How Would Geographical Indications from Asia Fare in Europe?

Christopher Heath

1 INTRODUCTION AND STRUCTURE

Asian countries are discovering geographical indications (GIs). There are two reasons for this. First, the recognition that GIs can serve as an advantageous identifier for the marketing of domestic products abroad. Second, a system for the protection of GIs has become an obligation under bilateral and multilateral agreements. The question of how GIs from Asia can be protected abroad thereby becomes of interest. This chapter analyses how Asian GIs would fare in Europe.

‘Would’, because as of yet there is very little actual experience in this respect. Very few GIs from Asia have been registered in Europe, be it as GIs or trademarks, and even fewer have been litigated. The examples used in this chapter demonstrate how ‘foreign’ GIs can, did or did not find protection in Europe, either at the level of European Community law or the domestic laws of individual European Union (EU) Member States.

This chapter is divided into four sections. Section 2 gives a brief overview of the interplay between social, economic and legal considerations when approaching the topic of protecting domestic GIs abroad. Section 3 discusses the possibilities for Asian GIs to obtain protection in Europe, be it under the sui generis protection offered by EU law or on the basis of bilateral or international agreements. Section 4 discusses protection under EU trademark
law in different contexts: protection against registration of geographical names by third parties, protection based on trademark registration, protection based on the registration of a collective mark and protection once a trademark has received well-known status. Section 5 discusses non-proprietary protection in the context of unfair competition prevention law, namely as a guarantee of the ‘freedom to operate’ and market access.

2 GEOGRAPHICAL INDICATIONS AT THE CROSSROADS OF CULTURE, LAW AND ECONOMY

Try to discuss GIs in a country with a strong heritage in food and beverages such as Italy, and tempers flare. Most consider it a huge injustice that Americans sell ‘Parmesan’ cheese that does not originate from Italy (and often tastes like grated wood), but would readily admit that neither ‘Parmesan’ nor ‘Parmigiano’ are protected indications in Italy itself (only Parmigiano Reggiano is). ‘Tokaj’ and ‘Prosecco’ are considered local indications by most Italians, yet few know or acknowledge that the fame of Tokaj is based on Hungarian Tokaj being sold to the Tsars of Russia, and even fewer know that ‘Prosecco’ is a place (let alone where it is on a map). If they did, they would discover that this little village up the Karst region of Triest belonged to the Habsburg monarchy for almost 600 years, and the fame of the sparkling wine owes more to the Austrian Empire than to Italy. Particularly when it comes to national heritage and history, there is often a mismatch between local and global perception, and GIs are no exception. While for many, ‘Pilsener’ beer comes from Pilsen, ‘Budweiser’ beer from Budweis (Ceske Budejovice) and Bavarian beer from Bavaria, others take the view that ‘Pilsen’ is generic, ‘Budweiser’ comes from Anheuser Busch and Bavarian beer may come from Bavaria, or is generic, or may come from the Dutch brewery ‘Bavaria’. The same issues are discussed in the Asia-Pacific region. Australians strongly feel that ‘Ugg’ boots are Australian; Indians insist that ‘Basmati’ rice must originate from India (or, maybe, from Pakistan); and Thais feel the same about ‘Jasmine’ rice, while for many European consumers, these indications sound just as generic as Afghan dogs, bone China or Singapore Sling. Things are not helped by the fact that well-reputed indications often face an erosion from piggybackers: ‘Kobe beef’ produced in the United States and Australia is an example.


All this of course also has financial implications. Particularly, the European Union makes mantra-like claims about the financial benefits that GIs bring to producers (and paid for by consumers, of course). Whether the figures are correct or inflated, it is certainly true that business identifiers through proper marketing can turn into extremely valuable brands and premium prices for products. ‘Champagne’ may be the most prominent example, but also the recognition of ‘Café de Colombia’, a relatively recent indication, should not be underestimated.

The question is then how and to what extent the cultural and financial interests in GIs can be safeguarded and enforced by legal means. In this respect, one should distinguish three different levels of legal protection. First, the freedom to operate; second, non-proprietary protection of an indication based on the principles of unfair competition (that is, protection against misleading use); and, third, proprietary protection based on registration, against the use of the indication for either similar or, at the highest level of protection, dissimilar goods.

The freedom to operate is normally guaranteed where the marketing of goods under an indication does not infringe third-party rights and is not considered misleading. Third-party rights may become an issue either where the GI in question has been registered by someone else (rare but possible, e.g., where two countries use the same indication, such as Ginseng in North and South Korea) or, more common, where conflicting trademark rights exist. The latter has been a particularly contentious issue in trade negotiations (see Section 3). Although unlikely, it may be that in accordance with local consumer perception even a true GI is considered misleading, e.g., where two different locations sharing the same name produce similar goods. Wines from ‘Cordoba’ could originate in Argentina or Spain.

The freedom to operate guarantees market access but does not allow the exclusion of others. In case the indication is considered generic, proprietary

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5 See the External Study on the Value of Production of Agricultural Products and Foodstuffs, Wines, Aromatised Wines and Spirits Protected by a GI, EUR. COMM’N (October 2012), http://ec.europa.eu/agriculture/external-studies/value-gi_en.htm, which puts the figure of GI products sold in 2010 at 54.3 billion euros. The study also concludes that GI-indicated products are sold at 2.5 times the price of comparable products that do not bear a GI. Irene Calboli correctly points out that such mark-up can only be justified when these claims for premium products are reflected in distinct ingredients and methods of production. Often, this is not the case, although consumers are made to believe so. See Irene Calboli, Geographical Indications of Origin at the Crossroads of Local Development, Consumer Protection and Marketing Strategies, 46 INT’L REV. INT’L PROP. & COMPETITION L. 760, 772 (2015).

protection may not be available at all, nor would an action for misleading use succeed (e.g., ‘Pilsener beer’ would be considered generic in most countries). In order to avoid such genericide, significant efforts and investment are often necessary so as to prevent generic use. The example of ‘Greek Yoghurt’ demonstrates that this is possible, and producers of Basmati rice, Jasmine rice or Kobe beef may well consider a proactive enforcement strategy in Europe. Different from the laws on trademarks and GIs, remedies under unfair competition law can only be obtained at a national level based on domestic consumer perception. Such course of action may be the only avenue where the indication in question cannot be protected in its home country (as was the case for Greek Yoghurt).

3 THE FRAMEWORK OF GEOGRAPHICAL INDICATIONS PROTECTION IN EUROPE

3.1 Regulations 2081/92 and 1151/2012

The first laws that allowed for European Community-wide protection of agricultural products were Regulations 2081/92 of 14 July 1992, 8 2082/929 and 1848/93, 10 while Regulation 1234/2007 11 was limited to wines and spirits. No protection is available, to date, for non-agricultural and non-food items (carpets, porcelain, crystal, etc.). In particular, GIs are divided, under EU law, into protected designations of origin (PDOs), protected GIs (PGIs) and traditional specialties guaranteed (TSGs). 12 PDOs have the strongest geographical link, and, with (notable) exceptions, must meet three requirements. The product must originate from a certain place, must essentially derive its characteristics from the geographical environment or local human factors, and must be processed in the area itself.

7 See infra Section 5.
Initially, non-EU indications could only be registered upon reciprocity, that is, as long as the countries at issue permitted GI registration in their jurisdiction. However, the obligations under the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS)\(^\text{13}\) by the World Trade Organization (WTO) required an amendment of the reciprocal arrangements envisaged under EU law, in that national treatment obligations under TRIPS did, amongst others, not permit a registration of non-EU indications only upon reciprocal possibilities of protection for EU indications abroad. The amendment followed a complaint by Australia and the United States to the WTO.\(^\text{14}\) Following the WTO ruling on the case, the European Union amended the text of the Regulations and allowed foreigners to register their indications under conditions comparable to those of EU nationals.\(^\text{15}\) The currently applicable Regulations 1151/2012\(^\text{16}\) (agricultural products) and 1308/2013\(^\text{17}\) (alcoholic beverages) no longer require reciprocity in order to register non-EU GIs.

In particular, the following GIs from Asia have already been registered, or have been applied for registration to the European Commission as of 1 April 2016:\(^\text{18}\)

1. Mrech Kampot ‘Poivre de Kampot’ (Cambodia) (registration)\(^\text{19}\)
2. Kafae Doi Tung / กาแฟดอยตุ่ง (Thailand) (registration)\(^\text{20}\)
3. Kafae Doi Chaang / กาแฟดอยช้าง (Thailand) (registration)\(^\text{21}\)
4. ข้าวแช่สดมือ เมืองพัทปทลุ Khao Sangyod Muang Phatthalung (Thailand) (application)\(^\text{22}\)


\(^{19}\) 2016 O.J. (L 41) 1. \(^{20}\) 2015 O.J. (L 185) 4. \(^{21}\) 2015 O.J. (L 185) 5.

5. Khao Hom Mali Thung Kula Rong-Hai (Thailand) (registration)\textsuperscript{23}
6. Dongshan Bai Lu Sun (China) (registration)\textsuperscript{24}
7. Pinggu Da Tao (China) (registration)\textsuperscript{25}
8. Phú Quố (Vietnam) (registration)\textsuperscript{26}
9. Yancheng Long Xia (China) (registration)\textsuperscript{27}
10. Zhenjiang Xiang Cu (China) (registration)\textsuperscript{28}
11. Jinxiang Da Suan (China) (registration)\textsuperscript{29}
12. Darjeeling (India) (registration)\textsuperscript{30}
13. Longjing cha (China) (registration)\textsuperscript{31}
14. Guanxi Mi You (China) (registration)\textsuperscript{32}
15. Shaanxi ping guo (China) (registration)\textsuperscript{33}
16. Lixian Ma Shan Yao (China) (registration)\textsuperscript{34}
17. Kangra Tea (India) (application)\textsuperscript{35}
18. Kopi Arabika Gayo (Indonesia) (application)\textsuperscript{36}

Still, compared to the number of registered EU GIs, the number of Asian applications or registrations is quite small.\textsuperscript{37} This is not surprising given the fact that comparable systems of registration for GIs have been introduced in Asia quite recently\textsuperscript{38} or have still not been adopted.

3.2 Scope of Protection

Article 13(1) of Regulation 1151/2012\textsuperscript{39} prohibits any direct or indirect commercial use of a protected indication, any imitation or evocation, or any other practice that misleads the consumer. Particularly, the notion of ‘evocation’ is relatively broad and includes translations and alliterations.\textsuperscript{40} This is of
particular importance where GIs are known in a number of linguistic varieties, depending on the transliteration or historical connotation. As noted below, the issue of transliteration has been expressly stipulated in the EU-South Korea Free Trade Agreement (FTA), and is a sensible addition in all cases where the GIs originate from a country with a non-Latin alphabet.

Different from trademark law, also as noted below, there is no specific provision that would protect well-known or well-reputed indications against the use for dissimilar goods, although one could argue that the concept of ‘evocation’ under Article 13(1) of the Regulation is broad enough to prevent the use of non-similar goods. One should be aware, though, that there is no case law on this point.

Conflicts between GIs and similar trademarks used on identical or similar products are resolved on the basis of priority of registration. Even where the trademark registration precedes the registration for a GI and there are no grounds for invalidating such marks, the GI may be registered and used so that both coexist.

3.3 Bilateral Agreements

The European Union has concluded a number of agreements that address the protection of GIs with countries outside Europe. The first was the wine consumers. In a recent decision on the indication ‘Aceto Balsamico di Modena’, the Mannheim District Court ruled that at least for German consumers the term ‘Aceto Balsamico’ was indicative of a provenance from Modena, although the term ‘Aceto Balsamico’ was not protected as a geographical indication in Italy. LG Mannheim 15 September 2015, 2O 187/14, http://lrbw.juris.de/cgi-bin/laender_rechtsprechung/document.py?Gericht=bw&nr=19891. The court did not rule on the question as to whether ‘Aceto Balsamico aus Deutschland’ was considered misleading for German consumers as to its geographical origin, an issue that would have to be argued under unfair competition prevention law. See infra Section 5. For further comments, see Christopher Heath, Parmigiano Reggiano by Another Name – The ECJ’s Parmesan Decision, 39 INT’L REV. INTELL. PROP. & COMPETITION L. 951 (2008).


43 See art. 14(2), 2012 O.J. (L 343) 1. In practice, this provision will only apply to cases where the problem has not been envisaged at the stage of GI registration. In the notable case of Budějovický Budvar v. OHMI (Budweiser), Joined Cases T-57/04 to T-56/04, T-58/04, and T-59/04, Budweiser, 2007 E.C.R. II-57, the Czech indication ‘Budweiser’, although registered under the Lisbon Agreement for the Protection of Appellations of Origin and their International Registration (Lisbon Agreement), was permitted registration in the EU only in the Czech versions Budějovické pivo (PGI), Českobudějovické pivo (PGI) and Budějovický měšťanský var (PGI) so as to avoid trademark conflicts. Athens Accession Treaty to the European Union, Annex II art. 20 para. 18, 23 September 2003, 2003 O.J. (L 236) [hereinafter Treaty of Athens].
agreement concluded with Australia\textsuperscript{44} in 1994. Subsequent agreements, specifically for wine, were concluded with South Africa\textsuperscript{45} and the United States,\textsuperscript{46} while the agreements with Canada,\textsuperscript{47} Chile\textsuperscript{48} and Mexico\textsuperscript{49} contain GI protection only as part of a broader framework of free trade.\textsuperscript{50}

The agreements vary in scope and approach, yet are generally guided by the principle of reciprocal protection of GIs contained in an annex to the agreement,\textsuperscript{51} and protection against the expressions ‘kind’, ‘type’, ‘style’, ‘imitation’, ‘method’ or the like. Further, the use of conflicting trademarks must be ceased, an obligation that may give rise to conflicts not only with existing trademark rights but also with other bilateral FTAs that may envisage obligations that cannot be reconciled with each other.\textsuperscript{52} As of yet, the European


\textsuperscript{46} Agreement between the European Community and the United States of America on trade in wine, EC-US, 24 March 2006, 2006 O.J. (L 87) 2.


\textsuperscript{48} Agreement establishing an association between the European Community and its Member States, of the one part, and the Republic of Chile, of the other part, Annexes V and VI, 18 November 2002, 2002 O.J. (L 352) 3.

\textsuperscript{49} Economic Partnership, Political Coordination and Cooperation Agreement between the European Community and its Member States, of the one part, and the United Mexican States, of the other part, 28 October 2000, 2000 O.J. (L 276) 45 (incorporating 1997 O.J. (L 152)16).

\textsuperscript{50} See Wine: Bilateral agreements with third countries, EUR. COMM’N (23 May 2016), http://ec.europa.eu/agriculture/wine/third-countries/index_en.htm (providing an overview over all agreements currently in force).

\textsuperscript{51} Such automatic protection without verifying whether such indication would be considered protectable under national law is also a characteristic of the Lisbon Agreement. See Lisbon Agreement for the Protection of Appellations of Origin and Their International Registration, 31 October 1958, as revised 14 July 1967, 923 U.N.T.S. 205 [hereinafter Lisbon Agreement]. See also David Vivas-Egui & Christoph Spennemann, The Evolving Regime of Geographical Indications in WTO and in Free Trade Agreements, in INTELLECTUAL PROPERTY AND INTERNATIONAL TRADE: THE TRIPS AGREEMENT 163, 188 (Carlos Correa & Abdulqawi Yusuf eds., 2nd edn. 2008).

\textsuperscript{52} ANKE MOERLAND, WHY JAMAICA WANTS TO PROTECT CHAMPAGNE: INTELLECTUAL PROPERTY PROTECTION IN EU BILATERAL TRADE AGREEMENTS 159–66 (2013). The EU tries to avoid such conflicts when allowing protection for geographical indications without prejudice to existing trademarks. This was the case with the indication ‘Budejovice Budvar’ in the 2004 Treaty of Athens. See Treaty of Athens, supra note 45. A related problem may arise in case the same GI is protected for different countries, and conflicting obligations arise due to
Union has concluded one FTA with an Asian country – South Korea. Under this agreement, in Annex 1 Part B, the European Union is obliged to protect sixty-three Korean indications of origin for food and one for an alcoholic drink.

The scope of protection under bilateral agreements is normally stipulated in the agreement itself. Article 10.21 of the EU-South Korea FTA extends the protection against ‘type’, ‘style’, etc. to all registered indications and provides safeguards against the use in transliteration. While the extended scope of protection is limited to those indications expressly listed under the agreement, there is a provision that allows a regular update of this list.

Conflicts with registered trademarks are either solved in favour of the GI or, where this is not possible, by way of a coexistence (while problematic cases were filtered out during the negotiations).

3.4 International Multilateral Agreements

The Paris Convention for the Protection of Industrial Property (Paris Convention) in Article 1.3 lists GIs (‘indications of source or appellations of origin’) as one form of industrial rights. Article 10 concerns a rather obsolete provision to prohibit the use of a false indication of origin when linked to a fictitious commercial name, and Article 10bis, the general provision against all acts of unfair competition, requires protection against confusing or misleading use of an indication and thereby depends on the perception of domestic consumers. These remedies have not proved very efficient.

membership of these countries to different international or bilateral agreements. An example may be conflicts between North and South Korea based on the fact that North Korea is a member to the Lisbon Agreement (as are several European countries), and South Korea is part of the bilateral EU-South Korea FTA. While under the Lisbon Agreement, Kaesong Koryo Inasm (Ginseng from Kaesong) is protected (for North Korea), the FTA protects Koryo Insam Jepum (white Ginseng).

EU-South Korea FTA, supra note 41.
EU-South Korea FTA, supra note 41, Annex 1 pt. B.
EU-South Korea FTA, supra note 41.
EU-South Korea FTA, supra note 41.
For details on issues related to GIs in the EU’s FTAs, see Tim Engelhardt, Geographical Indications under Recent EU Free Trade Agreements, 46 INT’L REV. INTELL. PROP. & COMPETITION L. 781 (2015).
See Paris Convention art. 10 (regarding the seizure of products bearing false indications as to their sources).
See Paris Convention art. 10bis (regarding the prohibition of acts of unfair competition).
The same holds true for the provisions of the TRIPS Agreement (section 3)\textsuperscript{61} that, although pretty detailed, ultimately does not offer protection that goes further than to prevent misleading use.\textsuperscript{62} Protection beyond this is only offered for wines and spirits.\textsuperscript{63}

The Madrid Agreement for the Repression of False or Deceptive Indications of Sources of Goods (Madrid Agreement)\textsuperscript{64} protects against the use of false or misleading ‘indirect’ indications,\textsuperscript{65} or false or misleading indications with such additions as ‘system’, ‘type’ or the like.\textsuperscript{66} In Article 4, it also tries to contain the generic use of a foreign indication, yet leaves it to ‘courts of each country’\textsuperscript{67} to decide whether an indication has become generic:

The position under which the tribunal of any country may decide that an appellation of origin has become generic creates insecurity and also contradiction. An appellation of origin protected by legislation or jurisprudence in a certain country may not be used by producers or manufacturers of such country and yet may be used freely by producers or manufacturers in a contracting country.\textsuperscript{68}

\textsuperscript{61} See TRIPS, supra note 13, sec. 3 (covering Articles 22–24 on GIs).

\textsuperscript{62} TRIPS, supra note 13, art. 22(2) (‘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; and (b) any use which constitutes an act of unfair competition within the meaning of Article 10bis of the Paris Convention (1967).’).

\textsuperscript{63} TRIPS, supra note 13, art. 22(3), provides additional protection for GIs, specifically for wines and spirits.

\textsuperscript{64} See Madrid Agreement for the Repression of False and Deceptive Indications of Source on Goods, 14 April 1891, 828 U.N.T.S. 163 [hereinafter Madrid Agreement].

\textsuperscript{65} An example would be the decision of the Japanese Patent Office to refuse registration of the mark ‘Loreley’ for wine products which bore no relation to Germany. Christopher Heath, Geographical Indications: International, Bilateral and Regional Agreements, in NEW FRONTIERS OF INTELLECTUAL PROPERTY LAW, IP AND CULTURAL HERITAGE – GEOGRAPHICAL INDICATIONS – ENFORCEMENT – OVERPROTECTION 99 n.4 (Christopher Heath & Anselm Kamperman eds., 2005).

\textsuperscript{66} In almost all bilateral agreements on the protection of geographical indications, provisions can be found indicating that ‘diluting’ an indication by additions such as ‘type’, ‘method’, etc., is not permissible. See EU-South Korea FTA, supra note 41; Engelhardt, supra note 56, at 751.

\textsuperscript{67} Madrid Agreement, supra note 64, art. 4 reads: ‘The courts of each country shall decide what appellations, on account of their generic character, do not fall within the provisions of this Agreement, regional appellations concerning the source of products of the vine being, however, excluded from the reservation specified by this Article.’

\textsuperscript{68} Stephen P. Ladas, PATENTS, TRADE MARKS, AND RELATED RIGHTS 1589(1975).
Membership to the Madrid Agreement is limited even amongst European countries, and the Agreement has never played any role in decisions concerning the protection of GIs.

The above weaknesses of the Madrid Agreement clarify the motives for concluding the subsequent Lisbon Agreement for the Protection of Appellations of Origin and their International Registration (Lisbon Agreement): 69

1. To prevent the tribunals of any member state from holding an indication generic. In other words, no indication of origin should be exempt from protection because it is considered generic.

2. To set up a system whereby protection was not decided by the member whose indication was the object of a dispute, but by the member from which the indication originated.

Both conditions are vital for understanding the Lisbon Agreement, as both limit the competence of national courts. National courts (‘tribunals’) should neither be entitled to hold an indication generic nor should they be entitled to question the validity of an indication once that indication has been protected in the country of origin, communicated to the international bureau and examined by the other countries.


The protection under the Lisbon Agreement is of proprietary nature and works as follows:

Every member state of the Paris Convention that also adheres to the agreement undertakes to protect in its own territory all appellations of origin of other member states for those products registered on the express condition that protection is also afforded in the home counties. The expression ‘qualified’ means that the right of an appellation of origin first of all needs to be recognised in the country of origin. The agreement thereby imposes on all member states a uniform set of rules, yet without separating this from

69 See Lisbon Agreement, supra note 51.
national rules ... Registration of an appellation of origin under the agreement can only be demanded by the country of origin ... Protection must thus be granted against all attacks of the exclusive rights given to those entitled to use the appellation, be it against the unlawful use ... be it against the fraudulent imitation of an appellation.71

Article 472 clarifies that an indication protected under the Agreement cannot be considered or become generic.

As of yet, the only country in East Asia that can profit from the protection offered under the Lisbon Agreement is North Korea, which (as of 1 January 2016) has registered six indications:73

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<td>3.</td>
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Table 8.1 Indications registered by North Korea

The Geneva Act of the Lisbon Agreement was agreed on 20 May 201574 by the twenty-seven Member States of the Lisbon Union and (as of 1 January 2016) signed by fourteen of these.75 The Geneva Act provides different rules for indications considered generic in a Member State, and for the invalidation of a registered indication. Particularly, in the case of conflicting trademark rights, the courts of a Member State are entitled to an invalidation of the indication. Whether this is possible under the original Lisbon Agreement is disputed.76

72 See Lisbon Agreement, supra note 51, art. 4.
76 While the Italian Supreme Court affirmed that indications validly registered under the Lisbon Agreement could be invalidated at least for the national territory of a Member State, Budweiser, Italian Supreme Court, Decision of 21 May 2002, 34 IIC – INT’L REV. INTELL. PROP. & COMPETITION L. 676 (2003), the Israel Supreme Court denied such possibility
In contrast to GIs that confer a geographical origin, trademarks confer a commercial origin of an enterprise. The registration of names considered to indicate a geographical origin as a trademark should thus not be possible where such mark would be considered descriptive (of the geographical origin of the goods for which the mark is registered or applied) or misleading (as to its geographical origin). Such a bar to registration is also an important safeguard for all those using the name as an indication of geographical origin, and thus in a descriptive manner. Still, registrations of geographical names have been allowed in Europe either for goods or services different from those for which the geographical name is known (‘Darjeeling lingerie’, as elaborated below), in cases where the name is not known to consumers as conferring a geographical connotation (a significant problem for indications from Asia, as these tend not to be known) or (most questionable) where the applicant was an official body or even the state (‘Sidamo’, also as elaborated below). GIs can be registered as collective marks in Europe, however.

4 Registrability and Use of Geographical Terms for Ordinary Marks

First, it should be noted that trademarks ‘which consist exclusively of signs or indications which may serve, in trade, to designate the … geographical origin … of the goods or services’ cannot be registered under European law. This provision expresses a general principle that a mark perceived to indicate a geographical origin cannot serve the trademark function to distinguish the goods or services of one enterprise from those of another. In other words, a geographical origin is not a commercial origin.

The leading case of the European Court of Justice (ECJ, now renamed Court of Justice of the European Union, CJEU), the decision in Chiemsee, has interpreted the provision as follows:


25. Article 3(1)(c) of the Directive pursues an aim which is in the public interest, namely that descriptive signs or indications relating to the categories of goods or services in respect of which registration is applied for may be freely used by all, including as collective marks or as part of complex or graphic marks. Article 3(1)(c) therefore prevents such signs and indications from being reserved to one undertaking alone because they have been registered as trade marks.

26. As regards, more particularly, signs or indications which may serve to designate the geographical origin of the categories of goods in relation to which registration of the mark is applied for, especially geographical names, it is in the public interest that they remain available, not least because they may be an indication of the quality and other characteristics of the categories of goods concerned, and may also, in various ways, influence consumer tastes by, for instance, associating the goods with a place that may give rise to a favourable response.

29. Article 3(1)(c) of the Directive is not confined to prohibiting the registration of geographical names as trade marks solely where they designate specified geographical locations which are already famous, or are known for the category of goods concerned, and which are therefore associated with those goods in the mind of the relevant class of persons, that is to say in the trade and amongst average consumers of that category of goods in the territory in respect of which registration is applied for . . . [but also for those indications which] designate(s) a place which is currently associated in the mind of the relevant class of persons with the category of goods concerned, or whether it is reasonable to assume that such an association may be established in the future.79

The Court thereby highlights a principle of public policy that geographical names should not become subject to private trademark rights. The provision is thus broad as regards the indication (‘may serve to designate’; ‘association may be established in the future’). Yet it is at the same time narrow as it only concerns marks that exclusively consist of a geographical name. A combined word/device mark including a geographical name does not fall under this provision, and a disclaimer for the geographical term is not required. As elaborated below, this is important to notice and, for example, is allowed for the registration of ‘Darjeeling’ as a combined word and device mark.

However, as mentioned above, these principles are often not adhered to in practice. Evidence is the story of Sidamo, a coffee-growing area in Ethiopia, about which the World Intellectual Property Office (WIPO) (no less) reports:

The government of Ethiopia decided that instead of trying to protect Ethiopian coffee’s geographical origin, it would be better to protect its commercial origin, which it would do through registering trade marks. This was seen as a more direct route of protection because it would grant the government of Ethiopia the legal right to exploit, license and use the trade marked names in relation to coffee goods to the exclusion of all other traders. Unlike a GI, a trade mark registration does not require a specific coffee to be produced in a specific region or have a particular quality in connection with that region. Using trade mark registrations, the government of Ethiopia could then produce greater quantities of specialty coffees from all over the country. Rural producers outside the Sidamo region could grow Sidamo coffee, as it would not need to have a characteristic that is unique to the Sidamo region.

This summarises about everything that is legally wrong with registering geographical names as trademarks – the mark would inevitably be either descriptive or deceptive (or, as the text reads, both). Yet, the mark has been duly registered in Japan, the European Union and the United States. For an introduction, see The Coffee War: Ethiopia and the Starbucks Story, World Intell. Prop. Org., www.wipo.int/ipadvantage/en/details.jsp?id=2621 (last visited 1 June 2015).

A good example is the decision of the General Court in the October 2015 cases T 292/14 and T 293/14 where trademark registration for the indication ‘Halloumi’ for cheese was denied. Joined Cases T-292 & T-293/14, Republic of Cyprus v. OHIM (XAAÖYMI and HALLOUMI), 2015 O.J. (C 398) 52. The application had been made by the Cyprus government and was meant to protect the foremost geographical indication of Cyprus. Id. OHIM and the General Court held that the mark was descriptive for a certain product and thus incapable of identifying a commercial origin. Id.

‘Deceptive’ refers to marks that describe a geographic location and are applied to goods that do not originate from that place. Authority in Europe on this issue is the ‘Cuveé Palomar’ decision. Case T-237/08, Abadía Retuerta v. OHIM (CUVEÉ PALOMAR), 2010 O.J. (C 179) 59.

SIDAMO Registration No. 4955361 (Japan), www3.j-platpat.inpit.go.jp/cgi-bin/ET/TM_LIST_E.cgi?ITEM01=106&KEY01=Sidamo&OPT01=01&ITEM02=702&KEY02=&OPT02=01&ITEM03=402&KEY03=&OPT03=01&ITEM04=705&KEY04=&OPT04=01&STIME=E=14456377756402643185432&HITCNT=1&HITCNT3=1&S_FLAG=00&TERMOP=T=02&PAGE=01. In Japan, the Ethiopian government also managed to invalidate a registration of ‘Sidamo’ owned by the Japan Coffee Association as misleading. Chiteki Zaisan Kōto Saibansho [Intellectual Prop. High Ct.] 29 March 2010, 2009 (Gyo-Ke) no. 10227, Saibansho saibansrei jōhō [Saibansho Web] 1, www.ip.courts.go.jp/app/files/hanrei_en/160/000160.pdf. The court held that the mark could not be considered descriptive as to a lack of recognition amongst consumers that ‘Sidamo’ was a place name. Id. at 2. However, consumers would associate the term with high-quality coffee. Id.

SIDAMO, Registration No. 004348751 (EUIPO). The registration is inconsistent with the above Chiemsee decision in that ‘Sidamo’ designate(s) a place which is currently associated in the mind of the relevant class of persons with the category of goods concerned, or whether it is reasonable to assume that such an association may be established in the future’. Joined Cases C-108/97 & C-109/97, Windsurfing Chiemsee, 1999 E.C.R. I-2779, para. 31.
States and applied for in Canada. Another example is the registration of ‘Tabasco’ for chilli sauce on behalf of a US enterprise. After all, Tabasco is a Mexican state where chilli is widely cultivated, and the product or its ingredients do not even originate from Mexico.

Last, but not least, the protection against the use of misleading indications comes into play both at the stage of registration and at the stage of use (independent of whether the indication has been registered or not). In the long-running Budweiser battle, the Italian Supreme Court held that a registration of ‘Budweiser’ on behalf of Anheuser Busch (a US company) could cause Italian consumers to assume that the beer came from Bohemia (Budweis is the German name of what is now Ceske Budejovice, a town with a renowned tradition for brewing beer):

After all, for a trade mark that consists of a geographical indication to be considered misleading it is sufficient that there exists a link between the indicated place and the quality of the labeled products. Only if this is not the case, the geographical mark would simply be of imaginary nature and therefore legitimate. According to the facts of this case, such connection is undeniable here.

The importance of this decision also lies in the fact that protection against misleading use and registration is not limited to official place names, but any place name associated by the public with a certain geographical origin. This may find application for Asian place names such as ‘Ceylon’ (nowadays Sri Lanka), ‘Bangkok’ (officially Krung Thep) or ‘Saigon’ (officially Ho-Chi Minh City).

4.2 Scope of Protection

The scope of protection for European trademarks is determined by Article 9(1) Community Trade Mark Regulation (CTMR), and for similar signs and/or

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86 SIDAMO, Registration No. 78589307. 87 SIDAMO, Application No. 0916800 (Can.).
88 There are a number of word marks such as ‘Tabasco’ registered in Europe on behalf of the US company McIlhenny starting with Community mark 001126176. eSearch plus, The EUIPO’s database, EUIPO, https://euipo.europa.eu/eSearch/#details/owners/51748 (last visited 29 May 2016).
89 This was a dispute involving several dozens of jurisdictions. Christopher Heath, The Budweiser cases: A brewing conflict, in LANDMARK INTELLECTUAL PROPERTY CASES AND THEIR LEGACY 181 (Christopher Heath & Anselm Kamperman Sanders eds., 2011).
similar goods, infringement requires a showing of confusion. In particular, an infringement can only be established once the allegedly infringing sign is perceived as an indication of commercial origin. In fact, use of a registered trademark as a geographical origin is a defence to trademark infringement under Article 12 CTMR, as long as it is used in accordance with honest practices.92

In this respect, reference is made to the above observations for possible conflicts with (earlier or subsequent) registrations of GIs.93

4.3 Collective Marks

Apart from the registration of ordinary trademarks, EU law also allows for the registration of collective marks. Different from ordinary marks, registration is also possible for geographically descriptive names:

Article 66 of Regulation No 207/2009 provides for the possibility of registering Community collective marks. According to Article 66(1) of that regulation, ‘a Community trade mark which is described as such when the mark is applied for and is capable of distinguishing the goods or services of the members of the association which is the proprietor of the mark from those of other undertakings’ may constitute such a mark. That provision states that such marks may be applied for by ‘[a]ssociations of manufacturers, producers, suppliers of services, or traders which, under the terms of the law governing them, have the capacity in their own name to have rights and obligations of all kinds, to make contracts or accomplish other legal acts and to sue and be sued, as well as legal persons governed by public law’. Article 66(3) of Regulation No 207/2009 also states that the provisions of that regulation are to apply to Community collective marks, ‘unless Articles 67 to 74 [thereof] provide otherwise’.

Article 66(2) of Regulation No 207/2009 allows ‘signs or indications which may serve, in trade, to designate the geographical origin of the goods or services’ to be registered as Community collective marks within the meaning of Article 66(1) of that regulation, in derogation from Article 7(1)(c) thereof, pursuant to which trade marks consisting exclusively of such signs or indications are not to be registered.

92 See Community Trade Mark Regulation, art. 12, which, according to the European Court of Justice, decision of 19 November 2004, case C-245/02, means ‘an expression of the duty to act fairly in relation to the legitimate interests of the trade-mark proprietor’. The decision concerned use of the geographical term ‘Budweiser’ for beer in a situation where ‘Budweiser’ was registered on behalf of a US company for beer.

93 See supra Section 4.1.
It follows from case-law that, under the provisions of Article 8(1)(b) of Regulation No 207/2009, in conjunction with Article 66(3) of that regulation, a Community collective mark, like any other Community trade mark, enjoys protection against any infringement resulting from the registration of a Community trade mark that involves a likelihood of confusion.\(^9\)

One prominent example of a registered collective mark is ‘Darjeeling’, registered as No. 4312718 on 31 March 2006.\(^9\) In a long-running dispute, the question arose whether this mark could be successfully invoked against the registration of ‘Darjeeling’ for lingerie and telecommunications. While these goods or services were undoubtedly dissimilar to tea, the Indian Tea Board argued that the scope of a collective mark should also extend to a protection of geographical origins, and consumers should in such case be protected against geographical misconceptions. Essentially, although the goods or services were different, registration should be denied where the goods or services did not originate or were not linked to the geographical notion conferred by the mark. The General Court of the CJEU rejected such an interpretation.\(^9\)

In the present case, it is not disputed that the word element ‘darjeeling’ may serve, in trade, to designate the geographical origin of the product covered by the earlier trade marks. That finding cannot be undermined by OHIM’s argument based on the possible perception of that word by part of the public, which would not recognise ‘darjeeling’ as a geographical name. However, while it is true – as the applicant rightly argues – that the essential function of a geographical indication is to guarantee to consumers the geographical origin of goods and the special qualities inherent in them (see, to that effect, judgment of 29 March 2011 in Anheuser-Busch v Budějovický Budvar, C-96/09 P, ECR, EU:C:2011:189, paragraph 147), the same cannot be said of the essential function of a Community collective mark. The fact that the latter consists of an indication which may serve to designate the geographical origin of the goods covered does not affect the essential function of all collective marks as stated in Article 66(1) of Regulation No 207/2009, which is to distinguish the goods or services of the members of the association which is the proprietor of that mark from those of other associations or undertakings (see, to that effect, judgment in RIOJAVINA, cited in paragraph 32 above, EU:T:2010:226, paragraphs 26 and 27). Consequently, the function of a Community collective mark is not altered as a result of its registration under Article 66(2) of Regulation No 207/2009. More specifically,

\(^{9}\) Id. \(^{9}\) Id. at para. 41.
a Community collective mark is a sign allowing goods or services to be
distinguished according to which association is the proprietor of the mark
and not according to their geographical origin.97

The above interpretation confirms that collective marks are treated as ordinary
trademarks unless specific provisions apply (namely the possibility of register-
ing geographical terms). In particular, the language of Article 66 (3) expressly
states so.98

Following the reasoning of the Court, the possibility of registering geographical
terms would thus not mean that geographical connotations are part of the
function of a collective mark. The Tea Board, on the other hand, had argued
that ‘similarity’ in the case of collective marks should be affirmed where the
goods could be of the same geographical origin. The latter argument may find
some justification in the specific provision of Article 66(2) of the CTMR,99
which is a special safeguard for third parties who use the geographical mark in
accordance with honest practices, namely where the goods indeed originate
from such place. It is not clear why such provision should have been inserted
over and above the exceptions in Article 9 of the CTMR,100 if the scope of
a collective mark, particularly with regard to geographical connotations, was the
same as for ordinary trademarks. In addition, the decision is a narrow reading of
the above Chiemsee decision:

The mere possibility that the average consumer might believe that the services
in question, namely the retail services offered under the trade mark Darjeeling,
are connected with goods originating in the geographical area of the same
name, or that the telecommunications services provided under the same trade
mark are connected with, or will offer information about, that geographical area
is not sufficient to establish a similarity between the services covered by the mark
applied for and the product covered by the earlier trade marks.101

The case is currently under appeal before the CJEU.102

97 Id. The Tea Board in this case did not rely on its registered GI in order to oppose Delta’s
trademark registration. The case does not shade any light as to why this was so.
98 See Community Trade Mark Regulation, art. 66(3) (‘The provisions of this Regulation shall
apply to Community collective marks, unless Articles 67 to 74 provide otherwise.’).
99 Community Trade Mark Regulation, art. 66(2).
100 See Community Trade Mark Regulation, art. 9 (providing rights conferred by a Community
trademark).
101 Case T-624/13, The Tea Board v. OHIM – Delta Lingerie (Darjeeling), 2015 EUR-Lex
CELEX LEXIS 743, at para. 53 (2 October 2015).
102 See the status of The Tea Board v. OHIM – Delta Lingerie, Case C673/15, at InfoCuria –
Case-law of the Court of Justice, CURIA, http://curia.europa.eu/juris/liste.jsf num=C-673/1
5&language=en (last visited 29 May 2016).
#### 4.4 Protection as a Well-Known Trademark or Geographical Indication

European law allows for an extended protection of a trademark against dissimilar goods in case the mark has obtained a reputation under Article 9(1) of the CTMR. In particular, it is necessary for the trademark owner to show reputation, and for the use of the trademark to take unfair advantage of or be detrimental to the distinctive character or repute of the registered mark. This provision has been tested at national level in two French cases concerning the GI ‘Darjeeling’.

Notably, there are two *Darjeeling* decisions regarding the protection against the registration of the term for dissimilar products that should be discussed in this context. One is the more recent decision of the TGI Paris of 30 May 2013, while the other, also a French decision, dates back to the year 2006. These decisions reached opposite conclusions. The earlier one did not allow a third party to register ‘Darjeeling’ for communication products/services, while the second one allowed the registration for insurance products.

In the earlier case, the Tea Board of India requested the cancellation of a semi-figurative trademark composed of the name ‘Darjeeling’ and the design of a teapot, filed on 14 November 2002, by Jean-Luc Dusong, for editing- and communication-related products. At first instance, the TGI rejected the claim based on the absence of confusion due to the difference between the products. This decision was overturned by the Court of Appeal, which considered that it mattered little if the products in question were different, but rather, whether through the adoption of this denomination associated with the teapot design, Jean-Luc Dusong had sought to profit from the reputation attached to the Darjeeling indication that, according to the Court of Appeal, identifies in the perception of the public a tea originating from the region of Darjeeling, synonymous with excellence and refinement, and the savoir-faire of the Tea Board in promoting this product, which has been exploited free of cost.

It is important to note that, in this case, the trademark of Jean-Luc Dusong included not only the denomination Darjeeling but also the drawing of a teapot and was used together with the slogan ‘Communication is our cup..."
of tea’. The Court established that the trademark undeniably evoked the tea ‘Darjeeling’. It was further established that in order to promote its trademark, Jean-Luc Dusong regularly made reference to the world of tea. According to the Court of Appeal:

It matters little that the products referred to are different from tea, since by adopting the name associated with a teapot drawing, Jean-Luc Dusong sought to take advantage of the reputation attached to that geographical indication which identifies in the mind of the public tea native of this region, synonymous with excellence and refinement, and of the expertise of the Tea Board to promote this product, borrowing its image without cost; that such use for products other than tea harms this prestigious geographical indication that only The Tea Board can exploit, by vulgarising and diluting its distinctive character.108

The Court of Appeal thus overturned the decision of the TGI of 2005 which only looked at the dissimilarity of goods to decide that

the reputation of a tea label cannot be of benefit to publishing products; that the trade mark application does not characterize any willingness to appropriate the reputation and is not likely to result in a dilution or weakening of the indication of origin ‘Darjeeling’; and that, moreover, the conditions of exploitation of the trademark can neither be faulted nor are they likely to cause any damage, because they are limited to the registered class and mainly to editing.109

Conversely, in the more recent Darjeeling case, the French tribunal110 affirmed Placement Direct’s argument that it did not use the reputation of Darjeeling for the marketing of its life insurance contract, and held that Placement Direct did not profit from the reputation of Darjeeling. As such, there was no wrong attributable to Placement Direct. The TGI considered that the trademark of Placement Direct made no reference to the world of tea, and considered that even if the green colour was used, this did not directly make reference to the world of tea, because green was a common colour.111

108 Heath & Marie-Vivien, supra note 42, at 833 (Delphine Marie-Vivien providing translated portion of the court’s opinion).
109 Id.
More questionable is the argument of the Tribunal that the choice of the name ‘Moka’ for another contract could not constitute any evidence against Placement Direct, since the name ‘Moka’ also denoted a town in Yemen, and Darjeeling was the name of a town situated in the province of the same name, as well as the name of a train connecting the valley with that town.\textsuperscript{112} Indeed, before becoming generic, Moka was an indication of origin famous for coffee – so famous that in many countries it became synonymous for the product itself. Therefore, Moka is not just any city but a place of origin famous for a product very similar to tea. And the colour of the Moka trademark on the website of Placement Direct is as brown as coffee. \textit{Honi soit qui mal y pense!}

The question is thus whether the two decisions can be reconciled given that in one case ‘Darjeeling’ was protected against a registration for dissimilar goods, while in the other it was not. The key difference between the two cases seems to be the fact that in one reference was made to the world the product belonged to, while this was not so in the other case. In the earlier, the mark featured a teapot and an advertisement that made an allusion to the world of tea, while in the second the connection between ‘Darjeeling’ and tea was absent. Yet such an allusion seems to be a condition for affirming the risk of dilution of the reputation and thus for denying registrability. In the first case, the trademark of Jean-Luc Dusong was revoked because it made reference to tea, which was not the case of the trademark of Placement Direct. In conclusion, it appears that the existence of the reputation of the GI is not enough to prevent registration or use of marks for dissimilar goods. Rather, a reference to the world the GI belongs to is necessary.

A further argument in the second case was that in a Google search for the term ‘Darjeeling’, the results confirm that this expression has been used to denote products and services different from tea, mainly products of lingerie which have been marketed for several years under the Community mark ‘Darjeeling’.\textsuperscript{113} According to Placement Direct, such use demonstrates that the term ‘Darjeeling’ is used in France in contexts different from the one of tea.

There is one argument of the Tribunal that requires some digestion: ‘Darjeeling tea is a product coming from a precisely defined Indian region, it is, however, not proved that consumers consider it as equivalent to an exceptional beverage, for the reason that it is a consumer product sold by

\textsuperscript{112} Id.
\textsuperscript{113} DARJEELING, Registration Nos. 009468463, 009466228, 009466269, 009468521; DARJEELING LINGERIE Registration No. 004189742 (Fr.).
Unilever in supermarkets under the Lipton brand."\(^{114}\) Whether it is taken to be correct or not, it confers an important message. Often, the reputation of GIs is dependent upon those who market rather than those who produce. Manufacturers abroad may thus be dependent upon European distributors for the reputation of the indication.

5 NON-PROPRIETARY PROTECTION

As has been explained in the previous two sections, proprietary protection of geographical terms, be it as GIs or trademarks, limits the possibility of third parties wishing to use the term. This is one of the reasons why the registration of geographical terms as a GI requires proper structures of control and supervision in order to make sure that all those entitled to make use of the geographical term can do so. In the case of trademarks, registrability of geographical terms is limited so as to guarantee the freedom to operate of those who can legitimately use the term\(^{115}\) and in order to avoid misperceptions in trade.

The absence of proprietary protection first of all ensures the freedom to operate. Importers of ‘Kobe beef’ are not prevented from importing meat under this denomination due to third-party rights. Still, in cases where Kobe beef does not originate from Kobe (or even from Japan), Japanese importers have an interest to limit such denomination to beef from Kobe (or Japan). Whether they can successfully do so in the absence of proprietary rights depends on consumer perception. If Kobe beef is regarded as a purely generic term, or is completely unknown to those in the trade,\(^{116}\) there is no cause of

\(^{114}\) Darjeeling, supra note 111, at 870.

\(^{115}\) An example could be cupuacu, a Brazilian fruit that can be processed to fruit juice as well as butter. The company Asahi Foods developed a process for the manufacture of chocolate from cupuacu and registered (or attempted to register) the term for fruit juice. Thanks to the NGO Amazonlink, the trademark was invalidated in Japan: Decision of the Japanese Patent Office, 18 February 2004, 37 INT’L REV. INTELL. PROP. & COMPETITION L. 98 (2006), w. comment by Edson Beas Rodrigues; withdrawn in the US, CUPUACU, Registration No. 2729413, while at OHIM, an application on behalf of the Body Shop was withdrawn, and the registered mark on behalf of Asahi Foods was invalidated. eSearch plus, The EUIPO’s database, EUIPO, https://euipo.europa.eu/eSearch/#basic/1+1+1+1/50+50+50+CUPUACU (last visited 29 May 2016). The Japanese Patent Office reasoned that the term was either descriptive of the product (if used for cupuacu), or misleading (if used for anything different).

\(^{116}\) If an indication is unknown, there can be no case for confusion or misperception. Yet in a world of globalised trade, it is important to properly determine the relevant public, which should include immigrant communities and importers: Christopher Heath & Tiffany Prüfer, Fremdsprachige Bezeichnungen als Marke, in Festschrift für Gerhard Schricker 791, 797 (2005).
action. If Kobe beef is considered as indicating certain qualities, then there is a case against misleading use if beef of a different quality is sold under this name. The same is true if Kobe beef is considered as originating from Kobe (or Japan), and beef of a different origin is sold. Remedies in such cases depend on national law. These may be administrative (by competition or consumer authorities) or civil (by consumer associations, or competitors). As there is no uniform European law on this matter, the following three examples from three different jurisdictions should give the reader some idea in this respect.

The English decision *Greek Yoghurt* affirmed consumer misperception for the use (not registration) of the term ‘Greek Yoghurt’ for yoghurt not originating from Greece. In the absence of a proper implementation of Article 10bis section 3(iii) of the Paris Convention, the plaintiff in the United Kingdom must show confusion by proving goodwill and misappropriation, which is different from most other European countries where a case under unfair competition prevention law requires a misleading use but not a wide recognition of the indication. The action was brought by a major Greek producer of yoghurt.

The Italian decision *Salame Felino* rendered by the Supreme Court dealt with the question whether use of this term by producers outside the area of Felino was an actionable case of unfair competition (initiated by the producer association of Salame Felino). The Supreme Court ultimately rejected this, while the previous instances had affirmed. The reason lay more in the rather complicated interplay between national and EU law on the protection of GIs, however. ‘Salame Felino’ has meanwhile been registered as a European GI.

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117 This was expressly affirmed by the Italian Supreme Court in the ‘Salame Felino’ decision. Cass. Sez. Un., 12 Febbraio 2015, n. 2828, 2015 Rivista di Diritto Industriale 251. However, the plaintiff, the Association of Salame Felino, had not argued the case of consumer deception.

118 Fage UK Ltd. v. Chobani UK Ltd. [2014] EWCA 5 (Civ).

119 See Paris Convention, 10bis(3)(3) ([‘T]he following in particular shall be prohibited: 3. indications or allegations the use of which in the course of trade is liable to mislead the public as to the nature, the manufacturing process, the characteristics, the suitability for their purpose, or the quantity, of the goods.’).

120 This is of course a serious hurdle and may lead to consumers being confused without any remedy at hand. Anheuser-Busch Inc v. Budejovicky Budvar NP [1984] F.S.R. 413 (CA).


The German decision *Aceto Balsamico* rendered by the Mannheim District Court\(^{123}\) dealt with the question whether the use of the term ‘Aceto Balsamico’ for vinegar that originated in Germany was infringing the registered indication ‘Aceto Balsamico di Modena’, or, even if not, was misleading as to the origin of the product (the latter being an unfair competition claim). As the court had already affirmed the former under Article 13 of the Regulation 1152/2012,\(^{124}\) there was no need to decide on the latter. But even for the first claim, the court held that at least according to German consumer perception, ‘Aceto Balsamico’ was perceived to come from Modena despite the fact that ‘Aceto Balsamico’ was registered only with the addition ‘Modena’, and was perhaps perceived to be generic in Italy.

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1. 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 where those products are comparable to the products registered under that name or where using the name exploits the reputation of the protected name, including when those products are used as an ingredient;
   (b) any misuse, imitation or evocation, even if the true origin of the products or services 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, including when those products are used as an ingredient;
   (c) any other false or misleading indication as to the provenance, origin, nature or essential qualities of the product that is used 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 protected designation of origin or a protected geographical indication contains within it the name of a product which is considered to be generic, the use of that generic name shall not be considered to be contrary to points (a) or (b) of the first subparagraph.

2. Protected designations of origin and protected geographical indications shall not become generic.

3. Member States shall take appropriate administrative and judicial steps to prevent or stop the unlawful use of protected designations of origin and protected geographical indications, as referred to in paragraph 1, that are produced or marketed in that Member State.

To that end Member States shall designate the authorities that are responsible for taking these steps in accordance with procedures determined by each individual Member State.

These authorities shall offer adequate guarantees of objectivity and impartiality, and shall have at their disposal the qualified staff and resources necessary to carry out their functions.
6 CONCLUSION

The protection of Asian GIs in Europe is an uphill battle. Most Asian indications face the problem of being latecomers; thus, they have to deal with prior trademark rights, with ignorance or with the perception that they are generic. The easiest way for proprietary protection might be through bilateral trade agreements. Alternative ways are registration under the Lisbon Agreement or the European Regulation on GIs that is limited to food products and requires the GI to contain the name of a region or locality.\(^\text{125}\)

The administrative burden of monitoring quality and geographical scope can be onerous. The alternative of applying for trademark protection is dubious on legal grounds, and is not meant to indicate a geographical origin. The latter is also true for collective marks that are available for geographical terms. The minimum that should be achieved is the freedom to operate, for which it may be necessary either to oppose conflicting trademark applications or to sue against generic or misleading use. But a word of caution is necessary – many of the cases that have been litigated took years until a final decision could be obtained, as in the cases mentioned previously, and required considerable financial investment and a long-term perspective. This sounds a bit like the little steam locomotive that winds its way up from Colombo to Nuwara Eliya (a paradise for tea lovers); always an uphill struggle, but worth it.