



European Communities Trade Mark Association

23 February 2010

ECTA Comments on

Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions

on agricultural product quality policy

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and its Annex B on Geographical Indications

(104 pages + 6 annexes)

These comments are divided into two parts and one annex:

- Part 1 consists of a series of general comments we are making on items which generally fall within our expertise;
- Part 2 consists of a short comment on Annex B on Geographical Indications of the above mentioned document;
- Annex 1 is a comparison of and between the three European Geographical Indications Regulations.

The present paper is also a follow-up of the discussion three delegates of our Association had with DG AGRI on 11 December 2009 in the presence of Keijo Hyvonen, Head of Unit, Francis Fay, Director of Unit, and four other members of DG AGRI.

The purpose of the present paper is mainly geared to explain why and how our Association can contribute to the development and amelioration of the three Geographical Indications Regulations, namely foodstuff, wine and spirits such as foreseen in the Green Paper of 2008 and its different follow-ups, more specifically the document indicated in the above title.

Short explanation of ECTA

ECTA, which stands for European Communities Trade Mark Association, was formed in 1980. ECTA numbers approximately 1.500 members, basically coming from the Member States of the European Union with associate members from all over the world. It brings together all those persons practicing professionally in the Member States of the European Community in the field of trade marks, designs and related IP matters. These professionals are lawyers, trade mark advisors, trade mark attorneys, in-house counsel and others who can be considered specialist practitioners in these areas. With this membership, ECTA takes care of the needs of large, middle and small sized companies. For more information on ECTA, please consult www.ecta.eu.



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PART 1 – General Comments

ECTA is an enthusiastic supporter of the protection of geographical indications (GIs) at the European level, and beyond. Our Association is basically dedicated to the protection of signs in the European Union (EU) and its Member States, such as trade marks and designs. Obviously, this includes other kinds of signs, such as GIs, the more so that their main purpose is to ameliorate the quality of different kinds of products (foodstuff, wine and spirit), especially inside the EU with the help of dedicated legislations.

It is for that purpose that we have set up a Geographical Indications Committee, which has drafted the present communication.

This introductory paper, if some collaboration is to be established between the Commission in general and DG AGRI in particular and our Association, will obviously need further development.

We will mainly focus on the Foodstuff Regulation, but we will also touch upon the Wine and Spirit Regulations from time to time.

We wish at this preliminary stage to make two remarks: it is to be deplored that many Articles of the three Regulations and amongst others those relating to trade marks (see Annex 1 at the end of the present paper) – although they pursue the same object – are not drafted exactly in the same way and do not use the same terminology.

The second remark is that we are, in particular for the above mentioned reasons, very much in favour of merging the three Regulations, which would contain common Articles applicable to the three kinds of protection and separate chapters dealing separately with foodstuff, wine and spirit questions. It is for instance according to that structure that the Community Trade Mark Regulation (CTM Regulation) has been drafted with a special chapter on collective marks.

Our Association, whilst showing its great interest in GIs, cannot really be considered as a specialised Association in all the difficult aspects of this kind of protection, the more so since the three Regulations have been regularly amended and have also been the subject of additional Regulations, such as for instance for the Foodstuff Regulation: Regulation n° 628/2008 of 2 July 2008 on the yellow & red and yellow & blue labels.

We will consequently limit our remarks, observations and suggestions to the aspects where we think our expertise could be of help to the Commission.

1. Relation between GIs and trade marks

The relationship between GIs and trade marks is a difficult subject that has evolved along the years and along the different amendments of the Regulations.

There are, and we will come back to this later on, two aspects that are to be underlined, namely :



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- a) That the two kinds of protection (trade marks and GIs) must be deemed to be equally valid and that there is no reason that one should get a pre-eminence compared to the other;
- b) The so-called principle of “*first in time, first in right*”. This principle should not be interpreted broadly and does not necessarily mean that the “*first in time*” (trade mark) is entitled to exclude automatically the later in time right (GI). It should in the circumstances allow the co-existence of the two rights (see Article 14.2 of the Foodstuff Regulation), the more so since trade marks and GIs do not fulfil the same function. It is also apparently in that direction that the WTO Panel decision EU vs. U.S.A. & Australia has decided. In addition, one evidently has to take into consideration that a GI is protected only after it has been used, whilst a trade mark – at least in Europe – is protected from its application date and that the use of such trade mark may occur years later.

The need for the amelioration of the situation of trade marks versus GIs is in our opinion reinforced by the above mentioned Communication, which reads on page 10:

*“The Commission will therefore prepare the ground for a possible recast of the **geographical indications legislation** on the following lines:*

...

Clarification of intellectual property rights, and particularly the relation between different types of intellectual property.”

Whilst the word “*trade mark*” is not to be found in this short text, it is evident that trade marks are part of intellectual property.

2. Recognition of the Paris Convention, the TRIPS Agreement and Industrial Property in general

There is an interesting development in that direction, especially when one compares the original Foodstuff Regulation No 2081/1992 of 14 July 1992 and the last text No 510/2006 of 20 March 2006.

For instance, and very importantly, it now appears clearly that the Commission is taking into account that GIs, as provided for in the Paris Convention and the TRIPS Agreement, are an integral part of intellectual property, more specifically industrial property and that due account must be taken of these two international instruments.

In the text of 1992, neither in the preamble, nor in the Articles themselves, do the words “*intellectual property*” or “Paris Convention” or “*TRIPS*” appear (TRIPS was at the time still in the stage of being negotiated). These words are now clearly stated in paragraph 12 of the preamble, which states as follows:

“The Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS Agreement 1994, contained in Annex 1C to the Agreement establishing the World Trade Organisation) contains detailed provisions on the availability, acquisition, scope, maintenance and enforcement of intellectual property rights.”

After the WTO Panel decision (European Commission vs. USA & Australia), the text of the Foodstuff Regulation is now more in conformity with both the Paris Convention and the



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TRIPS Agreement. This especially concerns the possibility for entities outside the EU to file and register GIs. This is also underlined in paragraph 13 of the preamble, which reads as follows:

“The protection afforded by this Regulation, subject to registration, should be open to the geographical indications of third countries where these are protected in their country of origin.”

So now, the Regulation has switched from the “*reciprocity*” principle, which is foreign to industrial property, to the principle of “*national treatment*”: foreigners must be treated the same way as nationals (see also Annex B, Geographical Indications, page 56, § 2).

We think however that a thorough review of the Regulations should be made in order to verify their conformity with TRIPS. Here are already two examples of lack of conformity:

- Whilst following the WTO Panel decision, the reciprocity approach has been replaced by the national treatment approach, we wonder however whether the provisions of TRIPS (Article 24.5) are really correctly applied in the GI Regulations.
- The second example is of vocabulary nature: the definitions of GIs in the Foodstuff and Wine Regulation do not correspond to the definition of GIs in TRIPS. In these two Regulations, it is in fact a Protected Designation of Origin (PDO) which corresponds more or less to GI TRIPS definition. Paradoxally, the GI definition in the Spirit Regulation is more in conformity with TRIPS.

Many other examples can be given to evidence that the Regulations take more and more account of the fact that GIs are part of industrial property. As another small example, the first Wine Regulation speaks about “*brands*”, whilst now that word has been replaced by “*trade mark*”, which is the correct word when dealing with industrial property.

By the way, the word “*trade mark*” should be spelled, in accordance with European usage, in two words in the three Regulations.

3. Collective and certification marks

It is obvious that there are many similarities between collective trade marks (certification marks) and GIs. This is proven by the fact that, in quite a few countries, GIs are essentially protected through legislation protecting collective and guarantee or certification marks, such as the United States. Furthermore, the question of collective marks has been touched upon in the commented Communication (see Annex B, Geographical Indications, page 56 and 79).

It therefore appears to us that further study should be undertaken on the relationship between collective marks and GIs.

At the meeting with the Commission on 11 December 2009, the question whether the Commission should envisage organising protection of GIs on a country by country basis (just as it exists today for trade marks) was raised. Cautiously, due to the fact that we did not have the opportunity to think about it beforehand, we responded negatively. This was due to the great number of already existing national protection systems. However, some thought may be given by the Commission to setting up a harmonised collective or certification mark system in the Member States for this kind of protection.



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4. CTM Regulation and Trade Mark Directive to help ameliorate existing GI Regulations

The CTM Regulation and the European Trade Mark Directive might help to ameliorate the GI Regulations.

The CTM Regulation started effectively in January 1996.

Since then, close to a million trade marks have been filed and registered, thousands of decisions have been rendered by the CTM Office and hundreds of decisions have been given by the Court of First Instance (now, General Court) and by the European Court of Justice, which in turn has also given its opinion in quite a few preliminary rulings on the interpretation of the TM Directive. The trade mark stakeholders cannot only benefit from a well drafted Regulation, which has hardly changed in sixteen years, but also from an extensive and diverse case law.

Unluckily, the three GI Regulations do not benefit from the same advantages: since their inception and as already underlined, they have often been amended, Articles dealing with the same question are differently drafted. Even inside each Regulation, there are some basic vocabulary problems (see hereunder point 8).

Maybe, whilst revising the three Regulations, the Commission could find some inspiration in the CTM Regulation and TM Directive and, at least, part of its case law. The same could apply to unifying the wording between the CTM Regulation and GI Regulations. Obviously, due account must be taken of the fact that, whilst there are quite a few similarities, trade marks and GIs differ in some aspects.

It is believed that our Association can be of great help in this direction.

5. Better protection for PDOs and PGIs having a (large) reputation

It has always been surprising that PGIs, although they clearly do not have the same “*standing*” as PDOs (take for instance the question of raw materials outside the delineated geographical area), are both protected exactly in the same way. In the CTM Regulation, highly distinctive trade marks and trade marks with a reputation benefit from a broader protection (see CTM Regulation, Article 8.5). Why should PDOs that are in some way more distinctive than PGIs, and GIs (in general) with a reputation, not benefit from a wider protection, for example on the question of similarity of products?

6. Legal certainty on interpreting the three Regulations

When a would-be trade mark owner decides to file and request the registration of a trade mark, one of his basic preparatory tasks is to verify whether the would-be new trade mark conflicts with an existing prior right. Consequently, such a new trade mark owner must conduct a search on prior marks and also evidently on prior GIs.



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We therefore, as already underlined, support that the three Regulations should be merged and that the registered GIs should be available in one database, at least searchable on the OHIM website.

Such a search will very often detect identical or confusingly similar marks. An evaluation of these prior rights versus the new trade mark must then be made, very often after having verified if the detected trade marks are more than five years old and whether they are in use.

Searches amongst GIs are in a way simpler, because there are not so many protected designations and because, by their own essence, they are in use. But when an evaluation must be made as to the concept of “*similarity*”, one has to interpret the specific wording of the three Regulations. In view of the lack of harmonisation between the three Regulations and even inside one Regulation (see hereunder point 8), this task is near to impossible.

For instance, in the Foodstuff Regulation, whilst the scope of protection is apparently defined in Article 13, other wordings concerning the same question appear in the Regulation (see again point 8).

In that line of thinking, what do the following words mean: “*true identity of the product*” (Article 13.4), “*entirely or partially identical name*” (Article 7.3.c)), “*jeopardise the existence of a partial or identical name*” (Article 13.3)?

A clearer and more understandable text of the three Regulations must become available. ECTA therefore entirely subscribes to the proposal made in Annex B, Geographical Indications, under 4.4., Option C: Clarification of PDO/ PGI rules (page 68 and 91).

7. The Lisbon Agreement

As a precedent, it is important to underline that, after many discussions, the EU became a Member of the Protocol to the Madrid Agreement, a.o. in such a way that a Madrid trade mark can be requested on the basis of a CTM and that it is possible via the Madrid system to obtain a protection for the whole EU (see Annex B, Geographical Indications, pages 76 to 78).

We think that the EU must envisage becoming a member of the Lisbon Agreement. We know that already some thoughts have been given and some discussions have been started. We obviously understand that this is not an initiative that can be taken by DG AGRI, but most probably by DG MARKT, but it is obvious that in these discussions DG AGRI should be very closely involved (see WIPO Report of WIPO Working Group on the Lisbon System – March 17-19, 2009, Document LI/WG/DEV/1/3 where it appears that four delegates from the EU attended).

8. Differences in wording to be found in the foodstuff Regulation itself and in comparison with the two other Regulations on wine & spirits and also with the CTM Regulation and Trade Mark Directive

As already stated here above, there are many differences in wording inside the Foodstuff Regulation and in the other two Regulations. This is one of the reasons why we applaud the Commission's idea to merge the three Regulations in one.

You will find hereunder some examples of these differences.

A. The question of protection

- a) It is peculiar to note that PDOs and PGIs are protected in exactly the same way. In the CTM Regulation, trade marks which have a lesser distinctive character, are not protected as much as trade marks having a distinctive character. In fact, PDOs should be better protected than PGIs as the latter are of a lesser quality level (especially taking into account the controversial question of raw material outside the geographical area – see paragraph 4.2.).
- b) Article 13 gives a limited number of circumstances where registered names are protected and these are to be found under (a), (b), (c) and (d).
- c) When one looks at other Articles of the Regulation that concern the same problem, it is confusing that other kinds of wording are used. For instance, under Article 3.4 (previously Article 13.4), one reads “*is liable to mislead the consumer as to the true identity of the product*”. Not only is this wording different, but what do the words “*true identity of the product*” mean?
- d) Article 13.1(d) speaks of “*true origin of the product*”. Is this identical to “*true identity of the product*”?
- e) Under Article 3.2., one can read “*may not be registered as a PDO or PGI where it conflicts with a name of ...*”. What does this word mean?
- f) Under item 3, the wording used is “*actual risk of confusion*”. More or less the same wording is to be found under Article 7.5. § 3. However, in the CTM Regulation, the wording used is “*likelihood of confusion*” (see Article 8.1.b).
- g) Another kind of wording is “*would jeopardise the existence of an entirely or partially identical name*” (see Article 13, § 3 and Article 7.3(c)). What is meant by “*entirely or partially identical name*”?

Some of the difficulties and especially as to the meaning of the wording “*to the true identity of the product*” (see above under c)) have been encountered in the BAVARIA case C-343/07, both by the Advocate General and the Court when dealing with those words.

The Advocate General confesses that he has difficulty in understanding them himself in paragraph 128 of his conclusions where he says: “*if registration is liable to mislead the consumer as to the true identity of the product. As I understand that provision, it is thus designated to prevent a product bearing a PGI from being confused by the consumer with a given trade mark product.*”

Furthermore, under paragraph 151, he says “... *the use of which would result in a likelihood of confusion with an earlier mark*”. The words “*true identity of the product*” have been dropped and replaced by the wording of the CTM Regulation.

As for the Court, it says in the decisive part of its ruling, under paragraph 124 “*in particular that there is no likelihood of confusion on the part of the consumer ...*” and in the last paragraph “*Furthermore, the fact that there is no likelihood of confusion ...*”.

It is to be noted that neither the Court nor the Advocate General use the words “*actual likelihood of confusion*” as found in Articles 7.5., § 3 and Article 3.3 on a homonymous question. The wording “*likelihood of confusion*” is on the other hand to be found in the CRM Regulation and TM Directive.

B. Question of similarity of products

Article 13.1(a) speaks about “*comparable products*”, Article 14.1. speaks about “*same class of products*” and Article 14.2. refers specifically to the CTM Regulation and TM Directive where, for instance, in the Directive the wording “*similarity of goods and services*” is to be found.

The above examples evidence that it appears that the Foodstuff Regulation has been drafted as a patchwork. Unluckily, the small number of cases dealt with by the European Court of Justice has not given as a result the tidying up of these disparate wordings, although an effort has at least been made in the above mentioned BAVARIA case.

It is encouraging to see that in all three Regulations, the word “*trade mark*” has been used, whilst, at the beginning as already mentioned, the Wine Regulation spoke about “*brands*”.

C. Discrepancy with the question of protection as foreseen in the TRIPS Agreement?

Article 22.2 TRIPS provides as follows:

“In respect of geographical indications, Members shall provide the legal means for interested parties to prevent

(a) 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 geographical area other than the true place of origin in a manner which misleads the public as to the geographical origin of the good;

(b) any use which constitutes an act of unfair competition within the meaning of Article 10bis of the Paris Convention (1967).”

Article 13.1(a), (b), and (c) of the Foodstuff Regulation does not correspond to these wordings.

Is it justified that the wording of the Regulation goes further than the wording of TRIPS?



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9. The questionnaire of the Commission, which is now in the hands of the Max Planck Institute: Round Table concerning relation between GIs and trade marks

The Commission has initiated a wide-ranging review of the European trade mark system. The study has been awarded to the Munich Max Planck Institute for Intellectual Property, Competition and Tax Law.

The Commission tender did not include any questions on the relationship between trade marks and GIs. This omission was discussed during our meeting on 11 December 2009.

Whilst it appears that it is not possible anymore to add new questions, DG MARKT could offer the possibility of organising round tables on such important missing questions. We have spoken about this with Mrs. Fröhlinger of DG MARKT and suggested our contribution to organise such round tables. She seemed to be very interested. We could therefore envisage organising a special round table on this important topic.

10. Loopholes in the relation between trade marks and GIs

Each of the Regulations contains Articles dealing with the relation between trade marks and GIs (for instance, in the Foodstuff Regulation, Articles 13 and 3.4).

Two situations are envisaged: the trade mark is prior to the GI or the GI is prior to the trade mark.

Confronted with the first situation, the Regulation foresees two solutions:

- the GI may, under circumstances, be refused (but cannot be cancelled upon request of the interested party);
- the GI and the trade mark, again under circumstances, may co-exist.

However, it is very clear that there are loopholes. In other words, sometimes, neither of the two situations occurs due to the limited foreseen circumstances.

Confronted with the second situation, the trade mark must be refused or cancelled. This is the purpose of Article 7.1.(j and k) (absolute grounds for refusal of the CTM Regulation).

Finally, it is very clear that, in certain Articles, trade marks are considered to be of lesser level than GIs. One example, namely Article 3.4.: Why must the prior trade mark be "*reputed and renowned*"?



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PART 2 – Specific Comments on the Communication of 28 May 2009 and more specially on its Annex B relating to Geographical Indications

Introductory remark

As noted in the beginning, we will limit ourselves to comment on Annex B relating to GIs and not on the other three Annexes.

Annex B contains more than 120 pages. Our hereunder observations are not exhaustive.

11. EU Agricultural Product Quality Policy – Impact Assessment

B.1. Introduction (Page 3 – 4)

It is interesting to underline that the introduction speaks of the difficulties of the terminology used such as GIs, denomination of origin, appellation of origin, etc.

B.2. Problem definition (Page 5 – 54)

The Evaluation of PDO/PGI regulation (page 9 and following).

The lack of visibility of the PDO/PGI is rather disappointing as apparently only 8 % of the population seems to know what this is all about. The percentage of population that knows the difference between a PDO and a PGI is probably nil. One can wonder whether the two kinds of GIs should be maintained.

2.1.2.3. Economic problems (Page 14 – 18)

It is also disappointing that farmers in most circumstances do not appear to benefit much from the PDO/PGI scheme.

A further disappointment is the trade mark intellectual property rights and sustainable development IPDEF, which evidences that PDO and PGI hardly contribute to environmental approach. For instance, on page 21, it is indicated that the Camembert de Normandie “*much of the cheese carrying the label is from quite intensive farming systems...*” A few lines later, it is stated that “*these show per se an uneven effect on environmental quality.*”

2.1.2.5. Competition single market (Page 22 – 25)

DG AGRI has underlined the interest resulting from the fact that GIs are part of industrial property and can therefore avail itself of Article 30 of the Treaty, specifically protecting industrial property versus free movement of goods/services.

The question of raw material coming outside the indicated geographical area of the PGI should be looked into.

2.1.2.6 Intellectual property problems (Page 25 – 38)

(1) Differences in perception of the right to use and advertise on the use of PDO/PGI products as ingredients (Page 25)

This is obviously a question that should be debated and at least result in a guideline. The more so that, under such circumstances, there is a greater danger of a clash between trade marks and the GI name used as an ingredient.

(2) Confusion in level of protection against other uses, notably: long usage, varieties and breed names, trade marks, generic, and continued/changing uses in future and all these in translation (Page 29)

We underline the contents of the following paragraph:

“The situation could be improved regarding the following aspects:

- *the grounds for coexistence may appear unclear, particularly regarding some forms of intellectual property right;*
- *there appear to be some cases of prior usage where an objection cannot be filed even though the registration would prevent that usage. This does not allow such prior users the opportunity to defend their interests;*
- *the scope of protection of a PDO/PGI may cover names and usages that were not apparent – neither to the prior user nor to the PDO/PGI user – at the time of the application and publication for objection.”*

On page 31, under extent of the problem, we underline:

- *“Language of some grounds for an objection do not coincide with the scope of protection ...*
- *Some grounds for an objection do not qualify as sufficient to prevent registration: the only result is cessation of use, while the objection may permit a limited transition period.”*

There are indeed some loopholes in the system.

(3) No crystal clear criteria to assess the generic character of a name (Page 32)

It might be interesting to look at what happens on the trade mark aspect of genericness, although, obviously, there is a difference between trade marks and PDO/PGI. For instance, for the latter, it is provided for that a PDO/PGI can never become generic whilst a trade mark can become generic. However, it is possible to cancel the PDO/PGI on many other grounds.

It is obvious that a list of generic names would be highly desirable.

(4) Enforcement applied differently among Member States (Page 37)

Looking at the last line of page 37, for many reasons, we are in favour of entrusting the task of registration of PDOs and PGIs to a European agency, and notably to the OHIM in Alicante: they already have a vast experience in protection of signs and, in Article 7.1.(j and k) of the CTM Regulation, the relation between Foodstuff Regulation and trade marks is embodied.

2.1.2.7. *Other problems* (Page 38 – 50)

Possibility raw material is not farmed in the geographical area (Page 38)

This is, as already mentioned, a problem that should be tackled. It is obviously a difficult topic and reduces the value of the PGI. In some Member States consumer groups have expressed concern that they are being misled with regard to the origin of raw materials.

Long procedures at national level as well as EU level (Page 42)

As will be said at the end of the paper, we think that the six months period for objection is a reasonable deadline as the chain of information and decision may need four different steps, especially when foreign entities are involved. The minimum period should be of at least three months as for trade marks. The two months period provided for in the Wine Regulation is totally insufficient.

It must not be forgotten that, contrary to trade marks, once a PDO/PGI has been registered, it becomes incontestable versus prior names. In other words, it is not possible for the owner of a prior right, such as a trade mark, to request a cancellation of a later PDO/PGI if he has not done this within the objection period foreseen by the three Regulations. The question of incontestability vis-à-vis prior rights should be looked into also.

The table 5 on page 44 is interesting. We have done a further study on these questions and we have put in an annex to the present paper, a table with texts side by side, indicating the differences between them, which are not all provided for in table 5.

Weak and unclear protection of intellectual property rights outside the EU (Page 47)

Obviously, we think that we have to abide by the TRIPS Agreement. Should the stronger protection under Article 23 to wines and spirits be extended to foodstuff? The question is debatable and should be discussed more in depth.

Obviously, a single Register for the three Regulations is advisable.

Anti-counterfeiting provision should include GIs.

The last remark made on page 49 concerning “*stakeholders have identified problems*” is obviously entirely wrong, but not so surprising, evidencing that probably the great majority of GI stakeholders do not know that, due to the fact that GIs are part of industrial property, the reciprocity principle does not apply and is replaced by a more national treatment approach, as underlined by the WTO Panel decision against the EU.

2.4. How would the problem evolve without a change in policy? (Page 52 – 54)

c) *Simplification*

We entirely agree with the statement “*the existence of three legal frameworks and three registers will lead to confusion of users, producers, consumers and third country partners.*” We will come back to this matter later.

d) *Intellectual property rights*

It is certain that the relation with other intellectual property rights such as trade marks must be clarified.

The environmental aspect already touched upon is really very disappointing.

Social aspects (Page 53)

We agree to the statement concerning the raw material. Obligation of the labelling is a good thing. One wonders why it took so long to give two different colours to PDOs and PGIs for foodstuff and that later on the colours were changed. Shouldn't these two symbols be extended to wines and spirit? There is however a problem with spirits that only have PGIs, which in fact corresponds to PDOs for foodstuff and wine.

B.3. Objectives (Page 54 – 55)

3.2. Specific objectives (Page 55)

We entirely agree with the specific objectives and more specifically those concerning trade marks, namely “*ensure uniform enforcement – throughout the EU – of the intellectual property rights stemming from the registration of product names both of the EU.*”

B.4. Policy options (Page 56 – 79)

4.1. Option O: no change in present EU action – Status quo (Page 56)

This must obviously be rejected.

4.2. Option A: Protection through trade mark system (Page 56 – 61, see also 79, point 5.1.)

4.2.1. Basic approaches (Page 56 – 60)

The Commission seems to be rejecting the community collective mark or possible certification mark, which is nearer to geographical indications. However, it might be necessary to make some further studies.

As stated in the third stakeholders' statement, collective marks could be used to protect GIs on a local level. The Commission could envisage legislating this specific topic through a Directive.

Table 6 is a quite interesting comparison. However, we have to underline that on the bottom of page 59, there is an important mistake. In the third column, “*first in time, first in right applies: who uses the CTM first ...*”, must be replaced by “*who applies for the CTM first*”.

The same applies to the third column, the more so as there is no such thing as a CTM certification mark.



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Also in the first column, we question whether absolute protection is foreseen in the Foodstuff Regulation.

4.2.3. Assessment of efficiency and consistency (Page 60 – 61)

Whilst it is true that the trade mark regime is somewhat less “*protective*” than the GI protection, especially for wines and spirits, it is our view that the Commission communication undervalues the protection for collective marks and is somewhat biased against them. A further study on collective marks should be made.

4.3. Option B: Simplification of current EU systems, including streamlining of procedures (Page 61 – 68, see also page 85, point 5.2.)

Page 62, third and fourth paragraph: As already explained, reducing the six months periods to a two months period should be rejected. The very minimum should be three months.

Option B.1: Merging of the 2 definitions for geographical indications and designations of origin (Page 62 – 64, see also page 86, point 5.3.)

We are entirely in line with the objective proposed. Furthermore, there are some additional problems as to the names themselves. In fact, the PDO, to be found in the two Regulations on wine and foodstuff, corresponds more or less to the TRIPS definition. PGI in the Regulations is not included in the TRIPS Agreement.

Furthermore, there is a problem resulting from the fact that PDOs are not found in the Spirit Regulation, but the definition of the PGI corresponds more or less to that of the PDO in the two other Regulations.

We are somewhat surprised by the declaration made under the second paragraph of page 63: “*The EESC believes that merging the symbols for PDOs and PGIs may risk creating an inequality between two concepts of equal worth*”. It is evident that the two concepts are not of equal worth and that a PGI is in fact of a lower quality than a PDO. This is reflected by the fact that everyone wants a PDO and sometimes can only rely on a PGI. For a PGI, there is also the disturbing problem of raw material, which can come from outside the protected geographical area.

The argument given on top of page 64 is also surprising. Indeed, the protection granted should not be the same.

Option B.2: Merging of the 3 existing registers: wine, spirits and agricultural products and foodstuffs (Page 65 – 66, see also page 86, point 5.3.)

We are in full support of one Register that should be easily available for consultation, for example at OHIM. In fact, we support an administration of the “single” register by OHIM.

The final aim should be one Regulation containing two different kinds of Articles: Articles applicable to the three protected items and then separate chapters dealing specifically and respectively with foodstuff, wine and spirits.

Option B.3: Create national systems to protect geographical names and subsequent reduction of number of registered names (Page 66 – 68, see also page 88, point 5.5.)

This option is controversial, but on the other hand and as already mentioned, protection on a national level could be envisaged through a specific harmonised collective marks system.

4.4. Option C: Clarifying PDO/PGI rules (Page 68 – 69, see also page 91, point 5.6)

This option could be combined with other proposals.

We entirely agree with the third last paragraph of page 68, but we think that Article 14.2 of the Foodstuff Regulation must be entirely revised.

4.5. Option D: Management by an Agency (Page 69 – 70)

It is evident that this job should be undertaken by an existing agency. Without any doubt, OHIM is the most fitting existing agency. It has the knowledge, the money and the experience of dealing with trade marks and GIs by applying Article 7.1(g and k) of the CTM Regulation.

4.6. Option E: Action through a Framework Directive (Page 70 – 72)

No comments.

4.7. Option F: Co-Regulation (Page 72 – 73)

No comments.

4.8. Option G: Self-Regulation (Page 73 – 74)

No comments.

4.9. Option H: No action at Community level (Page 74 – 75)

No comments.

4.10. Option I: Protection through international rules: Lisbon agreement (Page 76 – 78)

Due to the fact that the Lisbon Agreement extends to all products, we understand that this matter in principle cannot be dealt with by DG AGRI, but needs to be dealt with by DG MARKT.

However, if – as already stated and as we would advise – the Commission gets deeply involved in making the necessary amendments to the Lisbon Agreement, it is evident that not only DG MARKT but also DG AGRI, due to the importance of this kind of protection and due to their experience, must be directly involved.

On the trade mark side, there is a precedent with the Madrid system, where a new Treaty, called the Madrid Protocol, was set up (in some variances with the Madrid Agreement itself), which enabled the EU to join the Madrid system and this to the benefit of trade mark users. Why should the same not apply for the Lisbon Agreement?



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Probably one of the main reasons for the small number of countries being members of the Lisbon Agreement is Article 5.6., which entitles the owner of a later appellation of origin to cancel and stop the use of an earlier identical or similar mark within a period of two years and without any compensation. It is to us very clear that this Article is totally in conflict with the TRIPS Agreement.

Our conclusion is that the CTM and GI Regulations can work in combination with a revised Lisbon system.

4.11. Fine-tuned shortlist for further analysis (Page 78 – 79)

No comments.

B.5. Impact of options (Page 79 – 94)

Whilst this part of the paper is interesting, we will refrain from making observations and this also applies to the different annexes.

ANNEX 1

Comparison between EC Geographical Indications Regulations and in particular those Articles concerning the relation with trade marks

	Definition	FOOD 510/2006	WINE 479/2008	SPIRIT 110/2008
1.	Definition of designation of origin ¹	2.1.a	34.1.a	No ²
2.	Definition of geographical indication ¹	2.1.b	34.1.b	15.1
3.	Objection of registration by Member States	7.1	40	17.7 (?)
4.	Objection of registration by individuals	7.2	40	17.7
5.	Statement of objection versus prior trade mark	7.3.c	No provision	No provision
6.	Deadline for objection " <i>opposition</i> "	6 months	2 months	6 months
7.	Refusal of GI due to prior trade mark having reputation, renown & used a certain time	3.4	43.2 No length of time	23.3
8.	Cancellation GI due to earlier trade mark	No provision	No provision	No provision
9.	Protection	13.1	45.2	16
10.	Co-existence with unregistered name	13.4	No	No
11.	Relation with trade marks (general)	14 and 3.4	44 and 43.2	23
12.	Later trade mark rejected or invalidated	14.1	44.1	23.1
13.	Co-existence with earlier trade mark	14.2	44.2	23.2
14.	Exception to raw material broader geographical area for PGI	2.3	No provision	No provision

¹ When referring to both designation and geographical, the foodstuff Regulation speaks about "*registered names*". The term "*geographical indication*" is sometimes used to designate "*designation of origin*" and "*geographical indications*".

² In the spirit Regulation, there is no definition of designation of origin, but only of geographical indication, which is also apparently called "*sales denomination*" (Article 8 and 9.5). Furthermore, the definition given of geographical indications corresponds to the definition given to designation of origin in the other two Regulations.

1. Definition of designation of origin

Foodstuff Regulation n° 510/2006 – Article 2.1.a

For the purpose of this Regulation:

- (a) 'designation of origin' means the name of a region, a specific place or, in exceptional cases, a country, used to describe an agricultural product or a foodstuff:
- originating in that region, specific place or country,
 - the quality or characteristics of which are essentially or exclusively due to a particular geographical environment with its inherent natural and human factors, and
 - the production, processing and preparation of which take place in the defined geographical area;

Wine Regulation n° 479/2008 – Article 34.1.a

For the purposes of this Regulation, the following definitions shall apply:

- (a) 'designation of origin' means the name of a region, a specific place or, in exceptional cases, a country used to describe a product referred to in Article 33(1) that complies with the following requirements:
- (i) its quality and characteristics are essentially or exclusively due to a particular geographical environment with its inherent natural and human factors;
 - (ii) the grapes from which it is produced come exclusively from this geographical area;
 - (iii) its production takes place in this geographical area;
 - (iv) it is obtained from vine varieties belonging to *Vitis vinifera*;

Spirit Regulation n° 110/2008

No provision.

Comments

Designation of origin is not provided for in the Spirit Regulation. It only foresees geographical indications (GIs), which in fact corresponds to the definition to be found in Article 22 of TRIPS and is very similar to the definition of PDO's in the two other GI Regulations.

2. Definition of geographical indication

Foodstuff Regulation n° 510/2006 – Article 2.1.b

For the purpose of this Regulation:

- (b) 'geographical indication' means the name of a region, a specific place or, in exceptional cases, a country, used to describe an agricultural product or a foodstuff:
- originating in that region, specific place or country, and
 - which possesses a specific quality, reputation or other characteristics attributable to that geographical origin, and
 - the production and/or processing and/or preparation of which take place in the defined geographical area.

Wine Regulation n° 479/2008 – Article 34.1.b

For the purposes of this Regulation, the following definitions shall apply:

- (b) 'geographical indication' means an indication referring to a region, a specific place or, in exceptional cases, a country, used to describe a product referred to in Article 33(1) which complies with the following requirements:
- (i) it possesses a specific quality, reputation or other characteristics attributable to that geographical origin;
 - (ii) at least 85 % of the grapes used for its production come exclusively from this geographical area;
 - (iii) its production takes place in this geographical area;
 - (iv) it is obtained from vine varieties belonging to *Vitis vinifera* or a cross between the *Vitis vinifera* species and other species of the genus *Vitis*.

Spirit Regulation n° 110/2008 – Article 15

1. For the purpose of this Regulation a geographical indication shall be an indication which identifies a spirit drink as originating in the territory of a country, or a region or locality in that territory, where a given quality, reputation or other characteristic of that spirit drink is essentially attributable to its geographical origin.

Comments

Geographical indications for foodstuff and wine do not correspond to the TRIPS definition of Article 22. In these two Regulations, the corresponding protected names are PDOs.

3. Objection of registration by Member States

Foodstuff Regulation n° 510/2006 – Article 7.1

Within six months from the date of publication in the *Official Journal of the European Union* provided for in the first subparagraph of Article 6(2), any Member State or third country may object to the registration proposed, by lodging a duly substantiated statement with the Commission.

Wine Regulation n° 479/2008 – Article 40

Within two months from the date of publication provided for in the first subparagraph of Article 39(3), any Member State or third country, or any natural or legal person having a legitimate interest, established or resident in a Member State other than that applying for the protection or in a third country, may object to the proposed protection by lodging a duly substantiated statement relating to the conditions of eligibility as laid down in this Chapter with the Commission.

In the case of natural or legal persons established or resident in a third country, such statement shall be lodged, either directly or via the authorities of the third country concerned, within the time limit of two months referred to in the first paragraph.

Spirit Regulation n° 110/2008 – Article 17.7

Within six months of the date of publication of the technical file, any natural or legal person that has a legitimate interest may object to the registration of the geographical indication in Annex III on the grounds that the conditions provided for in this Regulation are not fulfilled. The objection, which must be duly substantiated, shall be submitted to the Commission in one of the official languages of the European Union or accompanied by a translation into one of those languages.

Comments

It is to be noted that for the Wine Regulation, there is only two months, instead of six months in the two other Regulations.

Proposals have been made to reduce the time to two months for all three Regulations. This is totally insufficient as:

- there is sometimes a long chain between the person in charge of the problem in the EU and the entity, that wants to make the objection, especially if it is outside the EU;
- sufficient time must be given, especially taking into account that in case of prior trade marks, cancellation cannot be requested after registration of the GI.

4. Objection of registration by individuals

Foodstuff Regulation n° 510/2006 – Article 7.2

Any natural or legal person having a legitimate interest, established or resident in a Member State other than that applying for the registration or in a third country, may also object to the proposed registration by lodging a duly substantiated statement.

In the case of natural or legal persons established or resident in a Member State, such statement shall be lodged with that Member State within a time-limit permitting an objection in accordance with paragraph 1.

In the case of natural or legal persons established or resident in a third country, such statement shall be lodged with the Commission, either directly or via the authorities of the third country concerned, within the time limit-set in paragraph 1.

Wine Regulation n° 479/2008 – Article 40

Within two months from the date of publication provided for in the first subparagraph of Article 39(3), any Member State or third country, or any natural or legal person having a legitimate interest, established or resident in a Member State other than that applying for the protection or in a third country, may object to the proposed protection by lodging a duly substantiated statement relating to the conditions of eligibility as laid down in this Chapter with the Commission.

In the case of natural or legal persons established or resident in a third country, such statement shall be lodged, either directly or via the authorities of the third country concerned, within the time limit of two months referred to in the first paragraph.

Spirit Regulation n° 110/2008 – Article 17.7

Within six months of the date of publication of the technical file, any natural or legal person that has a legitimate interest may object to the registration of the geographical indication in Annex III on the grounds that the conditions provided for in this Regulation are not fulfilled. The objection, which must be duly substantiated, shall be submitted to the Commission in one of the official languages of the European Union or accompanied by a translation into one of those languages.

Comments

Whilst the general purpose of objection is the same, wording differs from Regulation to Regulation.

5. Statement of objection against a new GI due to a prior trade mark

Foodstuff Regulation n° 510/2006 – Article 7.3.c

Statements of objection shall be admissible only if they are received by the Commission within the time-limit set in paragraph 1 and if they:

...

- (c) show that the registration of the name proposed would jeopardise the existence of an entirely or partly identical name or of a trademark or the existence of products which have been legally on the market for at least five years preceding the date of the publication provided for in Article 6(2); or

Wine Regulation n° 479/2008

No provision.

Spirit Regulation n° 110/2008

No provision.

Comments

This only appears in the Foodstuff Regulation. Concerning the criteria “*jeopardise the existence of an entirely or partially identical name or of a trade mark*” ..., it is interesting to see that the criteria used to defend a GI against a later trade mark are totally different with the reverse situation when an earlier trade mark is objecting to a later GI (Foodstuff, Article 13.1 – Wine, Article 45.2 and Spirit, Article 16).

Furthermore, one wonders what is exactly meant by “*entirely or partially identical name*”. In the Trade Mark Regulation, the words that are used are “*identical*” or “*similar*”.



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6. Deadline for objection “opposition”

Foodstuff Regulation n° 510/2006

6 months.

Wine Regulation n° 479/2008

2 months.

Spirit Regulation n° 110/2008

6 months.

Comments

See our remarks under point 3, Objection of registration by Member States.

7. Refusal of GI due to prior trade mark having reputation, renown & used for a certain time

Foodstuff Regulation n° 510/2006 – Article 3.4

A designation of origin or geographical indication shall not be registered where, in the light of a trademark's reputation and renown and the length of time it has been used, registration is liable to mislead the consumer as to the true identity of the product.

Wine Regulation n° 479/2008 – Article 43.2 (no length of time)

A name shall not be protected as a designation of origin or geographical indication where, in the light of a trademark's reputation and renown, protection is liable to mislead the consumer as to the true identity of the wine.

Spirit Regulation n° 110/2008 – Article 23.3

A geographical indication shall not be registered where, in the light of a trade mark's reputation and renown and the length of time it has been used in the Community, registration is liable to mislead the consumer as to the true identity of the product.

Comments

This is one of the most controversial Articles of the Regulations for trade mark owners.

Whilst the wording is the same in the three Regulations, this question is, for an unknown reason, separated in the Foodstuff Regulation from Article 14.1 and Article 14.2, which deals with the two other possible solutions of conflicts between trade marks and GIs.

The requirements to be met by a prior trade mark to prevent registration of a GI raise the following questions:

1. Trade mark's reputation and renown.

Why must the prior trade mark have a reputation and be renown to be considered as an obstacle to a later GI? A GI does not necessarily have a reputation and be renown. Why must a trade mark have a reputation **and be renown**? What is the difference between the two?

2. Length of time it has been used.

Length of time is an entirely subjective criteria. Whilst it is understandable that the trade mark must have been used to be considered as an obstacle to the later GI, what is important is the intensive use. It could be suggested that the use would be qualified by the definition given in the CTM Regulation under Article 15 (and its corresponding Article in the Directive). The wording thereof is "*genuine use*".

3. True identity of the product.

What is meant by these words? Apparently, the Advocate General and the judges in the BAVARIA case (ECJ C-343/07) had some difficulties with this wording and they finally decided on the criteria of likelihood of confusion.

Furthermore, the rights conferred by a CTM are defined in Article 9, a), b) and c) of the CTM Regulation. In b) of the CTM Regulation, the criteria is likelihood of confusion and in c) for trade marks with a reputation, the criteria are unfair advantages.

It is suggested that “*liable to mislead the consumer as to the true identity of the product*” would be replaced by the wording of Article 9.b) of the CTM Regulation “*likelihood of confusion on the part of the public*”. As said above, this is the wording used by the Advocate General and the Court.

8. Cancellation GI due to earlier trade mark

Foodstuff Regulation n° 510/2006

No provision.

Wine Regulation n° 479/2008

No provision.

Spirit Regulation n° 110/2008

No provision.

Comments

Once the GI has been registered, it is impossible to request the cancellation of the GI due to an earlier trade mark. The GI becomes, according to the terminology in the trade mark field “*incontestable*”.

Cancellation of GIs is however possible on other grounds.



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9. Protection

Foodstuff Regulation n° 510/2006 – Article 13.1

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

Where a registered name contains within it the name of an agricultural product or foodstuff which is considered generic, the use of that generic name on the appropriate agricultural product or foodstuff shall not be considered to be contrary to points (a) or (b) in the first subparagraph.

Wine Regulation n° 479/2008 – Article 45.2

Protected designations of origins and geographical indications and the wines using those protected names in conformity with the product specification shall be protected against:

- (a) any direct or indirect commercial use of a protected name:
 - (i) by comparable products not complying with the product specification of the protected name; or
 - (ii) in so far as such use exploits the reputation of a designation of origin or a geographical indication;
- (b) any misuse, imitation or evocation, even if the true origin of the product or service is indicated or if the protected name is translated or accompanied by an expression such as 'style', 'type', 'method', 'as produced in', 'imitation', 'flavour', 'like' or similar;
- (c) any other false or misleading indication as to the provenance, origin, nature or essential qualities of the product, on the inner or outer packaging, advertising material or documents relating to the wine product concerned, and the packing of the product in a container liable to convey a false impression as to its origin;
- (d) any other practice liable to mislead the consumer as to the true origin of the product.

Spirit Regulation n° 110/2008 – Article 16

Without prejudice to Article 10, the geographical indications registered in Annex III shall be protected against:

- (a) any direct or indirect commercial use in respect of products not covered by the registration in so far as those products are comparable to the spirit drink registered

- under that geographical indication or insofar as such use exploits the reputation of the registered geographical indication;
- (b) any misuse, imitation or evocation, even if the true origin of the product is indicated or the geographical indication is used in translation or accompanied by an expression such as 'like', 'type', 'style', 'made', 'flavour' or any other similar term;
 - (c) any other false or misleading indication as to the provenance, origin, nature or essential qualities on the description, presentation or labelling of the product, liable to convey a false impression as to its origin;
 - (d) any other practice liable to mislead the consumer as to the true origin of the product.

Comments

The three Regulations contain a limited number of circumstances according to which the GIs are protected. Each Regulation foresees 4 circumstances, but they are not drafted in the same way. Furthermore, the three Regulations contain in other Articles other circumstances of protection, which are also not drafted in the same way.

It is to be noted that these wordings do not correspond to TRIPS, Article 22.2, which reads as follows:

“In respect of geographical indications, Members shall provide the legal means for interested parties to prevent

(a) 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 geographical area other than the true place of origin in a manner which misleads the public as to the geographical origin of the good;

(b) any use which constitutes an act of unfair competition within the meaning of Article 10bis of the Paris Convention (1967).”

Neither does it correspond with the Lisbon Agreement, Article 3, which reads as follows:

“Protection shall be ensured against any usurpation or imitation, even if the true origin of the product is indicated or if the appellation is used in translated form or accompanied by terms such as “kind”, “type”, “make”, “imitation”, or the like.”

The Lisbon text corresponds somewhat to the contents of Article 13.1.b. of the Foodstuff Regulation.

It is suggested that the wording of the three Regulations be replaced by the wording of TRIPS and that maybe it could be completed by examples that could be taken out of some of the wording of the existing text.



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10. Co-existence with unregistered name

Foodstuff Regulation n° 510/2006 – Article 13.4

Without prejudice to Article 14, the Commission may decide to allow, under the procedure provided for in Article 15(2), the coexistence of a registered name and an unregistered name designating a place in a Member State or in a third country where that name is identical to the registered name, provided that all the following conditions are met:

- (a) the identical unregistered name has been in legal use consistently and equitably for at least 25 years before 24 July 1993;
- (b) it is shown that the purpose of its use has not at any time been to profit from the reputation of the registered name and that the consumer has not been nor could be misled as to the true origin of the product;
- (c) the problem resulting from the identical names was raised before registration of the name.

The registered name and the identical unregistered name concerned may co-exist for a period not exceeding a maximum of 15 years, after which the unregistered name shall cease to be used.

Use of the unregistered geographical name concerned shall be authorised only where the country of origin is clearly and visibly indicated on the label.

Wine Regulation n° 479/2008

No provision.

Spirit Regulation n° 110/2008

No provision.

11. Relation with trade marks (general)

Foodstuff Regulation n° 510/2006

a) Article 14

1. Where a designation of origin or a geographical indication is registered under this Regulation, the application for registration of a trademark corresponding to one of the situations referred to in Article 13 and relating to the same class of product shall be refused if the application for registration of the trademark is submitted after the date of submission of the registration application to the Commission.

Trademarks registered in breach of the first subparagraph shall be invalidated.

2. With due regard to Community law, a trademark the use of which corresponds to one of the situations referred to in Article 13 which has been applied for, registered, or established by use, if that possibility is provided for by the legislation concerned, in good faith within the territory of the Community, before either the date of protection of the designation of origin or geographical indication in the country of origin or before 1 January 1996, may continue to be used notwithstanding the registration of a designation of origin or geographical indication, provided that no grounds for its invalidity or revocation exist as specified by First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks or Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark.

b) Article 3.4

A designation of origin or geographical indication shall not be registered where, in the light of a trademark's reputation and renown and the length of time it has been used, registration is liable to mislead the consumer as to the true identity of the product.

Wine Regulation n° 479/2008

a) Article 44

1. Where a designation of origin or a geographical indication is protected under this Regulation, the registration of a trademark corresponding to one of the situations referred to in Article 45(2) and relating to a product falling under one of the categories listed in Annex IV shall be refused if the application for registration of the trademark is submitted after the date of submission of the application for protection of the designation of origin or geographical indication to the Commission and the designation of origin or geographical indication is subsequently protected.

Trademarks registered in breach of the first subparagraph shall be invalidated.

2. Without prejudice to Article 43(2), a trademark the use of which corresponds to one of the situations referred to in Article 45(2), which has been applied for, registered or established by use, if that possibility is provided for by the legislation concerned, in the



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territory of the Community before the date on which the application for protection of the designation of origin or geographical indication is submitted to the Commission, may continue to be used and renewed notwithstanding the protection of a designation of origin or geographical indication, provided that no grounds for the trademark's invalidity or revocation exist as specified by the First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks or Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark.

In such cases the use of the designation of origin or geographical indication shall be permitted alongside the relevant trademarks.

b) Article 43.2

A name shall not be protected as a designation of origin or geographical indication where, in the light of a trademark's reputation and renown, protection is liable to mislead the consumer as to the true identity of the wine.

Spirit Regulation n° 110/2008 – Article 23

1. The registration of a trade mark which contains or consists of a geographical indication registered in Annex III shall be refused or invalidated if its use would lead to any of the situations referred to in Article 16.
2. With due regard to Community law, a trade mark the use of which corresponds to one of the situations referred to in Article 16 which has been applied for, registered, or established by use, if that possibility is provided for by the legislation concerned, in good faith within the territory of the Community, before either the date of protection of the geographical indication in the country of origin or before 1 January 1996, may continue to be used notwithstanding the registration of a geographical indication, provided that no grounds for its invalidity or revocation exist as specified by First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks or Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark.
3. A geographical indication shall not be registered where, in the light of a trade mark's reputation and renown and the length of time it has been used in the Community, registration is liable to mislead the consumer as to the true identity of the product.

Comments

- 1) As to be expected, the Regulations foresee two possibilities, namely the trade mark is prior to the GI and the GI is prior to the trade mark. If the trade mark is prior to the GI, there are two solutions: co-existence (Foodstuff Regulation, Article 14.2) or possible refusal, but not cancellation of the earlier GI (Article 3.4).

If the GI comes before the trade mark, the trade mark must be rejected (see CTM Regulation, Article 7, absolute grounds of refusal under 1 (g and k).



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- 2) On the question of products, the Foodstuff Regulation speaks of “*same class of product*”, the Wine Regulation speaks of “*product falling under one of the categories*” and the Spirit Regulation says nothing. The CTM Regulation is much clearer in our opinion. The wording used is “*similarity of goods*” which combined with the identity or similarity of the sign leads to “*a likelihood of confusion on the part of the public*”.
- 3) The circumstances described above leave some loopholes.



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12. Later trade mark rejected or invalidated

Foodstuff Regulation n° 510/2006 – Article 14.1

Where a designation of origin or a geographical indication is registered under this Regulation, the application for registration of a trademark corresponding to one of the situations referred to in Article 13 and relating to the same class of product shall be refused if the application for registration of the trademark is submitted after the date of submission of the registration application to the Commission.

Trademarks registered in breach of the first subparagraph shall be invalidated.

Wine Regulation n° 479/2008 – Article 44.1

Where a designation of origin or a geographical indication is protected under this Regulation, the registration of a trademark corresponding to one of the situations referred to in Article 45 (2) and relating to a product falling under one of the categories listed in Annex IV shall be refused if the application for registration of the trademark is submitted after the date of submission of the application for protection of the designation of origin or geographical indication to the Commission and the designation of origin or geographical indication is subsequently protected.

Trademarks registered in breach of the first subparagraph shall be invalidated.

Spirit Regulation n° 110/2008 – Article 23.1

The registration of a trade mark which contains or consists of a geographical indication registered in Annex III shall be refused or invalidated if its use would lead to any of the situations referred to in Article 16.

Comments

The Spirit Regulation does not indicate dates to be taken into consideration.

13. Co-existence with earlier trade mark

Foodstuff Regulation n° 510/2006 – Article 14.2

With due regard to Community law, a trademark the use of which corresponds to one of the situations referred to in Article 13 which has been applied for, registered, or established by use, if that possibility is provided for by the legislation concerned, in good faith within the territory of the Community, before either the date of protection of the designation of origin or geographical indication in the country of origin or before 1 January 1996, may continue to be used notwithstanding the registration of a designation of origin or geographical indication, provided that no grounds for its invalidity or revocation exist as specified by First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks or Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark.

Wine Regulation n° 479/2008 – Article 44.2

Without prejudice to Article 43(2), a trademark the use of which corresponds to one of the situations referred to in Article 45(2), which has been applied for, registered or established by use, if that possibility is provided for by the legislation concerned, in the territory of the Community before the date on which the application for protection of the designation of origin or geographical indication is submitted to the Commission, may continue to be used and renewed notwithstanding the protection of a designation of origin or geographical indication, provided that no grounds for the trademark's invalidity or revocation exist as specified by the First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks (1) or Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark (2).

In such cases the use of the designation of origin or geographical indication shall be permitted alongside the relevant trademarks.

Spirit Regulation n° 110/2008 – Article 23.2

With due regard to Community law, a trade mark the use of which corresponds to one of the situations referred to in Article 16 which has been applied for, registered, or established by use, if that possibility is provided for by the legislation concerned, in good faith within the territory of the Community, before either the date of protection of the geographical indication in the country of origin or before 1 January 1996, may continue to be used notwithstanding the registration of a geographical indication, provided that no grounds for its invalidity or revocation exist as specified by First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks or Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark.

Comments

The Wine Regulation provides that, under the co-existence regime, earlier trade marks may not only continue to be used, but they may also be renewed. This should be foreseen in the two other Regulations. This is a typical example of the difficulty of having three different Regulations. When one is updated, it takes a long time to update the two others.

14. Exception to raw material broader geographical area for PGI

Foodstuff Regulation n° 510/2006 – Article 2.3

Notwithstanding paragraph 1(a), certain geographical designations shall be treated as designations of origin where the raw materials for the products concerned come from a geographical area larger than, or different from, the processing area, provided that:

- (a) the production area of the raw materials is defined;
- (b) special conditions for the production of the raw materials exist; and
- (c) there are inspection arrangements to ensure that the conditions referred to in point (b) are adhered to.

The designations in question must have been recognised as designations of origin in the country of origin before 1 May 2004.

Wine Regulation n° 479/2008

No provision

Spirit Regulation n° 110/2008

No provision

Comments

This exception, although it is limited in time (a grandfather clause) is hardly understandable, especially for consumers who are in fact misled. This also diminishes the merits of GIs outside the EU. This difficult problem is discussed at length in the Commission Communication of 28 May 2009, under Annex B, Geographical Indications.

This provision should be reviewed.