

# Protection of Geographical Indications in Taiwan: Turning a Legal Conundrum into a Policy Tool for Development

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## 1 INTRODUCTION

Intellectual property (IP) protection is nothing new to Taiwan. Prior to the 1980s, Taiwanese IP laws were criticized for their limited recognition and protection of intellectual property rights (IPRs), inadequate deterrence for infringements, and protectionist provisions. Foreign entities were denied the same treatment as nationals, and unrecognized foreign entities were often denied protection for their IPRs as well as the standing to seek redress for infringement.<sup>1</sup> Under the threat of trade retaliation by the United States (US), Taiwan began a major IP law reform in the 1980s.<sup>2</sup> The “crucial turning point” in the development of Taiwanese IP law occurred when Taiwan realized the political and economic importance of its accession to the World Trade Organization (WTO) and its accompanying obligation to protect IP.<sup>3</sup> This particular goal drove Taiwan to implement more IP reforms. By 1998, one commentator was able to proudly claim that “Taiwan’s statutory regime for intellectual property protection now by and large complies with the Agreement on Trade Related Aspects of Intellectual Property Rights (TRIPS Agreement).<sup>4</sup> In some areas, the regime reaches beyond the TRIPS

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<sup>1</sup> Yeh Kurt Chang, *Special 301 and Taiwan: A Case Study of Protecting United States Intellectual Property in Foreign Countries*, 15 NW. J. INT’L L. & BUS. 206, 217 (1994).

<sup>2</sup> Kung-Chung Liu, *The Protection of Well-Known Marks in Taiwan: From Case Study to General Theory*, 90 TMR 866, 867 (2000); Chang, *supra* note 1, at 217–18.

<sup>3</sup> Liu, *supra* note 2, at 867.

<sup>4</sup> Agreement on Trade-Related Aspects of Intellectual Property Rights, April 15, 1994, Marrakesh Agreement Establishing the World Trade Organization, Annex 1C, Legal Instruments – Result of the Uruguay Rounds vol. 31, 33 I.L.M. 81 (1994) [hereinafter TRIPS].

Agreement's threshold.<sup>5</sup> Others also found no difference between Taiwan's IP law and the standards under the TRIPS Agreement.<sup>6</sup>

However, it is a completely different picture when it comes to geographical indications (GIs). GI protection officially originated in 2002 when Taiwan became the 144th member of the WTO<sup>7</sup> and it has been viewed as a new IP issue. One commentator even described GIs as a "purely transplanted norm for Taiwan."<sup>8</sup> The Taiwan Intellectual Property Office (TIPO), the government agency in charge of policymaking and administration of IP,<sup>9</sup> claims that GIs are a brand-new legal norm introduced into Taiwan as a result of the implementation of TRIPS obligations:

After having joined the WTO, we have to implement the TRIPS obligations regarding geographical indications, but geographical indication is brand new norm that our people are not familiar with. What is a geographical indication? What is the scope of protection? How to claim the protection? These are all foreign to us.<sup>10</sup>

However, unfamiliarity did not prevent Taiwanese policymakers from promptly developing a legal regime for the protection of GIs. In its 2004

<sup>5</sup> Andy Y. Sun, *From Pirate King to Jungle King: Transformation of Taiwan's Intellectual Property Protection*, 9 FORDHAM INTELL. PROP. MEDIA & ENT. L.J. 67, 83 (1998).

<sup>6</sup> JIN-MEI CHAO ET AL., INTRODUCTION TO INTELLECTUAL PROPERTY LAW 378 (7th edn. 2010).

<sup>7</sup> Taiwan was formally approved to be a member of the WTO on November 11, 2001, when the Ministerial Conference in Doha, Qatar, endorsed the island's accession protocol. Chinese Taipei (Taiwan) has been a member of WTO since January 1, 2002. Further background information on Taiwan's WTO membership, see Steve Charnovitz, *Taiwan's WTO Membership and Its International Implications*, 1 ASIAN J. WTO & INT'L HEALTH L. & POL'Y 401(2006).

<sup>8</sup> Min-Chiuang Wang, *The Asian Consciousness and Interests in Geographical Indications*, 96 TMR 906, 934 (2006).

<sup>9</sup> Taiwan Intellectual Property Office (TIPO), *Overview of Taiwan Intellectual Property Office* (September 6, 2011) [www.tipo.gov.tw/mp.asp?mp=2](http://www.tipo.gov.tw/mp.asp?mp=2).

<sup>10</sup> Wang, *supra* note 8. Here, Wang also notes that before Taiwan's accession to the WTO in 2002, geographical indication laws were used mostly to protect European wine and spirit GIs:

In the early days of Taiwan's geographical indication laws, they were used mostly to protect the geographical indications for European wines and spirits. During the consultation stage when Taiwan was joining the WTO, the Ministry of France, at the request of the European Union that the European geographical indications for wines be protected, promised to incorporate this protection into the Tobacco and Alcohol Administration Act. There were numerous cases involving the misuse of GIs for Scottish whisky and French wines. In the Taiwan-EU bilateral agreement, signed in 1998, Taiwan also promised to protect whisky and other wines from Europe.

*Id.*

Communication to the TRIPS Council,<sup>11</sup> the Taiwanese government enumerated the three elements of the Taiwanese GI regime as the Trade Mark Act,<sup>12</sup> the Fair Trade Act,<sup>13</sup> and the Tobacco and Alcohol Administration Act.<sup>14</sup> While the Fair Trade Act and the Tobacco and Alcohol Administration Act provide administrative regulation prohibiting the false or misleading representation of GIs, the heart of the Taiwanese GI regime is the Trademark Act. Apart from “negative protection,” which prevents geographical terms from being registered as trademarks, the Trademark Act also provides for the “positive protection” of GIs, namely, the registration of geographical terms as certification marks.<sup>15</sup> Later in 2007, collective trademarks were added as a means of positive protection.<sup>16</sup>

Taiwan has also been an active participant in international GI negotiations. The inclusion of GIs in the Uruguay Round Negotiations was initiated by the EU and resisted by the United States, Canada, Australia,<sup>17</sup> and some Latin American countries.<sup>18</sup> This disagreement was described as the “North-North division,”<sup>19</sup> “New World v. Old World,”<sup>20</sup> or “immigrant v. emigrant countries.”<sup>21</sup> This struggle continues even after the conclusion of the TRIPS Agreement.

<sup>11</sup> See WORLD TRADE ORGANIZATION, REVIEW UNDER ARTICLE 24.2 OF THE APPLICATION OF THE PROVISIONS OF THE SECTION OF THE TRIPS AGREEMENT ON GEOGRAPHICAL INDICATIONS, WTO Doc. IP/C/W/117/Add.30 (June 16, 2004).

<sup>12</sup> Trademark Act 2003 (Taiwan) [hereinafter Trademark Act 2003].

<sup>13</sup> Fair Trade Act of 2011 (Taiwan).

<sup>14</sup> The Tobacco and Alcohol Administration Act 2013 (Taiwan).

<sup>15</sup> WORLD TRADE ORGANIZATION, *supra* note 11.

<sup>16</sup> TIPO, *Examination Guidelines on Certification Marks, Collective Trademarks and Collective Membership Marks* (July 25, 2007) [www.intellektus.com/upload/editor/Examination\\_Guidelines\\_on\\_Certification\\_Marks.pdf](http://www.intellektus.com/upload/editor/Examination_Guidelines_on_Certification_Marks.pdf) [hereinafter Examination Guidelines].

<sup>17</sup> Stacy D. Goldberg, *Who Will Raise the White Flag? The Battle between the United States and the European Union over the Protection of Geographical Indications*, 22 U. PA. J. INT'L ECON. L. 107, 109–110 (2001).

<sup>18</sup> Julie Chasen Ross & Jessica A. Wasserman, *Trade-Related Aspects of Intellectual Property Rights*, in THE GATT URUGUAY ROUND: A NEGOTIATING HISTORY (1986–1992) VOLUME II: COMMENTARY 2245–2333 (Terence P. Steward ed., 2003).

<sup>19</sup> Albrecht Conrad, *The Protection of Geographical Indications in the TRIPS Agreement*, 86 TMR 11, 29–31 (1996).

<sup>20</sup> Kevin M. Murphy, *Conflict, Confusion, and Bias under TRIPs Articles 22–24*, 19 AM. U. INT'L L. REV. 1181, 1186 (2004); Lina Montén, *Geographical Indications of Origin: Should They Be Protected and Why? – An Analysis of the Issue from the U.S. and EU Perspectives*, 22 SANTA CLARA COMPUTER & HIGH TECH. L. J. 315, 315 (2006); Justin Hughes, *Champagne, Feta, and Bourbon: The Spirited Debate about Geographical Indications*, 58 HASTINGS L. J. 299, 301–302 (2006).

<sup>21</sup> José Manuel Cortés Martín, *TRIPS Agreement: Towards a Better Protection for Geographical Indications?*, 30 BROOK. J. INT'L L. 117, 127 (2004).

In 2002, Taiwan joined Argentina, Australia, Canada, Chile, the Dominican Republic, El Salvador, Guatemala, New Zealand, Paraguay, the Philippines, and the United States in opposing the extension of the higher level of GI protection for wines and spirits to all goods.<sup>22</sup> According to TIPO, the reason for this was that “after thoughtful review, we have concluded that extension will not provide meaningful benefits but will instead create new difficulties.”<sup>23</sup> Furthermore, on March 11, 2005, Taiwan joined the New World countries, including Argentina, Australia, Canada, Chile, Ecuador, Mexico, New Zealand, and the United States, in supporting the establishment of a nonbinding and voluntary multilateral register for wine GIs.<sup>24</sup> This group of countries proposed that the TRIPS Council set up a voluntary system where GI holders could register their GIs in a database. The governments who choose to participate in the system would then have to consult the database when making decisions regarding GI protection in their own countries. Nonparticipating members would be “encouraged” but “not obliged” to consult the database.<sup>25</sup>

Judging from the façade, Taiwanese GI law seems to represent just another successful example of legal transplantation. However, as it will be revealed in this chapter, this tranquility is misleading, if not deceiving. The truth is that GI-protection issues have been a legal conundrum for Taiwanese policymakers and the history of Taiwanese GI law has been characterized by deraistic policy premises, perennial overhauls, doctrinal dilemmas, and atavistic evolution. This chapter aims to reveal and decipher Taiwan’s GI conundrum and provide strategies to turn this conundrum into a tool for policy development.

## 2 DEREISTIC POLICY PREMISES

Dereism is a psychological term that refers to mental activities that do not accord with reality or logic.<sup>26</sup> This term is used here, in the abstract, to

<sup>22</sup> See WORLD TRADE ORGANIZATION, IMPLICATIONS OF ARTICLE 23 EXTENSION, WTO Doc. IP/C/W/386 (November 8, 2002).

<sup>23</sup> *Id.* ¶ 1.

<sup>24</sup> WORLD TRADE ORGANIZATION, PROPOSED DRAFT TRIPS COUNCIL DECISION ON THE ESTABLISHMENT OF A MULTILATERAL SYSTEM OF NOTIFICATION AND REGISTRATION OF GEOGRAPHICAL INDICATIONS FOR WINES AND SPIRITS, WTO Doc. TN/IP/W/10/Rev.2 (July 24, 2008).

<sup>25</sup> WORLD TRADE ORGANIZATION, GEOGRAPHICAL INDICATIONS – BACKGROUND AND THE CURRENT SITUATION, [www.wto.org/english/tratop\\_e/trip\\_e/gi\\_background\\_e.htm#wine\\_s\\_spirits](http://www.wto.org/english/tratop_e/trip_e/gi_background_e.htm#wine_s_spirits) (last visited April 10, 2016).

<sup>26</sup> RAYMOND CORSINI, THE DICTIONARY OF PSYCHOLOGY 267 (2002).

describe the nature of the policy premises on which Taiwanese GI law has been based. This section identifies and explores three such policy premises, including the misidentification of policy context in which GIs are protected, misinterpretation of the GI–trademark relation, and opportunistic distortion of the meaning of protection.

### 2.1 *An Intellectual Property-Centered Policy on Geographical Indications*

As we have seen, Taiwanese GI law was enacted in response to a new IP obligation imposed by the TRIPS Agreement. This IP-centered premise has not changed since 2003. The policy interests for GIs becoming a separate form of IP at the national and regional levels, thus causing international problems, have not been considered by Taiwanese policymakers. Problems with such a premise for policymaking are twofold. At the general level, it contravenes the economic rationales behind IP protection. It has been argued that IP protection is a form of government intervention in the economy. Such an intervention is not the end per se but rather an instrument for the achievement of other policy goals.<sup>27</sup> Thus, protecting IP simply for the sake of doing so, without identifying the proper policy context in which it operates, as the Taiwanese GI law has done, is to put the cart before the horse. More specifically, failing to identify the specific policy interests that GIs are intended to address, such as rural development or food quality control,<sup>28</sup> has turned the development of Taiwanese GI law into a Hamlet without the Prince of Denmark.<sup>29</sup>

### 2.2 *Interpreting Geographical Indications as Trademarks*

Another policy premise that has guided the development of Taiwanese GI law is that GIs are equivalent, or at least similar, to trademarks. According to TIPO, the adoption of this “trademark approach” was inspired by existing international paradigms. Taiwan’s policymakers and commentators identified

<sup>27</sup> See, e.g., Herbert Hovenkamp, *Antitrust and the Regulatory Enterprise*, COLUM. BUS. L. REV. 335, 336 (2004); Mark A. Lemley, *Property, Intellectual Property, and Free Riding*, 83 TEX. L. REV. 1031, 1073–74 (2005).

<sup>28</sup> See, e.g., Elizabeth Barham, *Translating Terroir: The Global Challenge of French AOC Labelling*, 19 J. RURAL STUD. 127 (2003); DANIELE GIOVANNUCCI ET AL., GUIDE TO GEOGRAPHICAL INDICATIONS: LINKING PRODUCTS AND THEIR ORIGINS 90 (2009).

<sup>29</sup> THE OXFORD ENGLISH DICTIONARY VOLUME VI 1056 (2nd edn. 1989) (This phrase is used to refer to “a performance without the chief actor or a proceeding without the central figure”).

two types of GI protection: the EU's *sui generis* model and the trademark model in the United States. The former recognizes GIs as a form of intellectual property in its own right and protects GIs through the *sui generis* legislation, whereas the latter views GIs as a subset of trademarks and thus protects them under existing trademark law.<sup>30</sup> Taiwan's reasons for adopting the trademark approach are twofold. First, in the eyes of Taiwan's policymakers, GIs are similar to trademarks. This is because GIs, as "commercially valuable source-identifiers," are similar to trademarks in terms of function and value. They are also similar in terms of the rationales behind their legal protection – consumer protection and the prevention of unfair competition. In the case of GIs, misuse may be detrimental to the interests of consumers and thus constitute unfair competition between producers. Secondly, subsuming GIs under existing trademark law is easy and convenient.<sup>31</sup> Therefore, to Taiwanese policymakers, the two GI protection models differed on a technical basis rather than substantive basis.

However, this interpretation completely disregards the fact that under the TRIPS Agreement, GIs and trademarks are two separate categories of IPR. Under the TRIPS Agreement, GIs are "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."<sup>32</sup> As the WTO explained, GIs are names of places or words associated with a place "used to identify the origin and quality, reputation or other characteristics of products."<sup>33</sup> Moreover, differences between GIs and trademarks are obvious as the TRIPS Agreement defines trademarks as "[a]ny sign, or any combination of signs, capable of distinguishing the goods or services of one undertaking from those of other undertakings."<sup>34</sup> The ability to distinguish goods and services of undertakings is the universal requirement for a sign to be protected as a trademark.<sup>35</sup>

<sup>30</sup> Szu-Yuan Wang, *Geographical indications as Intellectual Property: In Search of Explanations of Taiwan's GI Conundrum 2–3* (February 2013) (unpublished Doctoral Dissertation, Newcastle University, on file with author).

<sup>31</sup> *Id.* at 3 (stating that Taiwanese scholars also hold this view); see Wang, *supra* note 8, at 914 ("Among these models, two major ones are the trademark model, associated primarily with the United States, and the French appellation of origin model . . . these models . . . are all oriented toward a twofold purpose: on the one hand, preventing misleading use and misappropriation of collective goodwill, and hence, on the other, protecting consumers").

<sup>32</sup> See TRIPS, *supra* note 4, art. 22.1. <sup>33</sup> WORLD TRADE ORGANIZATION, *supra* note 25.

<sup>34</sup> See TRIPS, *supra* note 4, art. 15.

<sup>35</sup> Dev Gangjee, *Protecting Geographical Indications as Collective Trademarks: The Prospects and Pitfalls*, in IIP BULLETIN 112, 114 (2006).

As to the rationales behind protection, the TRIPS Agreement provides two levels of protection for GIs. TIPO's interpretation only acknowledges protection for GIs for all goods, which is based on consumer protection and the prevention of unfair competition rationales. It ignores the additional level of protection for wine and spirits. Furthermore, although they claim to have been inspired by both the United States and EU's models, TIPO's interpretation is in fact a faithful reflection of that of the United States Patent and Trademark Office's (USPTO)<sup>36</sup> regime, and a total ignorance or misunderstanding of the EU's concept of GIs. Under EU law, a GI is "the name of a region, a specific place or, in exceptional cases, a country, used to describe an agricultural product or a foodstuff."<sup>37</sup> Such terms would normally be considered generic or descriptive under the trademark doctrine.<sup>38</sup>

### 2.3 Distinction between Positive Protection and Negative Protection

Since GIs are treated as trademarks, the policymaker's task has been to absorb GIs into the existing trademark law. This approach faces an immediate challenge because under the trademark doctrine GIs are normally not considered distinctive and thus they are not protectable.<sup>39</sup> Hence, Taiwanese

<sup>36</sup> UNITED STATES PATENT AND TRADEMARK OFFICE (USPTO), *Geographical Indication Protection in the United States*, available at [www.uspto.gov/web/offices/dcom/olia/globalip/pdf/gi\\_system.pdf](http://www.uspto.gov/web/offices/dcom/olia/globalip/pdf/gi_system.pdf).

<sup>37</sup> Council Regulation 510/2006 of March 20, 2006, On the Protection of Geographical Indications and Designations of Origin for Agricultural Products and Foodstuffs, 2006 O.J. (L. 93/12) arts. 2.1(a)–(b).

<sup>38</sup> Commission Regulation No 1898/2006 of December 14, 2006, Laying Down Detailed Rules of Implementation of Council Regulation (EC) No. 510/2006 on the Protection of Geographical Indications and Designations of Origin for Agricultural Products and Foodstuffs, 2006 O.J. (L369/1) art. 3.1 (further sets qualifications for eligible names: (i) "Only a name that is in use in commerce or in common language, or which has been used historically to refer to the specific agricultural product or foodstuff, may be registered." (ii) "Only a name that is used, whether in commerce or in common language, to refer to the specific agricultural product or foodstuff may be registered."); For information about the generic and descriptive nature of GIs, see also, Xuan-Thao N. Nguyen, *Nationalizing Trademarks: A New International Trademark Jurisprudence?*, 39 WAKE FOREST L. REV. 729, 757 (2004); Felix Addor & Alexandra Grazioli, *Geographical Indications beyond Wines and Spirits: A Roadmap for a Better Protection for Geographical Indications in the WTO TRIPS Agreement*, 5 J. WORLD INTELL. PROP. 865, 871 (2002); Emily Nation, *Geographical Indications: The International Debate over Intellectual Property Rights for Local Producers*, 82 U. COLO. L. REV. 959, 975 (2011).

<sup>39</sup> See, e.g., Felix Addor & Alexandra Grazioli, *supra* note 38.; Dev Gangjee, *Quibbling Siblings: Conflicts between Trademarks and Geographical Indications* 82 CHI-KENT L. REV. 1253, 1255 (2007); SHUBA GHOSH ET AL., INTELLECTUAL PROPERTY: PRIVATE RIGHTS, THE PUBLIC INTERESTS, AND THE REGULATION OF CREATIVITY ACTIVITY 491 (2007); MARSHA

policymakers have adopted an opportunistic strategy to overcome this apparent and inherent difficulty by widening the meaning of trademark protection to include “negative protection.”

Trademark protection under the Taiwanese Trademark Act is based on the “registration protection principle.” This means that “protection” refers to the acquisition of trademark rights through registration.<sup>40</sup> In order to be registered and protected, the mark in question must meet three statutory requirements. A failure to comply with any of the requirements will result in registration being refused and thus no protection for the mark. The requirements are that (i) the mark in question must “be composed of a word, figure, symbol, colour, sound, three-dimensional shape or a combination thereof,”<sup>41</sup> (ii) the mark in question must be capable of being “expressed in a visually perceptible representation,”<sup>42</sup> (iii) the mark must be “distinctive enough for relevant consumers of the goods or services to recognize it as identification to that goods or services and to differentiate such goods or services from those offered by others.”<sup>43</sup> However, nondistinctive elements may be included in a registered trademark on the condition that “the applicant disclaims the exclusive right for using the said feature.”<sup>44</sup>

A registered trademark confers on its proprietor the right to exclude others from using that particular sign in relation to specified commercial activities.<sup>45</sup> This exclusive right may be infringed by someone using the trademark in Taiwan without the proprietor’s consent.<sup>46</sup> The proprietor of a registered trademark may also license,<sup>47</sup> assign,<sup>48</sup> create a pledge over,<sup>49</sup> or abandon<sup>50</sup> his trademark rights. Additionally, the proprietor has the rights to customs and border measures.<sup>51</sup> Upon successful registration, the trademark is protected for ten years, starting from the date of publication.<sup>52</sup> Thereafter, registration may be renewed for another ten years.<sup>53</sup> However, the proprietor’s exclusive right to a registered trademark may not be infringed by use in Taiwan without his consent in the following instances: (i) *bona fide* and fair use of one’s own name or title or the name, shape, quality, function, place of origin, or other description of goods or services, provided that the use is for non-trademark purposes;<sup>54</sup>

A. ECHOLS, GEOGRAPHICAL INDICATIONS FOR FOOD PRODUCTS: INTERNATIONAL LEGAL AND REGULATORY PERSPECTIVES 242 (2008).

<sup>40</sup> TIPO, What Are the Advantages of Trademark Registration? (updated, March 19, 2013) [www.tipo.gov.tw/ct.asp?xItem=214845&ctNode=7078&mp=1](http://www.tipo.gov.tw/ct.asp?xItem=214845&ctNode=7078&mp=1); DU-TSUEN WANG, TRADEMARK LAW 6 (2nd edn., Wunan 2011); CHOU-FU LIN, TRADEMARK 39 (2nd edn., Wunan 2009).

<sup>41</sup> Trademark Act 2003, *supra* note 12. <sup>42</sup> *Id.* at art. 17.1. <sup>43</sup> *Id.* at art. 5.2.

<sup>44</sup> *Id.* at art. 19. <sup>45</sup> *Id.* at art. 29.1. <sup>46</sup> *Id.* at art. 29.2.

<sup>47</sup> Trademark Act 2003, *supra* note 12, at art. 33. <sup>48</sup> *Id.* at art. 35. <sup>49</sup> *Id.* at art. 37.

<sup>50</sup> *Id.* at art. 38. <sup>51</sup> *Id.* at art. 65. <sup>52</sup> *Id.* at art. 27.1.

<sup>53</sup> Trademark Act 2003, *supra* note 12, at art. 27.2. <sup>54</sup> *Id.* at art. 30.1(1).



(ii) a three-dimensional shape of a good or package “indispensable for performing its intended functions”;<sup>55</sup> (iii) *bona fide* use prior to the filing date of a registered trademark;<sup>56</sup> (iv) if the goods bearing the registered trademark are traded or circulated in the marketplace by the proprietor or an authorized person, or are offered for auction or disposal by a relevant agency, then the proprietor shall not claim infringement of his trademark on the said goods.<sup>57</sup>

Interestingly, the concept of “negative protection” was previously unheard of in Taiwanese trademark jurisprudence. According to TIPO, the basis for “negative protection” for GIs can be found in Articles 23.1(11) and 23.1(18) of the Trademark Act 2003. Article 23.1(11) provides for the refusal of an application for trademark registration if the proposed mark is “likely to mislead the public with respect to the nature, quality, or place of origin of the designated goods or services.”<sup>58</sup> Additionally, Article 23.1(18) provides for the refusal of a mark “that is identical or similar to a geographical indication of wines and spirits of a country or region that mutually protects trademark with Taiwan, and is designated for use on wines and spirits.”<sup>59</sup> Thus, negative protection actually refers to the refusal of registration. However, by distinguishing negative protection from positive protection, TIPO is now able to claim that GIs are protected as trademarks under Taiwanese trademark law. Thus, the sophistry of negative protection is not only a euphemism for the refusal of protection but also a form of deception to allow the policymaker to ignore the obvious incompatibility between GIs and trademarks.

### 3 POSITIVE PROTECTION: PERENNIAL OVERHAULS, DOCTRINAL DILEMMAS, AND ATAVISTIC EVOLUTION

Positive protection, which is the registration of GIs as certification marks and collective trademarks, has been characterized by perennial overhauls, doctrinal dilemma, and atavistic evolution. Although the Trademark Act 2003 was the first official response to the GI-protecting obligations, it simply added the words “place of origin” to the categories of qualities certifiable by certification marks. Later in 2004, TIPO introduced a whole new administrative mechanism for “the registration of geographical indications as certification marks.”<sup>60</sup>

<sup>55</sup> *Id.* at art. 30.1(2). <sup>56</sup> *Id.* at art. 30.1(3). <sup>57</sup> *Id.* at art. 30.2. <sup>58</sup> *Id.* at art. 23.1(11).

<sup>59</sup> Trademark Act 2003, *supra* note 12, at art. 23.1(18).

<sup>60</sup> The Main Points for the Registration of Geographical Indications as Certification Marks 2004, available at [www.tipo.gov.tw/lp.asp?ctNode=7051&CtUnit=3495&BaseDSD=7&mp=1&qpsubmit=5949.8&htx\\_topCat=&htx\\_xpostDate\\_S=&htx\\_xpostDate\\_E=&htx\\_stitle=%E5%9C%Bo%E7%90%86%E6%A8%99%E7%A4%BA&htx\\_xbody=&htx\\_xurl](http://www.tipo.gov.tw/lp.asp?ctNode=7051&CtUnit=3495&BaseDSD=7&mp=1&qpsubmit=5949.8&htx_topCat=&htx_xpostDate_S=&htx_xpostDate_E=&htx_stitle=%E5%9C%Bo%E7%90%86%E6%A8%99%E7%A4%BA&htx_xbody=&htx_xurl) [hereinafter GI Registration Points].

It incorporated the TRIPS Agreement's definition of GIs and established procedures to ensure the existence of a required link between the product and the place of origin.<sup>61</sup> It also introduced a decision-making process through which the decision to grant GI protection was a joint decision by TIPO and the relevant government authorities in charge of the products identified by the GI, such as Ministry of Agriculture and Ministry of Treasury.<sup>62</sup> However, this mechanism was abolished in 2007 when TIPO introduced the registration of "geographical certification marks" and "geographical collective trademarks." At the heart of this new mechanism was the requirement of distinctiveness of the geographical term – a link between the product and place was no longer required. The TIPO was now the sole authority for granting GI protection. Further change came in mid-2011 with the enactment of the Trademark Act 2012 (TMA 2012),<sup>63</sup> which codified the terms "geographical certification mark" and "geographical collective mark." In doing so, the TRIPS definition of GIs was formally incorporated into the definition of "geographical certification marks" and "geographical collective marks." Surprisingly, the requirement of distinctiveness was abolished and a joint decision-making process was reintroduced – not to qualify the product but to qualify the applicant.

### 3.1 Trademark Act of 2003

The Trademark Act 2003, the first official response to GI obligation, simply added "place of origin" to the categories certifiable by certification marks. Under Taiwanese trademark law, a "certification mark is used to certify the characteristics, quality, precision, place of origin or other matters of another person's goods or services shall apply for certification mark registration."<sup>64</sup> This means that, unlike general trademarks, a certification mark is not used to indicate a single business source. Instead, it is "used by multiple people who comply with the labelling requirements in connection with their respective goods or services."<sup>65</sup> Only "a juristic person, an organization or a government agency capable of certifying another person's goods or services" is eligible to apply for a certification mark.<sup>66</sup> However, the owner of a certification mark is not allowed to use the mark. Rather, he is obliged to "control the use of the mark, supervise the authorized users' use, and ensure that the certified goods

<sup>61</sup> GI Registration Points, *supra* note 60, at 2.1. <sup>62</sup> *Id.* at 4.1.

<sup>63</sup> TMA 2012 was scheduled to enter into force in 2012 and thus termed the Trademark Act 2012.

<sup>64</sup> Trademark Act 2003, *supra* note 12, at art. 72.1.

<sup>65</sup> Examination Guidelines, *supra* note 16, at 2.1.

<sup>66</sup> Trademark Act 2003, *supra* note 12, at art. 72.2.

or services meet the articles governing use.”<sup>67</sup> Also, the owner of a certification mark must allow any person who complies with the requirements to apply to use the certification mark.<sup>68</sup> The year 2003 saw the registration of what the TIPO claims to be the first geographical certification mark: “池上米” (Chinese characters for “Chi-Shang rice”).<sup>69</sup> This certification mark was registered by the Chi-Shang Township Office of Taitung County to certify rice originating from the Chi-Shang Township of Taitung County, and that its quality met the “Criteria Governing Chi-Shang Rice quality rice logo” that was established by the owner of the mark.<sup>70</sup>

The main effect of registration of a geographical certification mark is that, after such registration, any application to register the same “geographical name” as a trademark would be rejected pursuant to Article 23–1(11) of the Trademark Act 2003 because the latter application might mislead the public with respect to the quality, nature, or place of origin of the goods that the second mark would identify, if registered. In other words, after “池上米” is registered, another person’s application to register the same geographical name as part of a trademark, which is likely to mislead the public with respect to the place of origin, shall be rejected. However, any registered trademark acquired prior to the registration of the corresponding geographical certification mark is not affected. Furthermore, the owner of the geographical certification mark would not have the right to prohibit the owner of the trademark from using that geographical name in good faith and in a reasonable manner.<sup>71</sup>

However, it is noteworthy that TIPO’s narrative does not entirely align with reality. Certification marks were first included under TMA 1993. Under the TMA 1993, certification marks are used to certify characteristics, quality, precision, or other matters of goods or services.<sup>72</sup> It has been pointed out that this provision is broad enough to cover even the “place of origin.”<sup>73</sup> Moreover, a survey of TIPO’s trademark register also confirms that there were certification marks registered before the TMA 2003 came into force on November 28, 2003, which may certify the place of origin of products. Some examples include the following: the mark “CALIFORNIA” with a device to certify that the cling peach products it identifies originated from California, US, and that they comply with the quality standards set by the proprietor of the mark (the certifier);<sup>74</sup> the mark “QUALITY USA” with

<sup>67</sup> Examination Guidelines, *supra* note 16, at 2.1. <sup>68</sup> *Id.*

<sup>69</sup> See Wang, *supra* note 8, at 935. <sup>70</sup> Examination Guidelines, *supra* note 16, at 3(1).

<sup>71</sup> *Id.* at 2.4.4. <sup>72</sup> Trademark Act 2003, *supra* note 12, at art. 73.1.

<sup>73</sup> WEN-YIN CHEN, TRADEMARK LAW 17–19 (Sanmin 1998).

<sup>74</sup> California, Registration No. 00000002 (April 16, 1995).

a device that certifies “the certified peanut products are absolutely originated in the USA and comply the relevant US Federal standards and regulations”;<sup>75</sup> the mark “IQF EDAMAME OF TAIWAN” with a map of Taiwan to certify that their edamames originate from Taiwan and that their quality and sanitation methods comply with the standards set by the certifier;<sup>76</sup> and the mark “JAMAICA BLUE MOUNTAIN” that certifies that the coffee beans identified by the mark originate from the Jamaican Blue Mountain area and that their storage, processing, and packaging comply with the requirements of the certifier.<sup>77</sup>

Thus, it is argued that listing the words “place of origin” in the TMA 2003 does not create a new legal right. It is only a declaratory gesture used to express Taiwan’s determination to implement its TRIPS obligations.<sup>78</sup>

### 3.2 Main Points for the Registration of Geographical Indications of 2004

In September 2004, TIPO adopted the “Main Points for the Registration of Geographical Indications as Certification Marks” (GI Registration Points 2004).<sup>79</sup> The GI Registration Points 2004 established a whole new administrative mechanism for the registration of GIs as certification marks and has three main features.

First, the GI Registration Point 2004 incorporated the TRIPS Agreement’s definition of GIs.<sup>80</sup> TIPO further refined this definition into three elements: (i) the indication must be a geographical name, a picture, or word related to that geographical term which identifies the nexus between a particular good and that geographical area; (ii) the geographical area in question may encompass a WTO Member’s entire territory, or a single administrative unit, a combination of several administrative units, or a specific area where the raw materials grow or processing takes place; and (iii) there must be a nexus between a given quality, reputation, or other characteristic of the good and that geographical area.<sup>81</sup>

Second, it established procedures to verify the existence of a link between the product and the place of origin. TIPO set out three alternative criteria to determine the existence of the product–place nexus. First, all stages of production (growth of raw materials, processing, and packaging) must take place

<sup>75</sup> Quality USA, Registration No. 00000075 (November 1, 2002).

<sup>76</sup> IQF Edamame Of Taiwan, Registration No. 00000104 (September 16, 2003).

<sup>77</sup> Jamaica Blue Mountain, Registration No. 00000095 (July 1, 2003).

<sup>78</sup> WEN-YIN CHEN, TRADEMARK LAW 29 (3rd edn. 2005).

<sup>79</sup> GI Registration Points, *supra* note 60. <sup>80</sup> *Id.* at 2.1. <sup>81</sup> *Id.* at 2.2.

within the designated area. Second, the main raw materials (tea leaves, for example) must originate from the designated area and only a small portion of raw materials may be supplied from other areas; or, third, the production stage which gives the product its distinctive feature must take place within the designated area.<sup>82</sup> The applicant must also submit a product specification with the following information: (i) definition of the geographical area; (ii) raw materials and their place of origin; (iii) description of the raw materials, including physical, chemical, microbiological, sensual characters and evidence of such characters; (iv) description of methods of production, including the local conventional or unvarying methods; and (v) description and evidence of the specific facts or factors in relation to the geographical environment, such as the soil, climate, wind, water quality, altitudes, humidity, and their connection to the product.<sup>83</sup>

Third, it also introduced a joint decision-making process by the TIPO and relevant government authorities in charge of the products identified by the GI, such as Ministry of Agriculture and Ministry of Treasury, for the granting of GI protection. Generally, an application to register a GI as a certification mark will be examined by TIPO under the normal procedures for certification marks. However, the GI Registration Points indirectly indicated that TIPO might not be in the best position to judge the product–place nexus. Hence, the “Main Points” obliged TIPO to seek professional opinion from the Council of Agriculture where the agricultural product in question was not wine or alcohol, or the Treasury of the Ministry of Finance if the product concerned was wine or alcohol.<sup>84</sup>

Thus, the GI Registration Points 2004 represents an attempt to absorb GIs into the trademark law by grafting the branch of EU-styled *sui generis* GI law onto the stem of trademark law.

### 3.3 *The Examination Guidelines of 2007*

In 2007, the GI Registration Points 2004 were abolished when TIPO introduced the “Examination Guidelines on Certification Marks, Collective Trademarks and Collective Membership Marks” (the Examination Guidelines 2007). The Examination Guidelines marked the beginning of a new phase of Taiwanese GI law. Instead of using the term “geographical indications,” it adopted the terms “geographical certification mark” (產地證明標章)<sup>85</sup> and “geographical collective trademark” (產地團體商標).<sup>86</sup> Most importantly,

<sup>82</sup> *Id.* at 2.3. <sup>83</sup> *Id.* at 3.2.2.2(2). <sup>84</sup> *Id.* at 4.1.

<sup>85</sup> Examination Guidelines, *supra* note 16, at 2.2.3.2. <sup>86</sup> *Id.* at 3.3.2.

“distinctiveness” of the mark was now the *sine qua non* condition for the registration of geographical certification marks and geographical collective trademarks. The product-place nexus was no longer required and TIPO became the sole authority in charge of the examination of registration applications for geographical certification marks and geographical collective trademarks.

Similar to individual trademarks, distinctiveness is an essential condition for the registration of geographical certification marks. TIPO expounds the meaning of distinctiveness of a geographical certification mark as follows:

A “geographical certification mark” mainly comprises a geographical name and differs from a generally descriptive “indication of source.” A general “indication of source” only describes the place where the goods or services are manufactured, produced or provided, for instance, “台灣製造” (meaning “made in Taiwan”) and “made in Taiwan.” On the other hand, a “geographical certification mark” is used to certify that one’s goods or services originate in a certain geographical region and the certified goods or services have a certain quality, reputation or other features attributed to the specific natural or human factors of its geographical environment. In other words, because the geographical name has garnered certain reputation due to its use over time, consumers would immediately associate the geographical name with the certified goods or services as soon as they encounter it; therefore, the geographical indication may be granted registration because of distinctiveness.<sup>87</sup>

A collective trademark is “mainly used by the members of a collective group in order to identify the goods or services operated or offered by its members.”<sup>88</sup> This means that a collective trademark allows the consumer to distinguish goods or services provided by a member of a collective group from those offered by nonmembers. Only a “business association, social organization, or any other group that exists as a juristic person” may be eligible to apply for a collective trademark.<sup>89</sup> Furthermore, it was also mentioned that “[c]ollective trademarks are still trademarks by nature. While ordinary trademarks are used to identify a single source of goods or services, collective trademarks are used by the members of a given group on the goods or services provided by the members of that group.”<sup>90</sup> Thus, a collective trademark is similar to a general trademark in the sense that both are used to indicate the business source of goods or services.<sup>91</sup>

<sup>87</sup> *Id.* at 2.4.1.2. <sup>88</sup> Trademark Act 2003, *supra* note 12, at art. 77.

<sup>89</sup> Examination Guidelines, *supra* note 16, at 3.1. <sup>90</sup> WANG, *supra* note 40, at 20.

<sup>91</sup> Examination Guidelines, *supra* note 16, at 3.1.

According to TIPO, the main difference between these two categories of marks lies in their respective relations to their users. A general trademark is only used by the owner himself, if he does not license it out. However, a collective trademark is jointly used by the members of a group on the goods or services of the respective members. But if the owner wants to launch advertising campaigns for its members, it may use the collective trademark to promote the goods or services offered by its members.<sup>92</sup> Under Taiwanese trademark law, the main difference between a collective trademark and a certification mark is that the former is exclusive to the owner, but the latter is open to the public. In other words, whereas a collective trademark is used only by the members of its collective group, anyone who complies with the prescribed requirements to use a certification mark must be allowed to use it.<sup>93</sup>

Like trademarks, a geographical collective trademark is not registrable if it is considered descriptive.<sup>94</sup> However, a geographical collective mark becomes registrable if it “has acquired distinctiveness as specified in Article 23–4 of the Trademark Act.”<sup>95</sup> TIPO envisaged the process in which a geographical name may acquire distinctiveness as follows:

Unlike an “indication of source” with a general descriptive nature, a “geographical collective mark” not only denotes the place where the goods or services are manufactured, produced or provided, but also signifies that the goods or services identified thereunder have certain quality, reputation or other characteristics attributable to the natural or human factors of that geographical region. Therefore, a geographical collective trademark identifies the goods or services originating in a particular region that has certain quality or characteristics. In other words, as the geographical name has acquired certain reputation after a long-term use, consumers can immediately associate it with the designated goods or services. Such geographical collective trademark may be registered because it meets the distinctiveness requirements of a geographical collective trademark.<sup>96</sup>

Given the importance of distinctiveness, TIPO provided a series of definitions to clarify the concept of distinctiveness under the Trademark Act of 2003. For individual trademarks, “distinctiveness of a trademark relates to how it denotes the source of goods or services and distinguishes such goods or services from those of others.”<sup>97</sup> A general collective trademark is deemed distinctive “if it is able to distinguish the goods or services of the members of a collective

<sup>92</sup> *Id.* <sup>93</sup> *Id.* at 3.1. <sup>94</sup> *Id.* at 3.4.1.2. <sup>95</sup> *Id.* <sup>96</sup> *Id.*

<sup>97</sup> TIPO, *Examination Guidelines on Distinctiveness of Trademarks*, 2 (January 1, 2009).

group from those goods or services of non-member parties.”<sup>98</sup> In TIPO’s definition, the “distinctiveness of a general certification mark refers to the characteristics, quality, precision or other matters that is/are used to certify one’s goods or services; the use of which on the certified goods or services is sufficient to distinguish them from the goods or services that are not certified.”<sup>99</sup> However, this definition is ambiguous and elusive.

Thus, the Examination Guidelines 2007 represented a new approach to incorporate GIs into the existing trademark law. For this purpose, TIPO created a new concept of distinctiveness for geographical certification marks and geographical collective trademarks, which incorporated the TRIPS Agreement’s definition of GIs.

Similar to that of certification marks, TIPO’s narrative of adding geographical collective trademarks as a protective measure for GIs originated in some specific events. Collective trademarks, in general, were first added to Taiwan’s trademark law in 2003.<sup>100</sup> However, the registration of “geographical collective trademarks” was not formally provided for under the TMA 2003. It was, instead, recognized under the Examination Guidelines 2007.<sup>101</sup> According to TIPO, in 2007, the government decided to enhance the protection of GIs by allowing the registration of “geographical collective marks”<sup>102</sup> as a response to the 2005 incident that the names of seven well-known Taiwanese tea production districts were registered as trademarks in China. In particular, TIPO treats the “geographical collective trademark” as a special type of collective trademarks. Section 3.1 of the 2007 Examination Guidelines states: “In addition to a general collective trademark, the applicant may apply to register a geographical name as a geographical collective trademark, which is jointly used by the members of a collective group incorporated within the defined geographical region to denote the source of goods or services they offer.”<sup>103</sup> Therefore, the registration of geographical collective trademarks was only officially allowed under the Examination Guidelines 2007.

However, there were collective trademarks registered prior to 2007, which appear capable of performing the same functions as “geographical collective trademarks.” For instance, the following marks were registered: YAMAGATA SAKE BREWERY ASSOCIATION (Japan) (山形縣酒造合作社日本) registered the collective trademark “山形讚香YAMAGATA SANGA” for Japanese

<sup>98</sup> Examination Guidelines *supra* note 16, at 3.4.1.1. <sup>99</sup> *Id.* at 2.4.1.1.

<sup>100</sup> TIPO, *Comparative Study on the Examination and Infringement of Collective Trademark, Certification Mark and Collective Membership Mark* 7 (2006), available at [www.tipo.gov.tw/lp.asp?CtNode=7069&CtUnit=3509&BaseDSD=7&mp=1](http://www.tipo.gov.tw/lp.asp?CtNode=7069&CtUnit=3509&BaseDSD=7&mp=1).

<sup>101</sup> Examination Guidelines *supra* note 16, at 3.1. <sup>102</sup> *Id.* <sup>103</sup> *Id.*



wine and sake on December 16, 2005;<sup>104</sup> the Italian company CONSORZIO PRODUTTORI MARMO BOTTICINO CLASSICO registered “MARMO BOTTICINO CLASSICO” for marble products on September 1, 2006;<sup>105</sup> the Italian company CONSORZIO DEL PROSCIUTTO DI PARMA registered “PARMA” for ham as a collective trademark on July 16, 2007;<sup>106</sup> the Goat Farmer Association R.O.C. registered the collective trademark “國產優質生鮮羊肉TAIWAN FRESH GOAT MEAT (with picture)” for goat meat on October 1, 2006.<sup>107</sup>

### 3.4 Trademark Act of 2012

Further amendments to Taiwanese GI law were made in mid-2011 with the adoption of the Trademark Act 2012 (TMA 2012).<sup>108</sup> The TMA 2012 codifies the terms “geographical certification mark”<sup>109</sup> and “geographical collective mark.”<sup>110</sup> Article 80.1 defines certification marks as a mark used by its proprietor to certify the specific quality, precision, materials, method of production, place of origin, or other matters of others’ goods or services, and to distinguish the certified goods or services from uncertified ones.<sup>111</sup> Article 80.2 further states that the good or service certified by a geographical certification mark must have “a given quality, reputation, or characteristic.” However, there is no requirement for the essential nexus between the product and place of origin. For example, the place name “Taipei” (台北) cannot be registered as a geographical certification mark for rice noodles because it has no connotation of a given quality, reputation, or characteristic for rice noodles and simply describes the place of origin. On the other hand, since “Meinong” (美濃) is famous for the quality of its rice noodles, it fits the definition of a geographical certification mark.<sup>112</sup>

Article 88.2 defines a “geographical collective trademark” as a collective trademark, which “serves to indicate a specific place of origin of goods or services of a member, such goods or services from that geographical region shall have a given quality, reputation or other characteristic.”<sup>113</sup> Applicants for registration of a collective trademark, including geographical collective

<sup>104</sup> 山形讚香Yamagata Sanga, Registration No. 01188326 (December 16, 2005).

<sup>105</sup> Marmo Botticino Classico, Registration No. 01227793 (September 1, 2006).

<sup>106</sup> Parma, Registration No. 01271826 (July 16, 2005).

<sup>107</sup> 國產優質生鮮羊肉Taiwan Fresh Goat Meat, Registration No. 01232137 (October 1, 2006).

<sup>108</sup> Trademark Act 2012 (Laws and Regulations Database of the Republic of China 全國法規資料庫英譯法規查詢系米, English) (L. & Reg. DB), available at <http://law.moj.gov.tw/Eng/LawClass/LawContent.aspx?PCODE=J0070001> [hereinafter Trademark Act 2012].

<sup>109</sup> *Id.* at art. 80.1. <sup>110</sup> *Id.* at art. 88.2. <sup>111</sup> *Id.* at art. 80.1. <sup>112</sup> *Id.* at art. 80.

<sup>113</sup> *Id.* at art. 88.2.

trademark, must submit to the Registrar Office the regulations governing the use of the geographical collective trademark.<sup>114</sup> Article 89.3 requires the proprietor of a geographical collective mark to allow anyone whose good or service complies with the regulations<sup>115</sup> to become a member. As a result, the distinction between the geographical collective trademark and the geographical certification mark was eliminated and the former simply became the latter but with a different name. Articles 80.2 and 88.2 allow “a sign containing that geographical term or a sign capable of indicating that geographical area” to be registered as a geographical certification mark or geographical collective trademark respectively.<sup>116</sup> Interestingly, the distinctiveness requirement does not apply to the “geographical name” used in geographical certification marks or geographical collective trademarks.<sup>117</sup> More intriguing is the fact that it is not necessary to disclaim the geographical name in question.<sup>118</sup>

The TMA 2012 also contains provisions that explicitly deal with the effects of GI registration. As mentioned, TMA 2012 waives the requirement of distinctiveness for the registration of geographical names as geographical certification marks or collective trademarks. It further provides that it is not necessary to disclaim such geographical names.<sup>119</sup> The general rule for trademarks is that nondistinctive elements may be included in a registered trademark on the condition that “the applicant disclaims the exclusive right for using the said feature.”<sup>120</sup> This seems to suggest that the registration of a geographical certification mark or geographical collective mark will confer on its owner exclusive rights despite the lack of distinctiveness. This becomes especially ambiguous when one reads the provision providing that the “proprietor of a geographical certification mark is not entitled to prohibit the use of the signs to indicate the geographic origin of their goods or services in according with honest practices in industrial or commercial matters.”<sup>121</sup> On closer inspection, this provision is merely a reiteration of the fair use doctrine to trademark rights.<sup>122</sup> Under the fair use doctrine, the proprietor’s exclusive rights to a registered trademark are not infringed by the use of the trademark in Taiwan without his consent if the use includes the use of one’s own name or title, or the name, shape, quality, function, place of origin, or other description

<sup>114</sup> Trademark Act 2012, *supra* note 108, at art. 89.1. According to 89.2, the regulations shall specify (i) the qualifications of the members; (ii), the conditions on the use of the collective trademark; (iii) the methods of managing and supervising the use of the collective trademark; and (iv) the provisions against any violation of the regulations.

<sup>115</sup> *Id.* at art. 89.3. <sup>116</sup> *Id.* at arts. 80.2, 88.2. <sup>117</sup> *Id.* at arts. 84.1, 91. <sup>118</sup> *Id.* <sup>119</sup> *Id.*

<sup>120</sup> Trademark Act 2012, *supra* note 108, at art. 19. <sup>121</sup> *Id.* at art. 84.2. <sup>122</sup> *Id.* at art. 36.

of goods or services.<sup>123</sup> The purpose of adding this provision was to “safeguard the freedom of one’s right to describe his goods or services.”<sup>124</sup> As a result, no one’s right to use the registered geographical name would be affected. Thus, the owner could not exclude anyone from using the registered geographical name to indicate the geographical origin of his goods or services.

Therefore, the evolution of Taiwanese GI law is an atavistic one.<sup>125</sup> By requiring the proprietor to admit anyone whose product complies with the set criteria as a member, the TMA 2012, in practice, makes geographical collective trademarks geographical certification marks. This means that under the TMA 2012, geographical collective trademarks are no different from geographical certification marks except in name, and thus Taiwanese trademark law ultimately only protects GIs as certification marks. As to the effect of protection, the emphasis on safeguarding the freedom of competitors to describe the origin of their products through the fair use doctrine represented the trademark doctrine’s absolute victory. Thus, the enactment of the TMA 2012 actually brings Taiwanese GI law *status quo ante* 2003 and all the efforts and struggles have added nothing but new terminology.

#### 4 MAKING GEOGRAPHICAL INDICATIONS WORK FOR DEVELOPMENT

Given what we have seen in the past, it is time to end the chaos and emancipate Taiwanese policymakers from their Sisyphean mission of designing an ideal positive protection mechanism for GIs under the existing trademark law. Surprisingly, the *manumissio*<sup>126</sup> required is actually rather obvious and straightforward. While Taiwan’s GI conundrum is a result of perennial overhauls, doctrinal dilemmas, and atavistic evolution, the heart of the problem lies in its dereistic policy premises. Taiwanese policymakers’ immediate task should be to escape the GI–TM confusion. To accomplish this task, policymakers must stop seeing GIs through the lens of the trademark doctrine, and acquire a genuine understanding of the long-ignored EU *sui generis* paradigm. Once the GI–TM muddle is cleared, there will no longer be

<sup>123</sup> *Id.* at art. 30.1(1). <sup>124</sup> General Statement about Trademarks Act 2012.

<sup>125</sup> Atavism is a term use in biology to refer to a tendency to reproduce the ancestral type in animals or plants, *see* THE OXFORD ENGLISH DICTIONARY (2nd edn. 1989); THE RANDOM HOUSE DICTIONARY OF THE ENGLISH LANGUAGE (2nd edn. 1987). In the social sciences, atavism is a cultural tendency to revert to the ways of thinking and acting of a former time, *see* *Atavism*, DARWIN WAS RIGHT, [www.darwinwasright.org/atavism.html](http://www.darwinwasright.org/atavism.html) (last visited October 15, 2015).

<sup>126</sup> The legal process under Roman law whereby a master freed his slave, *see* PAUL DU PLESSIS, BORKOWSKI’S TEXTBOOK ON ROMAN LAW 96 (4th edn. 2010).

a need to employ the sophistry of “negative protection” to belie the incompatibility between GIs and trademarks. Only then can the Sisyphean effort of designing an ideal “positive protection” mechanism for GIs within the Trademark Act be stopped.

Another matter left to be considered is whether it is advisable for Taiwan to shift from the trademark approach to a GI regime modeled on the EU *sui generis* paradigm. In order to answer this question, policymakers must first ask themselves what they want GIs to do for Taiwan. An example would be the name “阿里山” (Ali Shan, meaning Ali Mountain), one of the most prestigious tea production regions in Taiwan as well as in the Chinese-speaking world. The Chia-Yi County Council registered “嘉義縣阿里山高山茶” (Chia Yi County Alishan High Mountains Tea) as a geographical certification mark on December 16, 2006.<sup>127</sup> This certification mark is used to certify tea produced in six towns located around the Ali mountain area and that complies with government safety regulations in relation to the use of chemicals. Furthermore, the name “Ali Shan” is not disclaimed.<sup>128</sup> But despite the registration, a search of TIPO’s database on April 10, 2011, displayed 104 entries containing the name “阿里山.” Among the 104, 12 were pending applications and 92 were registered. Among the 92 registered, 37 were for tea products, and of the 37, 24 were registered after December 16, 2006, after the “阿里山” mark was registered. A search not too long ago revealed that registration of the name “阿里山” still continues despite the vicissitudes of law. A search of TIPO’s trademark registry database on September 5, 2015, displayed 171 entries containing the name “阿里山.” Among these results, 15 were pending applications and 156 were registered. Of the 156 registered, 43 were registered for tea products and among the 15 pending applications, 4 were for tea products.<sup>129</sup>

For those who are skeptical of the value of GIs as a form of IP in its own right and who seek to subsume GIs under trademark law, the coexistence of multiple applications and registrations is in line with the economic rationale behind trademark law and its doctrinal principle. On the contrary, for those who view GI as a valuable policy tool for rural development because of its potential to provide “measurable economic benefits to a wide portion of its stakeholders while enhancing, or at least not compromising, the social and

<sup>127</sup> 嘉義縣阿里山高山茶Registration No. 01242948 (December 16, 2006). <sup>128</sup> *Id.*

<sup>129</sup> A similar situation is also found in the name of another prestigious tea production region, namely, “凍頂” (Dong Ding) for Oolong tea. A search of the trademark registry database on September 5, 2015, displayed 30 entries containing the name “凍頂.” All the 30 are registered. Among the 30 registered, 18 are registered for tea products.

environmental conditions there,”<sup>130</sup> this state constitutes a lamentable case of what Gangjee describes as the “hidden consequences” of protecting GIs as collective or certification marks:

Protecting GIs as Collective or Certification marks is certainly a pragmatic compromise in countries where a separate protection regime does not exist, but there are hidden consequences. For a start, the US “Tequila” Certification mark ... has to coexist with 263 other live applications or registrations which include “Tequila,” making the ability to communicate a clear message of Mexican origin doubtful.<sup>131</sup>

Thus, the proposition of constructing a meaningful GI regime is the pre-termination of an unambiguous policy goal. Therefore, it is necessary for the policymaker to recontextualize Taiwanese GI law. By doing so, GIs will no more be merely an exogenous IP obligation imposed by the TRIPS Agreement. Instead, GIs will become a policy issue that has a real connection to Taiwan. It is in this new policy context that the policymaker will be able to adopt, after in-depth cost–benefit analyses, as components of Taiwanese GI law, legal measures not because they are IP but because they are necessary to achieve the policy goal.

## 5 CONCLUSION

Taiwan has been facing a GI conundrum, which is symptomized by the perennial overhauls, doctrinal dilemmas, and atavistic evolution. Roots of the conundrum lay in its dereistic premises, that is, the misidentification of policy contexts, misinterpretation of the GI–trademark relation, and the opportunistic distortion of the meaning of protection. To terminate the chaotic state the policymaker must stop seeing GIs through the lens of the trademark doctrine and acquire a genuine understanding of the long-ignored EU *sui generis* paradigm. To turn GIs into a policy tool for development, the policymaker must determine a clear policy goal in the first place.

<sup>130</sup> See GIOVANNUCCI, *supra* note 28.

<sup>131</sup> Dev Gangjee, *(Re)Locating Geographical Indications: A Response to Bronwyn Parry*, in TRADE MARKS AND BRANDS 381, 396 (Lionel Bently, Jennifer Davis, & Jane C. Ginsburg eds., 2008).