

13 Gulmann AG in Case C- 306/93, *SMW Winzersekt GmbH v. Land Rheinland-Pfalz* [1995] ECRI - 5555.

14 Case C-108/01 *Conorzio del Prosciutto di Parma and Salumificio S. Rita SpA v. Asda Stores Ltd and Hygrade Foods Ltd.* [2003] ECRI 05121 available at curia.europa.eu.

15 Contracting Parties available at: http://www.wipo.int/treaties/en/ShowResults.jsp?treaty_id=15 (Visited in January, 2016)

16 Members and Observers available at: http://www.wto.org/english/thewto_e/whatis_e/tif_e/org6_e.htm (Visited on April, 2014)

17 Official Journal L 157, 24 June 1996

18 Available at: http://www.uspto.gov/web/offices/dcom/olia/globalip/pdf/gi_system.pdf (Visited on April, 2014)

19 Section 4 of The US Trade Mark Act of 1946, as amended codified in 15 USC 1051

under the certification marks protection system.²⁰ The US Trademark Act, 1946 regards geographical indication as part of certification mark. The purpose of a certification mark is to inform purchasers that the goods/services of the authorized user possess certain characteristics or meet certain qualifications or standards. It does not identify source of goods. Specifically for geographical indication, the US certification mark certifies all aspects of the nature of origin of the goods or services to which it has been applied. The same mark can be used to certify more than one characteristic of the goods/services in more than one certification category e.g., the mark ROQUEFORT²¹ is used to indicate that the cheese has been manufactured from sheep's milk and cured in the caves of the Community of Roquefort (France) in accordance with their long established methods and processes.

The accompanying specimens of use and evidence in the record are reviewed to determine whether the geographical sign is being used as a certification mark to indicate the geographical origin of the goods/services upon which it is used.²² If the record or other evidence available indicates that a specific sign in question has a principal significance as a generic term denoting a type of goods/services, then the registration is refused.

As with other general trademark laws, title 15 USC Section 1052(e)(2) prohibits the registration of marks which, when used on or in connection with the goods of an applicant, are 'primarily geographically descriptive' of them. Thus a descriptive term including a geographical term cannot be registered as a trademark. However, this specifically excludes 'indications of regional origin'. An indication of regional origin or geographical indication is registrable under title 15 USC Section 1054 as a certification mark. In addition, where an applicant can demonstrate that a geographic term has become associated with its goods (or services) and thus has acquired distinctiveness with regard to those goods or services, registration is permitted under title 15 USC Section 1052(f).

(b) United States Collective Marks

In addition, GIs can be protected under the US law by Collective Marks.²³ The collective mark is a particular type of trademark that does not identify the source of a good but indicates membership in a particular organization. The owner of a collective mark, unlike the owner of a certification mark, can use the mark to produce and market its own goods and also promote its members' products. There are two types of collective marks in the United States:

20 Title 5 USC Section 1127 defines a Certification Mark as: any word, name, symbol, or device, or any combination thereof used by a person other than its ownertocertify regional or other origin, material, mode of manufacture, quality, accuracy, or other characteristic of such person's goods or services or that the work or labour on the goods or services was performed by members of a union or other organization

21 U.S. Registration No. 571,798

22 See 15 USC Section 1051(a) (1) (specimens of use in US commerce are required prior to issuing a registration, in the case of use-based and intent-to-use based applications. Specimens of use are required for maintenance of registrations issued under Paris Convention provisions)

23 Title 5 USC Section 1127 defines a collective mark as a trademark or service mark— (1) used by the members of a cooperative, an association, or other collective group or organization, or (2) which such cooperative, association, or other collective group or organization has a bonafide intention to use in commerce and applies to register on the principal register established by this chapter, and includes marks indicating membership in a union, an association, or other organization

- (i) Collective trademarks or collective service marks; and
- (ii) Collective membership marks.

The distinction between these types of collective marks is explained by the Trademark Trial and Appeal Board (TTAB), a USPTO administrative tribunal, as follows:²⁴

A collective trademark or collective service mark is a mark adopted by a “collective” (*i.e.*, an association, union, cooperative, fraternal organization, or other organized collective group) for use only by its members, who in turn use the mark to identify their goods or services and distinguish them from those of non-members. The “collective” itself neither sells goods nor performs services under a collective trademark or collective service mark, but the collective may advertise or otherwise promote the goods or services sold or rendered by its members under the mark. A collective membership mark is a mark adopted for the purpose of indicating membership in an organized collective group, such as a union, an association, or other organization.

Collective trademarks and collective service marks indicate commercial origin of goods or services just as “regular” trademarks and service marks do, but as collective marks they indicate origin in members of a group rather than origin in any one member or party.

Subject to the provisions relating to the registration of trademarks, collective, including indications of regional origin, can be registered, in the same manner and with the same effect as are trademarks, by persons, and nations, States, municipalities, and the like, exercising legitimate control over the use of the marks sought to be registered.²⁵

(c) Protection of Geographical Indications as Trademarks in the US

Finally, under the US regime, it is possible to protect geographical indications as trademarks. Pursuant to well-established US trademark law, geographic terms or signs are not registrable as trademarks if they are geographically descriptive or geographically misdescriptive of the origin of the goods (or services).²⁶ The United States does not protect geographic terms or signs that are generic²⁷ for goods/services. Once a geographic designation is generic in the United States, any producer is free to use the designation for its goods/services.²⁸ Another feature of the United States trademark system is that it provides the GI owner with the exclusive right to prevent the use of GI by unauthorized parties when such use would likely cause consumer confusion, mistake or deception as to the source of the goods or services.²⁹ In this way, a prior right holder has priority and exclusivity over any later users of the same or similar sign on the same, similar, related, or in some cases unrelated goods/services

24 Geographical Indication Protection in the United States, United States Patent and Trademark Office *available at*: http://www.uspto.gov/web/offices/dcom/olia/globalip/pdf/gi_system.pdf (Visited on April, 2014)

25 15 USC Section 1054

26 15 USC Section 1052

27 A geographic term or sign is considered “generic” when it is so widely used that consumers view it as designating a category of all of the goods/services of the same type, rather than as a geographic origin. As an example, the word “banana” cannot be protected as a trademark for banana because the word “banana” is the generic name for the fruit or the term “cologne” now denotes a certain kind of perfumed toilet water, regardless of whether or not it was produced in the region of Cologne. Many countries, such as the United States, do not protect generic indications because they are believed to be incapable of identifying a specific business source or a specifically defined collective producing source

28 15 USC Section 1064

29 15 USC Section 1052 (d)

where consumers would likely be confused by the two uses.

Protecting GIs as trademarks, collective or certification marks employs the existing trademark regime, a regime that is already familiar to businesses, both foreign and domestic. Moreover, no additional commitment of resources by governments or taxpayers (for example, personnel or money) is required to create a new GI registration or protection system.

(d) Opposition and Cancellation

With respect to protection of geographical indication, affected parties can oppose registration or seek to cancel registrations, all within the existing trademark regime in the United States. If a party would be aggrieved by the registration of a trademark, service mark, certification mark or collective mark or would be damaged by the continued existence of a US registration, that party may institute a proceeding at the TTAB, an administrative body at the USPTO.³⁰ The TTAB has jurisdiction over opposition and cancellation proceedings as well as over appeals from an examining attorney's final refusal to register a mark in an application. The losing party at the TTAB level may appeal the TTAB's decision to the *Court of Appeals* for the Federal Circuit, a court with jurisdiction, *inter alia*, over intellectual property matters. From that court, the losing party may appeal to the *US Supreme Court*.

Beyond trademarks, certification and collective marks, the United States system, like many other countries, affords other forms of general legal protection to

GIs. These include common legal instruments such as unfair competition law and some regulatory norms pertaining to truth in advertisements and labelling. Geographical indications are protected through common law without being registered by the USPTO also.

The US has not been against the incorporation of GI protection in trade agreements. Every regional and bilateral trade pact since the *North American Free Trade Agreement* (NAFTA) has included some provisions for mutual protection of particular US GIs, such as Tennessee Whiskey and Bourbon, and the corresponding national favourites from the other country. Moreover, the intellectual property rules in US trade agreements tend to be stricter than are the *TRIPS* provisions.

Two important trade agreements of the United States are discussed below:

(i) The United States Regulations of the Bureau of Alcohol, Tobacco and Firearms (ATF)

Protection to geographical indications in the US is also available under the laws and regulations administered by the Bureau of Alcohol, Tobacco, and Firearms.³¹ The pertinent law covering geographic indications is the *Federal Alcohol Administration Act and Implementing Regulations*.³² These regulations prohibit the labelling and advertising wines in ways that can mislead the public. Under these regulations, ATF has the authority to prevent the misleading use of geographical indications for distilled spirits, wine and malt beverages.³³ Thus registration is not required before an

30 Section 2.101 of the US Trade Mark Act of 1946

31 Available at: <http://www.atf.gov/> (Visited on April, 2014)

32 Laws and Regulations under the Federal Alcohol Administration Act and Other Related Provisions of Title 27, United States Code and Title 27, Code of Federal Regulations available at: http://www.ttb.gov/pdf/ttbp51008_laws_regs_act052007.pdf (Visited on April, 2014)

33 These regulations include 27 CFR Parts 4 and 12 for wine, 27 CFR Part 5 for distilled spirits, and 27 CFR Part 7 for malt beverages

action can be brought in *Federal Court*. In line with the homonymous geographical indication of wines regulated in *TRIPS*, these regulations also prohibit the misleading use of 'sound-alike' geographical indication for wines, and use of a coined word or name that simulates or imitates a geographical indication if it creates a false impression.³⁴ Wine's advertising, statements, designs, devices or representations that tend to create the impression that the wine originated in a particular place or region are prohibited, unless the label of the advertised product bears an appellation of origin, and such appellation of origin appears in the advertisement in direct conjunction with the class and type designation.

(ii) North American Free Trade Agreement (NAFTA)

This regional treaty was a free trade agreement which came into force on January 1, 1994 and was signed by the Governments of Canada, United Mexican States and the United States of America. *NAFTA's* intellectual property provisions create the highest legal standards for protection and enforcement of intellectual property ever negotiated.³⁵ *NAFTA* mandates minimum standards of intellectual property protection but does not prevent countries from establishing even higher standards. The Agreement requires each country to treat nationals of other countries in a manner that is no less favourable than that accorded its own nationals.³⁶ The definition of GI and the substantive provisions of the protection under the Treaty are virtually identical to those in the *TRIPS Agreement*. Article 1712 of the

NAFTA Agreement defines the framework of protection that would be available to geographical indications subject to certain exceptions. It provides for the prevention of 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 territory, region or locality other than the true place of origin, in a manner that misleads the public as to the geographical origin of the good and any use that constitutes an act of unfair competition within the meaning of *Article 10bis* of the *Paris Convention*.³⁷

(e) Critical Analysis

From the above discussion we can conclude that

- (i) The US certification mark can provide legal protection for geographical indication quite strong as that for the specialised ones because the US certification mark protection also requires a linkage between the products and the products' place of origin. This linkage should be part of all grounds for certification. Once the linkage has been established and the certification has been granted, the certification marks could protect one or more products, including one or more producers in the given regions.
- (ii) In most instances the authority that exercises control over the use of a geographical term as a certification mark in the US is a governmental body or a body operating with governmental authorization. When a geographical term is used as a

³⁴ Section 4.64 Regulations Title 27 Code of Federal Regulations

³⁵ North American Free Trade Agreement - Chapter Seventeen: Intellectual Property *available at*: <https://www.nafta-sec-alena.org/Home/Legal-Texts/North-American-Free-Trade-Agreement?mvid=1&secid=b6e715c1-ec07-4c96-b18e-d762b2ebe511> (Visited in January, 2016)

³⁶ Article 1703 NAFTA

³⁷ Article 1712 (1) NAFTA

certification mark, two things are important i.e., to preserve the freedom of all persons in the region to use the term and to prevent abuses or illegal uses of the mark which would be detrimental to all those entitled to use the mark. Thus a private individual is not in the best position to fulfill these objectives satisfactorily. The government of a region is often the logical authority to control the use of the name of the region. The government, either directly or through a body to which it has given authority, would have power to preserve the right of all persons and to prevent abuse or illegal use of the mark.

2.2 Dualism of Protection of Geographical Indications in China

China is a member of the World Intellectual Property Organization from 3rd June, 1980 and a signatory to the *Paris Convention for the Protection of Industrial Property* from 19th March, 1985 and the *Madrid Agreement concerning the International Registration of Marks* from 4 October 1989.³⁸ China was admitted to the WTO on 11th December, 2001, and thereby was bound to incorporate *TRIPS* protections into its national law.³⁹

Although China had many products known by their place of origin, such as Jinhua ham, Fuling pickled mustard tuber, and Huangyan tangerines,⁴⁰ it was slow to offer GI protection. Admission to

the WTO spurred significant efforts by Chinese legislators to update intellectual property laws. Ultimately, China decided to protect GIs with both trademark law and also under the AOC model.

China maintains two parallel and independent systems for protecting Geographical Indications. The first is a trademark registration system and the second is the Special Label programme for the Protection of Geographical Indications or Marks of Origin. The Trademark regime covers trademarks with geographical names for goods and services. The Special Label system is conceptually similar to the EU's *sui generis* PGI/PDO system in that it specifically deals with GIs and distinguishes them with a special label indicating a registered 'geographic indication product'. It protects Geographical Indications of both agricultural and handicraft products. The governing agencies administering China's two GI systems are separate and operate independently of each other.⁴¹ A GI registered under the Special Label programme may subsequently also be registered as a certification or collective mark.

(a) Geographical Indication Registration and Protection under China's Trade Mark Law

China made and amended rules and guidelines relating to IPRs to deal with the new protection obligations imposed by *TRIPS*. Among those rules and guidelines, the Trade Mark Law,⁴² the Regulations for the Implementation of the

38 Contracting Parties available at: http://www.wipo.int/treaties/en/ShowResults.jsp?lang=en&treaty_id=2 (Visited in January, 2016)

39 Members and Observers available at: http://www.wto.org/english/thewto_e/whatis_e/tif_e/org6_e.htm (Visited on April, 2014)

40 Christopher Heath (ed.), *Intellectual Property Law in China* 144 (Kluwer Law International, Netherlands, 2005)

41 The State Administration of Quality Supervision, Inspection and Quarantine administers China's AOC model of GI protection.

42 Trade Mark Law (promulgated by the Standing Comm. Nat'l People's Cong., Aug. 23, 1982, effective 1st March, 1983), translated in PRCLEG 2107 (LEXIS)

Trade Mark Law (“Implementing Regulations”),⁴³ and the Measures for the Registration and Administration of Collective Marks and Certification Marks (“Administration Measures”)⁴⁴ pertain directly to the protection of GIs.

Marks are administered by the Trademark Office of the State Administration for Industry and Commerce (SAIC) and include collective and certification marks. Trademarks in China utilize a ‘first to register’ system of protection. Unlike common law countries, trademark rights in China cannot be obtained through use. GIs can be registered as collective marks or certification marks in China and receive the protection for trademarks under the Trade Mark Law.⁴⁵ China’s use of certification and collective marks is similar to their application in the common law system but there are some distinct differences as well. Under the Chinese Trade Mark Law, registration of GIs as certification marks or collective marks is subject to the requirement that they meet the definition of a geographical indication as a sign which:⁴⁶

Identify a particular good as originating in a region, where a given quality, reputation or other characteristic of the goods is essentially attributable to its natural or human factors.

So only goods are eligible to GI protections under the Trade Mark Law and services are unqualified for such protection. The types and different

categories of goods are not defined by Trade Mark Law and it can be inferred that all goods including agricultural and industrial goods are eligible for the protection. This resembles more a *sui generis* GI law, than the certification mark system as applied in the United States. The law further states that certification marks identify characteristics of products or services, the owner of the mark must have control over the use of the mark, and the owner cannot use the mark.⁴⁷ Certification marks are used to distinguish the intrinsic characteristics of otherwise similar products or services. Similarly, Chinese collective marks identify the affiliation of producers or suppliers to the registered owner of the mark. Thus, once registered, a collective mark is to be used by members of the group only. New members are permitted to use the mark, so long as they meet the registrant’s membership requirements. SAIC procedures for registering GIs as either certification or collective marks require that the applicant be a group, association or other organization applying to register a geographical indication, because a certification or collective mark must be composed of members from the relevant GI region.⁴⁸ They are required to submit proof of the rules and standards that the registration must comply with, as well as proof of their qualifications and capacity to control the mark, and to manage and audit the required standards and quality of the GI product.⁴⁹

43 Regulation for the Implementation of the Trade Mark Law (promulgated by the St. Council, 3rd August, 2002, effective 15th September, 2002), *translated in* PRCLEG 2444 (LEXIS)

44 Measures for the Registration and Administration of Collective Marks and Certification Marks (promulgated by the St. Admin. for Indus. and Commerce, April 17, 2003, effective 1st June, 2003), translation *available at*: <http://sbj.saic.gov.cn/english/show.asp?id=60&bm=flfg> (Visited on April, 2014)

45 The Chinese Trade Mark Law of 23 August 1982 covers all goods and services. The English version of the Trade Mark Law of 2001 is *available at*: <http://202.108.90.115/english/show.asp?id=47&bm=flfg> (Visited on April, 2014)

46 *Id.*, Article 16(2)

47 *Id.*, Article 3

48 *Id.*, Article 4

49 *Supra* Note 44 Article 5

The Trademark regime for the protection of GIs in China thus provides:

- (i) Definitions for GIs and therefore names and signs that meet such definition may be registered as collective or certification marks provided they satisfy all the conditions for registration as certification or collective marks;
- (ii) Formal application procedures which require that applicant to provide documents showing the given quality, reputation or any other characteristic of the goods indicated by the geographic indication; the correlation between the given quality, reputation or any other characteristic of the goods, and the natural and human factors of the region indicated by the geographic indication;
- (iii) All processes such as opposition,⁵⁰ cancellation,⁵¹ renewal etc. that are standard processes in any trademark law. Ten-year term that is perpetually renewable.⁵²

(b) China's 'Special Label' System

China's 'Special Label' system for protecting GIs is administered by the State Administration of Quality Supervision, Inspection and Quarantine (SAQSIQ), which created the special Protection of (National) Geographical Indication Products (PGIP) in 2005.⁵³ A GIP in China under the system is defined as a product that uses raw materials originating from a specific region and that is produced in a specific geographical area using traditional

techniques, the quality, special features and reputation of which are essentially determined by the geographical features of the region, and which is approved to be named after its place of origin according to the Regulations. There is no special provision under the system for wines and spirits. GI registration under the SAQSIQ System entails comprehensive government involvement.

In order to successfully register a Special Label of Origin, the applicant must be an organization, association or enterprise designated by the relevant regional

To successfully register a Special Label of Origin, the applicant must be an organization, association or enterprise designated by the relevant regional government at or above the country level

government at or above the country level.⁵⁴ The Regulation on Protection of Products of Geographical Indications thus provides:

- (i) Definition of geographical indication and therefore applications for products that need to be protected must satisfy these definitions and the application must be accompanied by the specification with standards of production and management norms;⁵⁵

⁵⁰ *Supra* Note 45 Article 30

⁵¹ *Id.*, Article 44(4)

⁵² *Id.*, Articles 37 and 38

⁵³ Provisions for the Protection of Products of Geographical Indication (promulgated by the Gen. Admin. of Quality Supervision, Inspection and Quarantine, 7th June, 2005, effective 15th July, 2005) It replaced the previous 1999 Regulations for Protection of Designations of Origin

⁵⁴ *Id.*, Article 8

⁵⁵ *Id.* Article 10

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| <ul style="list-style-type: none"> (ii) Formal Procedures for the application and registration of GIs. In addition to other details as required by the Regulation, that applicant has to indicate the geographical origin of a product or service and the qualities and characteristics of the said product or service, which are exclusively due to the place of origin, including natural and human factors;⁵⁶ (iii) Formal and substantive examination of the GI application;⁵⁷ (iv) Publication of the decision to grant a protection title to a GI or refusal of application; (v) Opposition to the grant of registration of a GI within two months after the publication of acceptance by the Gen. Admin. of Quality Supervision, Inspection and Quarantine (AQSIQ);⁵⁸ (vi) Cancellation of registered GI if not used within two years after its registration;⁵⁹ (vii) Prohibition of Unauthorized use of registered geographical indications including cases where the true origin is indicated or a geographical indication is used in translation or in combination with expressions such as “sort of”, “kind of”, “imitation” and “the like”.⁶⁰ <p>If the panel approves the application, the SAQSIQ publishes a notice of approval and the GI is protected.⁶¹ A special label</p> | <p>is then created for use on all products protected by the GI. For the Chinese PGIP, any manufacturer of the product, beyond the registrant, may use the special label so long as they meet the conditions of such use.⁶² The process by which manufacturers gain the right to use a SAQSIQ System GI is very similar to the SAQSIQ System GI registration process.</p> <p>Apart from these legislations which have special provisions for GIs there are still several laws in China that can provide common protection for GIs. For example, the Law against Unfair Competition and the Law on Product Quality prohibit forging the origin of a product and the Law on the Protection of Consumers Rights and Interests provides that consumers shall enjoy the right to obtain true information about the origins of commodities and business operators must provide authentic information. All these provisions are available for all designations on origins of goods and GIs can also be protected under them. Any conduct “infringing upon the lawful rights and interests of another business operator” constitutes an act of unfair competition. Therefore, the wrongful use of a GI protected by the Trade Mark Law or the SAQSIQ Provisions is also prohibited by the Unfair Competition Law. The Unfair Competition Law, the Product Quality Law and the Consumer Rights Law were not drafted with the specific intent of protecting GIs. Nonetheless, they do erect substantial legal barriers to GI misuse.</p> |
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⁵⁶ Id., Article 10

⁵⁷ Id., Article 12: The term “local quality and inspection departments” is defined as the “entry and exit inspection and quarantine bureaus and the quality and technical supervision bureaus of the various localities”

⁵⁸ Id., Articles 14 and 15

⁵⁹ Id., Articles 23 and 24

⁶⁰ Id., Article 12

⁶¹ Id., Article 16

⁶² Slightly different from the EU’s system where any manufacturer must be certified to meet the conditions of such use

On 30 November 2012 the European Commission announced the finalization of the "10 + 10" project that ensures protection in China of ten famous European food names registered as geographical indications.⁶³ The project was based on a protocol that became operational in 2011 after four years' negotiations, providing a road map for the mutual recognition by the EU and China of 10 traditional food names that already enjoyed GI status in their respective jurisdictions.

(c) Critical Analysis

- (i) Protection of GIs with both trademark law and GI specific legislation is not only unnecessary, it is disadvantageous. The extent of overlap between the Trademark System and the SAQSIQ System has created confusion and conflict. The fact that the same geographical indication is to be reviewed and approved by two agencies, following two different administrative procedures, not only creates a state of chaos, but also imposes a heavy burden of operation costs on market actors. It also results in conflict among the right holders and while reconciling their interests some right owners are left without the protection they deserve.
- (ii) As the SAIC and the SAQSIQ operate independently under different governing legislation, the relationship between Special

Labels and certification/collective marks is ambiguous, and sometimes there is little precedent to gauge how rules are to be interpreted. The same issue applies to the registration and enforcement process. Though registration procedures includes a step for objection, it is not clear whether a Special Label can object during a certification/collective mark's application process, nor is it yet clear whether the Trademark Office can enforce the violation of a certification or collective mark by a Special Label and vice versa.

- (iii) There are potential conflicts between traditional trademarks and GIs in the form of certification marks and collective marks. Traditional trademarks registered prior to 2001 were permitted to use generic geographic names. These existing trademarks were then 'grandfathered' into the new Trade Mark Law in 2001. Under the 'first-to-file' principle in China's trademark registration procedure, a mark identical or similar to a registered trademark used on similar goods cannot be registered.⁶⁴ Thus, the Effect of SAQSIQ System Rights on Subsequent Trademark System Registrations is unclear. It is also unclear whether a previously registered Trademark System GI prevents a subsequent SAQSIQ System Registration.

63 The EU list comprises: Grana Padano; Prosciutto di Parma; Roquefort; Pruneaux d'Agen/Pruneaux d'Agen mi-cuits; Priego de Cordoba; Sierra Magina; Comte; White Stilton Cheese/Blue Stilton Cheese; Scottish Farmed Salmon and West Country Farmhouse Cheddar. The Chinese list comprises: Dongshan Bai Lu Sun (asparagus), Guanxi Mi You (honey pomelo), Jinxiang Da Suan (garlic), Lixian Ma Shan Yao (yam), Longjing cha, (tea) Pinggu Da Tao (peach), Shaanxi ping guo (apple), Yancheng Long Xia (crayfish), Zhenjiang Xiang Cu (vinegar) and Longkou Fen Si (vermicelli). See e.g., China-EU Cooperation on Geographical Indications Moves Forward, European Commission, *available at*: http://ec.europa.eu/agriculture/newsroom/26_en.htm (Visited in January, 2016)

64 Article 13 of the Chinese Trade Mark Law, 1982

- (iv) An inconsistency between the governing Administration Methods and Implementation Rules of the *Trade Mark Act* creates anomalies in China's collective marks whereby the connection between members of the group using the registered mark and the geographic location and/or the producing area of the registered product to which the mark is applied is not clear. The legislation enables anyone qualified to be a member of the registrant

GIs of Indian origin have since long been adversely affected by unscrupulous business practices for the want of adequate legal protection

group to register a product, regardless of place of production, hence the connection between the mark and producing area is diluted.

- (v) Finally, in China, corporations can register and own collective marks, despite not being a group, association or collective. The *Trade Mark Act's* Administrative Methods state that a collective mark is to be used by members of the registrant group only, prohibiting use by non-members.⁶⁵ However, the *Trade Mark Act's* Implementation Rules allow non-members of the registrant group also to use the collective

mark,⁶⁶ without the group's consent and the registrant group cannot prevent its use, thus circumventing provisions of the Administrative Methods demanding control of the use of the mark. Thus, there is no apparent means by which entities wishing to use the corporate-owned collective mark may join the corporation in order to use the collective mark.

China would have sensibly looked to the established GI protection systems of other nations when reforming its laws to implement its obligations under *TRIPS* regarding GIs in order to avoid these conflicts.

2.3 Development of Geographical Indication Protection in India

Being party to the *Paris Convention for the Protection of Industrial Property*⁶⁷, India has for long recognized 'indications of source' and 'appellations of origin' as elements of industrial property.

Even so innumerable companies and traders have been free-riding on the goodwill and reputation associated with various renowned geographical names of Indian origin, for years. The legitimate right holders of various GIs of Indian origin have since long been adversely affected by unscrupulous business practices for the want of adequate legal protection as is clear from the grant of patents on products like neem, turmeric and basmati to aliens. To meet this challenge, need for introduction of an appropriate law on geographical indications in India was the felt desire of local producers to have protection in

⁶⁵ Article 17 of Regulation for the Implementation of the Trade Mark Law, 2002

⁶⁶ Article 6 of Measures for the Registration and Administration of Collective Marks and Certification Marks, 2003

⁶⁷ Paris Convention for the Protection of Industrial Property 20th March, 1883, available at : http://www.wipo.int/treaties/en/text.jsp?file_id=288514 (Visited in January, 2016)

respect of products which originated in their own regions.

Although the Indian courts applied the common law principle of passing off action to GIs as in case of trademarks but need for a legislative framework was obvious if GIs were to be given effective protection. It is in such a scenario that India took steps to enact legislations for protection of Intellectual Property in compliance with the *TRIPS Agreement*. The legislation namely *Geographical Indications (Registration and Protection) of Goods Act, 1999*⁶⁸ is one such step. India by introducing *Geographical Indication (Registration and Protection) Act, 1999 (GI Act)*, which is a *sui generis* legislation, innovated a legal protection for its geographical indications at the national level. Thus India in 1999 granted statutory recognition to geographical indications as intellectual property rights, in order to preserve and develop its traditional resources and knowledge. From then on, the thrust for the protection of geographical indications has increased steadily given the fact that India has a rich natural heritage and has many agricultural varieties, tribal handicrafts, natural and manufactured goods/foodstuffs which are peculiar to it and need to be protected as geographical indication.

The developing countries, like India, have shown keen interest in the subject of GIs in recent years. India and few other developing countries have turned to GIs in seeking an integrated approach to protect their natural wealth.⁶⁹ The development of the law of GIs in India has been spurred by both the greater need and the additional opportunities offered by the global marketplace for the diversification of agricultural products and foodstuffs.

In India, patents have been protected by statutes for many decades, but geographical indications have been mostly protected through the judiciary's use of the passing off action or consumer protection measures. Till 1999 geographical indications could not be registered in India because of the absence of any statutory protection and thus Indian geographical indications were being misused by persons outside India.

Concerns over biopiracy in India led to an increased focus on geographical indications and to the adoption of the Geographical Indications of Goods (Registration and Protection) Act, 1999

The ratification of the *TRIPS Agreement* and concerns over biopiracy in India led to an increased focus on geographical indications and to the adoption of the *Geographical Indications of Goods (Registration and Protection) Act, 1999*. To carry out the provisions of this Act, the Central Government also notified a set of Rule in 2002 called as '*Geographical Indications of Goods (Registration and Protection) Rules, 2002*'. Unless a geographical indication is protected in the country of its origin, there is no obligation under the *TRIPS Agreement* for the other countries to extend reciprocal protection. Being a signatory to the *TRIPS Agreement*, India was obliged to set into place national intellectual property laws which also include GI laws. India

⁶⁸ *Geographical Indications of Goods (Registration and Protection) Act, 1999*, Act, 48 of 1999. The Act came into force on 15th September, 2003

⁶⁹ Ritika Banerjee and Mohar Majumdar, "In the mood to Compromise? Extended protection of geographical indications under TRIPS Article 23" 6 *Jnl of Intellectual Property Law & Pract* 657-663 at 662 (2011)

consciously incorporated formally the provisions of *Articles 22, 23 and 24 of the TRIPS Agreement* through this Act and thus made structural adjustments and tried to change the mind-set of its people. The Parliament recognized that providing legal protection for Indian geographical indications would boost exports and promote economic prosperity for producers of goods produced in an economic territory. Thus, the desire to protect geographical indications from misappropriation and abuse eventually led to the adoption of a separate system of registered protection for the geographical indications which allows for collective rights.

(a) The Geographical Indication of Goods (Registration and Protection) Act, 1999

The Act seeks to provide for the registration and better protection of geographical indications for goods relating to India. Goods that may qualify for GI registration and protection in India include natural, agricultural and manufactured goods (handicrafts, manufactured goods, foodstuffs) so long as the production, processing and/or preparation takes place in the territory stated in the registry.⁷⁰ There is also a provision in the Act for broadly extending a higher level of protection envisaged under *Article 23 (1) of the TRIPS Agreement*.

The Act has been divided into nine chapters. Chapter I is preliminary, which defines various terms used in the Act. Chapter II deals with the register and conditions for registration including appointment and powers of registrar and also prohibition of registration of certain geographical indications. Chapter III provides for the procedure for and duration of registration. Chapter IV describes the effect of registration. Chapter V contains the special provision relating

to trademarks and prior users. Chapter VI provides for rectification and correction of the Register. Chapter VII is concerned with the appeals to the Appellate Board. Chapter VIII prescribes offences, penalties and procedure and the last chapter i.e., Chapter IX is miscellaneous.

The Object of the Act of 1999 is three fold:⁷¹

- (i) Firstly, a statutory legal frame work governing the geographical indications of goods in the country is envisaged with an intent to grant adequate protection to the producers of such goods;
- (ii) Secondly, to prohibit unauthorized persons from misusing geographical indications and to protect consumers from deception; and
- (iii) Thirdly, to promote export of goods bearing Indian geographical indications.

The salient features of the Act are as follows:

- (i) Definitions and interpretation of several important terms like 'geographical indication', 'goods', 'producers', 'package', 'registered proprietor', 'authorised user' etc.;
- (ii) Provision for the establishment of a Geographical Indications Registry;
- (iii) Provision for the maintenance of a Register of Geographical Indications in two parts-Part A and Part B and use of computers, etc. for maintenance of such registers. While Part A will contain all registered geographical indicators, Part B will contain particulars of registered authorised users;
- (iv) Registration of geographical indications of goods in specified classes;

⁷⁰ Section 2(1)(f) of Geographical Indications of Goods (Registration and Protection) Act, 1999

⁷¹ Draft Manual of Geographical Indications Practice & Procedure Published by the Office of Controller General of Patents, Designs and Trademarks, (31st March, 2011)

(v) Prohibition of registration of certain geographical indications;	protection of homonymous geographical indication, etc.
(vi) Provision for framing of Rule by the Central Government for filling of applications, its content and matters relating to substantive examination of geographical indication applications;	In India GIs are defined as under: ⁷²
(vii) Compulsory advertisement of all accepted geographical indications applications and for inviting objections;	'Geographical Indication', in relation to goods, means an indication which identifies such goods as agricultural goods, natural goods or manufactured goods as originating, or manufactured in the territory of a country, or a region or locality in that territory, where a given quality, reputation or other characteristics of such goods is essentially attributable to its geographical origin and in case where such goods are manufactured goods one of the activities of either the production or of processing or preparation of the goods concerned takes place in such territory, region or locality, as the case may be.
(viii) Registration of authorised users of registered geographical indications and providing infringement action either by a registered proprietor or an authorised user;	Explanation added to the above Section further clarifies any name which is not the name of a country, region or locality of that country shall also be considered as the GI if it relates to a specific geographical area and is used upon or in relation to particular goods originating from that country, region or locality, as the case may be.
(ix) Provisions for the renewal, rectification and restoration of geographical indications and authorised user;	Further "goods" under the Act includes any agricultural, natural or manufactured goods or any goods of handicraft or of industry and includes foodstuff. ⁷³ A closer look at the definition shows that the Indian law explicitly extends the protection to geographical indications used not only for agricultural products, but also for manufactured goods. The definition thus has gone beyond what was the concept of geographical term in <i>Imperial Tobacco Co. of India Ltd. v. The Registrar of Trademarks</i> ⁷⁴ where the <i>Calcutta High Court</i> while explaining the concept of "geographical term" limited the definition as under: ⁷⁵
(x) Provision for higher level of protection for notified goods;	
(xi) Prohibition of assignment etc. of geographical indication as it is public property;	
(xii) Prohibition of registration of geographical indication as a trademark;	
(xiii) Appeal against Registrar's decisions would lie to the Intellectual Property Appellate Board established under the Trademarks legislation;	
(xiv) Provision relating to offences and penalties;	
(xv) Provision detailing the effects of registration and the rights conferred by registration;	
(xvi) Provisions for reciprocity, power of Registrar, maintenance of index,	

72 Section 2(1)(e) of Geographical Indications of Goods (Registration and Protection) Act, 1999

73 Id., Section 2(1)(f)

74 AIR 1977 Cal 413

75 Id. at 414

A geographical name according to its ordinary signification is such mark inherently or otherwise incapable of registration subject to minor exceptions. A geographical name not used in geographical sense to denote place of origin, but used in an arbitrary or fanciful way to indicate origin or ownership regardless of location, may be sustained as a valid trademark.

(b) Special Provisions in Relation to Trademarks and Prior Users

Chapter V of the Act deals with the special provisions relating to trademarks and prior users. Registration of GI as a trademark is not permitted. The basic intention of this provision is to prevent appropriation of a public property in the nature of a geographical indication by an individual as a trademark leading to confusion in the market. According to the *Section 25* of the Act the Registrar of Trademarks shall, *suo motu* or at the request of an interested party, refuse or invalidate the registrations of a trademark which:

- (i) contains or consists of a geographical indication with respect to the goods or class or classes of goods not originating in the territory of a country, or a region or locality in that territory which such geographical indication indicates, if use of such geographical indications in the trademark for such goods, is of such a nature as to confuse or mislead the persons as to the true place of origin of such goods or class or classes of goods;
- (ii) contains or consists of a geographical indication identifying goods or class or classes of goods notified under sub-section (2) of *Section 22*.⁷⁶

But *Section 26* is in nature an exception to the law in *Section 25* of the Act. This Section protects the trademark which contains or consists of a geographical indication and has been applied for or registered in good faith under the law relating to trademarks for the time being in force, or where rights to such trademark have been acquired through use in good faith either:

- (i) before the commencement of this Act; or
- (ii) before the date of filing the application for registration of such geographical indication under this Act;

Section 9(1) (d) of the *Trade and Merchandise Marks Act, 1958* provides that a trademark which is a geographical name in its ordinary signification is not to be registered except in some cases. *Section 9 (1)* of the *Trade Marks Act, 1999* also provides for absolute grounds for refusal of registration of a trademark which consists exclusively of marks or indications which may serve in trade to designate the kind, quality, quantity, intended purpose, values, geographical origin or the time of production of the goods or rendering of the service or other characteristics of the goods or services. Thus even before the commencement of the *GI Act of 1999* protection was given in India to the geographical names from being registered as trademarks with certain limitations. For example in *Imperial Tobacco Co. of India Ltd. v. The Registrar of Trademarks*⁷⁷ the appellant made an application before the Registrar applying for registration as a trademark of a label bearing the device of snow-clad hills in outline and the word "Simla" written prominently in various panels of the

⁷⁶ According to *Section 22(2)* the Central Government may, if it thinks necessary so to do for providing additional protection to certain goods or classes of goods under sub-section (3), by notification in the Official Gazette, specify such goods or class or classes of goods, for the purposes of such protection

⁷⁷ AIR 1977 Cal 413

label, used as wrapper of packets of cigarettes. The application for registration was refused by the *Calcutta High Court* on the ground that 'Simla' was neither an invented word nor a word having a dictionary meaning. Its geographical signification was thus plain and unequivocal and the snow-clad hills in outline in the label made the geographical significance inescapable. Even so, it was held, a geographical word is not an absolute disqualification for the purpose of registration in Part A of the Register, as Section 9(2) of the *Trade and Merchandise Marks Act, 1958* provides that a geographical name "shall not be registrable in Part A of the register except upon evidence of its distinctiveness". A geographical name in its ordinary signification can thus be registered upon evidence of distinctiveness and such evidence will establish if the mark has acquired distinctiveness. The affidavit evidence by dealers adduced by the appellant in support of the proof of acquisition of distinctiveness was considered insufficient to establish distinctiveness in "a magically short time of barely three years", as "distinctiveness of goods in a trade by association with a particular name requires normally a hard laborious time consuming process in business". The court agreed with the finding of the Registrar that the appellant's mark had not become distinctive and evidence is not such as to prove such distinctiveness. The Court further stated 'Simla' is too prominent a city, the capital of Himachal Pradesh, well known in the country and abroad and in its ordinary or geographical significance it is inherently neither distinctive nor adapted to distinguishing the goods of the appellant as a particular trader from those of others, and is also hit by the provisions of Section 9(1) (d) of the *Trade and Merchandise Marks Act, 1958*.

In some cases geographical words have been accepted as trademarks, where such words show distinctive character by reason of use or other circumstances but the *Trade Marks Act, 1999* provides that a trademark which consists exclusively of marks or indications which may serve in trade to designate the geographical origin of goods are

*A geographical word is not
an absolute disqualification
for the purpose of registration
in Part A of the Register*

not registrable. For example in *Yorkshire Copper Works Ltd. v. Registrar of Trade Marks*⁷⁸ case the Applicant applied to register the word "Yorkshire" for solid-drawn tubes and capillary fittings, all being made of copper or non-ferrous copper alloys. There was no other manufacturer of such goods in Yorkshire, and evidence was filed that the mark had acquired "100 per cent distinctiveness". As the registration of the trademark was refused by the Registrar, an appeal was made to the *House of Lords*. The *House of Lords* held that even though the mark might have acquired such distinctiveness, the Registrar is bound to have regard to the extent to which it was "inherently adapted to distinguish" the goods in question and, inasmuch as it was not so adapted, it should not be registered. As the mark was beyond question a geographical name, even though it has no direct reference to the character or quality of goods, it could not be

⁷⁸ (1954) 71 RPC 150 (HL)

registered if it was according to its ordinary signification of a geographical name. *Lord Simonds* held that:⁷⁹

Paradoxical perhaps, the more apt a word is to describe the goods of a manufacturer, the less apt it is to distinguish them: for a word that is apt to describe the goods of A, is likely to be apt to describe the similar goods of B. It is, I think for this very reason that a geographical name is *prima facie* denied registrability. For, just a manufacturer is not entitled to a monopoly of a laudatory or descriptive epithet, so he is not to claim for his own a territory, whether country, country or town, which may be in the future, if it is not now, the seat of manufacture of goods similar to his own.

The application was rightly rejected and the test laid down was that a geographical name can only be inherently adapted to distinguish the goods of A when you can predicate of it that it is such a name as it would never occur to B to use in respect of similar goods. Of such names the classic examples are "Monte Rosa" for cigarettes or "Teneriffe" for boiler plates. Thus the appeal was dismissed with costs.

Geographical terms or signs cannot be registered as trademarks if they are merely geographically descriptive or geographically mis-descriptive. However, if a geographical sign is used in such a way as to identify the source of the goods or services, and if consumers have over time come to recognize it as identifying a particular company, manufacturer or group of producers, it no longer describes only the place of origin, but also the "source" of the uniqueness of the goods or services. At this point, the sign has thus acquired a "distinctive character" or "secondary meaning" and can therefore be registered

as a trademark. In *Nilgiri Dairy Farm v. A Rathnasabhaphy*⁸⁰ the trademark used by the plaintiff and its predecessor was 'Nilgiri Dairy Farm' for the milk used in manufacture of dairy products which came from Coimbatore District and not from Nilgiri district since 1905. Prior to 1965 the defendants used different name and mark for their dairy products. But after 1965 they commenced using plaintiffs' trade name and mark. One of the contentions raised on behalf of the defendant was that since 'Nilgiri' was a geographical name and 'Dairy Farm' was descriptive of the business, the same could not form a valid trademark. But 'Nilgiri Dairy Farm' was accepted as a protectable trademark though the word 'Nilgiri' was a geographical name and 'Dairy Farm' was descriptive of the business. The court held that the name 'Nilgiri Dairy Farm' had become a trade name to the extent necessary to maintain an action of passing off, and as the plaintiff had acquired a valuable reputation by use, the court would restrain the unauthorised use of that name and mark in a manner calculated to deceive the public and cause damage to the plaintiff.

In *Bikanerwala v. New Bikanerwala*⁸¹ the defendant started using a trademark /trade name with a prefix 'NEW' to the mark 'BIKANERWALA' which was visually, structurally and phonetically similar to the mark/trade name of the plaintiff. An interim injunction was granted restraining the use of trade name /trademark 'New Bikanerwala' though the expression 'BIKANER' is a well-known geographical city of Rajasthan, which is known and recognized for a particular type/kind of food articles for human consumption. The court held though the trade name contained a geographical name, but conveyed a distinct and specific

⁷⁹ Id. at 154

⁸⁰ (1975) 2 Karn. LJ 505

⁸¹ 2005 (30) PTC 113 (Del)

meaning in common parlance in view of the user by the plaintiff of over 100 years. A trademark/trade name, even if it contains or refers to a geographical name, but if it conveys a distinct and specific meaning in common parlance as to indicate the origin of the person or the product and the said mark has assumed a secondary significance, the same can constitute valid trademark/trade name and is capable of protection under the *Trademark Act* as well as under the common law against passing off by a defendant

(c) Critical Appraisal

No doubt India formulated a legislation in the form of the 1999 Act, but the law in this regard is yet to solidify and far from strong foundation. As with most GI systems, the administration of the Indian GI system under the *Geographical Indications of Goods (Registration and Protection) Act, 1999* presents some challenges which are as follows:

- (i) While the definition of GIs in the *GI Act* indicates that goods imply agricultural goods, natural goods or manufactured goods, *Section 2(1) (f)*⁸² of the *GI Act* defines "goods" to mean any goods of handicraft or of industry and food stuff as well. Such discrepancy could have been avoided by the lawmakers of India.⁸³
- (ii) Though many GIs are registered in India, there is no registration of authorized users in all cases. Definition of 'producer' under the Act includes persons who trade in or deal in production, exploitation, making or manufacturing of GI goods.⁸⁴ This definition gives an upper hand to traders and

middlemen, thus actual producers get marginalized. They may register GIs which may have potential for commercial exploitation and by limiting the geographical area and identifying producers in whom they have interest and who may not be real producers, misuse the law.

- (iii) No rural producer is bothered to challenge infringement of GI nor is he interested in getting himself registered as an authorized user.
- (iv) Sometimes, the majority of producers are not actively involved in the application and are unaware that a GI has been registered, leaving the local government the task of informing them of their rights and opportunities after the fact.
- (v) Moreover, producers that are members of the group owning the registered GI do not automatically have the right to use the GI but they must be registered as an 'Authorized User', which entails a registration procedure, payment of applicable fees, and approval from the registered proprietor of the GI.
- (vi) Lack of awareness, capacity or resources may preclude legitimate producers of the GI product from registering.
- (vii) There are no provisions within the Act to ensure that the traits as required under the Act for the initial registration like quality, reputation and characteristics, are maintained post-registration.
- (viii) *Section 9 (f)* prohibits the registration of GIs that are determined to be generic. This exception of genericide,

82 Section 2(1)(f) of the Act: " goods" means any agricultural, natural or manufactured goods or any goods of handicraft or of industry and includes food stuff"

83 Kasturi Das, Protection of India's 'Geographical Indications': An Overview of the Indian Legislation and the TRIPS Scenario 46 *IJIL* 39-73 at 50 (2006)

84 Section 2(k) of Geographical Indications of Goods (Registration and Protection) Act, 1999

which is broader than required, is a serious blow to the producers in a country like India where many traditional agricultural products derive their peculiar qualities and characteristics from the particular geographical region where they are grown.

- (ix) The artisans like weavers, goldsmiths and other craftsmen may not be affluent or literate in English language, so the publication must be in the local language. The main object of the Act is to protect those persons who are directly engaged in exploiting, creating or making or manufacturing the goods. They have the hands-on experience of the GI products. When these creators or makers complain that the application has been made behind their back, the registration should not be allowed to remain.
- (x) The advertisement in *Section 13* of the Act, in the Trade Journal is of no use and will not serve the same purpose as a public notice akin to the *Section 4* of the *Land Acquisition Act 1894* notice.⁸⁵

TRIPS Agreement leaves it exclusively in the discretion of the country of origin to decide whether a particular geographical name has become generic or not. India ought to have kept the scope of genericide

as narrow as possible, i.e., it should have allowed its courts to determine which term is generic and which is not, based only on the situation in India (the country of origin) and not based on the status in the areas of consumption.⁸⁶ As an overall assessment, there is a genuine and sincere desire on the part of delegations to move

TRIPS Agreement leaves it exclusively in the discretion of the country of origin to decide whether a particular geographical name has become generic or not

forward and resolve the remaining differences in the Act.

3. Comparison of Geographical Indication Protection between the United States of America, China and India

The essential points of comparison between the United States of America, China and India in providing protection to the geographical indications are provided in Table:

⁸⁵ Id., Section 4: Publication of preliminary notification and power of officers thereupon: (1) Whenever it appears to the [appropriate Government] the land in any locality [is needed or] is likely to be needed for any public purpose [or for a company], a notification to that effect shall be published in the Official Gazette [and in two daily newspapers circulating in that locality of which at least one shall be in the regional language], and the Collector shall cause public notice of the substance of such notification to be given at convenient places in the said locality [(the last of the dates of such publication and the giving of such public notice, being hereinafter referred to as the date of the publication of the notification)]

⁸⁶ J A Reddy and S Chatterjee, "A Critique of the Indian Law and Approach towards Protection of Geographical Indications with Specific Reference to Genericide" 12 *JIPR* 572-580 at 576 (2007)

	USA	CHINA	INDIA
Type of Protection	<i>Sui generis</i> protection for wines and spirits and; Trademark regime	<i>Sui generis</i> protection and Trademark regime	<i>Sui generis</i> protection only
Relevant Regulatory Framework	The Alcoholic Beverage Labelling Act of 1988, United States Code, Title 15 (USC) and The Lanham Trade Mark Act of 1946	The Chinese Trade Mark Law of 23 August 1982; China's 'Special Label' System of 2005	The Geographical Indications of Goods (Registration and Protection) Act, 1999 and The Geographical Indications of Goods (Registration and Protection) Rules of 2002
Scope of Protection	Applicable to all goods (agricultural and/or industrial) and services	<i>Sui generis</i> protection of GIs: Applicable to goods (agricultural and handicraft) but not services. Trademark regime: Applicable to all goods and services	Applicable to goods: agricultural, handicraft, manufactured and food stuffs but not services. The 4th Schedule of the Rules also includes alcoholic beverages but, excludes beer
Administration Responsible for Registration	United States Patent and Trademark Office	SAIC and SAQSIQ	The Registrar of Geographical Indication
Protection	For a period of 10 years, renewable for further periods of 10 years	<i>Sui Generis</i> system: Protection is unlimited in time. Trademark regime: for a period of 10 years, renewable for further periods of 10 years	For a period of 10 years, renewable for further periods of 10 years

4. Conclusion

From the above discussion it can be concluded that the legal protection of GIs differs not only from one product to another but from one country to the other. The requirement of relationship between quality, reputation, or other characteristic of the good and its geographical origin are fundamental to the protection of a GI almost universally. Aim to prevent abuse has given rise to separate forms of legal protection for geographical indications both nationally and internationally.

While there is some consistency in the implementation of the legal tests in laws of countries throughout the world there are also a number of major differences in the way in which these tests are applied. If all domestic regulations were identical and perfectly enforced then trade in GI products would constitute no significant problem. As regulations differ greatly in practice, so trade agreements are needed to deal with the interface of these different ways of administering GI protection.

The United States incorporates GIs as a section of its existing intellectual property legislation i.e., trademark law. The process of applying for GI protection via United States certification or collective marks appears to be a simpler process as the requirements for inspection and verification in the former are set by the certification mark owner rather than the government. The United States systems are fairly representative of the diversity of approaches utilized by most countries active in the field of GI protection today, and can therefore serve as useful models.

In many developing countries, the system of GI protection is often at an embryonic stage and governments have a very limited capacity either to facilitate their own GIs or protect foreign ones.⁸⁷ China is among these as well. China's GI system has undergone significant change over the past few years. Further Chinese legislation is different from that

of the United States under which registration of a trademark is refused/rescinded if the trademark consists of a "well-known foreign geographic term" even if it is not recognized as indicating the place of origin of the goods. It is interesting to note that India provides for the protection of non-agricultural GI products through a *sui generis* GI system, while the Chinese products are protected under both the trademark law and the *sui generis* GI system. The problem in India is that it is unclear about how to tailor its GI regulations to promote its interests in the acquisition, development and application of traditional products, and therefore how best to exploit these flexibilities. Moreover the Indian *GI Act* is applicable to goods only and not to services. So there is need to bring services within the ambit of GI protection under our *GI Act* like the US and China.

⁸⁷ For example in sub-Saharan Africa, systems exist, but are essentially not being utilized for reasons such as confusing regulations, costs, and inaccessible bureaucracy. In others, such as Argentina and Cuba, systems exist but apply to a limited range of products (i.e. wine, spirits, and tobacco). Some countries such as Chile, India and Turkey are taking advantage of the potential for GI development in a number of areas.