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THE NEED FOR A NEW TREATY AND ITS POSSIBLE CONTENTS

Memorandum prepared by the International Bureau

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I. INTRODUCTION

1. The Governing Bodies and the Unions administered by WIPO decided in their 20th series of meetings (September/October 1989) to include in the 1990-91 program of WIPO an item on the "international protection of indications of source and appellations of origin." It was agreed that the International Bureau should continue to call to the attention of governments and the general public the importance of protection, in the relations between countries, of indications of source and appellations of origin, and that it should recommend measures for improving such protection. For that purpose, the International Bureau, among others, should prepare, convene and service a committee of governmental experts to advise it on the possible conclusion of a new treaty or the possible revision of the Lisbon Agreement for the Protection of Appellations of Origin and their International Registration of 1958, as revised in 1967 (hereinafter referred to as the "Lisbon Agreement"), and the possibilities of increasing the use of the registration facilities of that Agreement (see document AB/XX/2, Annex A, item PRG.02(6)).

2. The present document has been prepared as a basis of discussion of the principal questions before this Committee of Experts: whether a new treaty for the international protection of appellations of origin and indications of source is needed and, if so, what should be its contents.

3. The document consists of three substantive parts: Part II contains a historical background describing existing multilateral treaties for the protection of appellations of origin and indications of source and past efforts within the framework of WIPO towards adopting new treaty provisions; Part III considers the question of whether the existing treaties should be revised or whether a new multilateral treaty should be concluded, the reply to this question being that a new treaty should be concluded; Part IV outlines the possible contents of such a treaty, for discussion by the Committee of Experts so that the International Bureau may receive guidance for its future work in preparing a draft of a new treaty.

II. HISTORICAL BACKGROUND

A. Basic Concepts and Terminology

4. For purposes of the discussions of the Committee of Experts, it is important to establish agreement on the basic concepts and terminology to be used. In this regard, it is to be recalled that appellations of origin and indications of source are objects of industrial property, as stated in Article 1 of the Paris Convention for the Protection of Industrial Property. Compared with other objects of industrial property, such as patents, industrial designs and trademarks, appellations of origin and indications of source present a particular feature, namely a relationship with an existing factual situation, since they refer to the particular geographical origin of a product. Thus, each appellation of origin and indication of source, so to say, necessarily "belongs" to a country (the country where the geographical area to which the indication refers is located), even if its good will and reputation may have been developed through the efforts of certain individuals or entities, whereas patents, industrial designs and trademarks belong to natural persons or legal entities. Moreover, while inventions, industrial designs and--at least, to some extent--trademarks are the result of creative

work, appellations of origin and indications of source are the result of practices in trade and--to some extent--regulatory activities of governments.

5. In this document, "indication of source" means any expression or sign used to indicate that a product originates in a country, a region or a specific place. "Appellation of origin" means the geographical name of a country, region or specific place which serves to designate a product originating therein the characteristic qualities of which are due exclusively or essentially to the geographical environment, including natural or human factors, or both natural and human factors (this definition corresponds to Article 2 of the Lisbon Agreement). The main difference between the two concepts consists of the fact that appellations of origin only apply to products which have characteristic qualities that are due to conditions existing in the geographical area referred to by the appellation of origin, whereas indications of source apply to any products originating in the geographical area to which the indication refers. Appellations of origin are a special kind of indication of source. In other words, all appellations of origin are indications of source, but not all indications of source are appellations of origin.

6. In addition to the traditional expressions "appellation of origin" and "indications of source"--or rather replacing these traditional expressions--this document uses the term "geographical indication." That term is not new. It has already been used in the framework of the revision of the Paris Convention for the Protection of Industrial Property of 1883, as last revised in 1967 (hereinafter referred to as the "Paris Convention"), when the inclusion of a new Article 10quater in that Convention was discussed (see paragraphs 47 to 49, below). The term "geographical indication" has the same coverage as the expression "indication of source." The term "geographical indication" seems to be preferable to the expression "indication of source" because the latter expression frequently is understood to imply a lower level of protection, in comparison with the strong protection of appellations of origin. The use of the term "geographical indication" is intended to underline that both appellations of origin and indications of source are covered and that the protection to be established is not limited to the protection which at present exists with respect to indications of source.

7. "Protection" of a geographical indication means that it is prohibited to use the indication for goods not originating in the geographical area to which the geographical indication refers, or as a generic name of a product or as a trademark.

8. Patents for inventions, industrial design rights and trademark rights are independent in each country so that, for example, an invention may be patented in a country even if it has not been patented in its country of origin, e.g., in the country of residence of the inventor. The situation is different in the case of geographical indications; their protection in countries other than their country of origin depends on their protection in the country of origin (i.e., the country where the geographical area to which the indication refers is located). In other words, if a geographical indication is not protected in the country of origin, normally it is not protected in other countries.

9. However, the fact that a geographical indication is protected in the country of origin does not automatically mean that protection exists also in other countries. Under existing laws, protection in other countries may be limited to cases where a likelihood of misleading consumers exists. Problems may arise where a geographical indication which is protected in the country of

origin is not understood as such in a country other than the country of origin. For example, due to developments in the past and the particular success of certain products, a geographical indication may have become the generic name of a product in certain countries. Therefore, the question arises whether in international relations rules exist or should be established that ensure international protection of a geographical indication even where such indication has become or later becomes the "name" of the product in other countries. This is one of the main questions of the international protection of geographical indications, a question which has been partly answered in some of the existing treaties and which certainly will have to be answered in any revision of existing treaties or in a new treaty.

B. Existing Multilateral Treaties for the Protection of Geographical Indications

10. Three multilateral treaties contain provisions for the protection of geographical indications: the Paris Convention, the Madrid Agreement for the Repression of False or Deceptive Indications of Source on Goods of 1891, as last revised in 1967 (hereinafter referred to as the "Madrid Agreement"), and the Lisbon Agreement.

(a) The Paris Convention

11. Several provisions of the Paris Convention deal specifically with indications of source or appellations of origin: Article 1(2) contains a reference to "indications of source" and "appellations of origin" in the list of objects of industrial property; Article 10 deals with the protection of indications of source; Article 9 deals with sanctions where the rights in an appellation of origin are not respected; and Article 10~~ter~~ reinforces the provisions of Articles 9 and 10.

12. Article 1(2) provides that the protection of industrial property has as its object, among others, "indications of source" or "appellations of origin." The obligation to protect indications of source is specifically provided for in Article 10, but there are no special provisions in the Paris Convention for the protection of appellations of origin. Nevertheless, Articles 9, 10 and 10~~ter~~ are applicable to appellations of origin since each appellation of origin by definition constitutes an indication of source (see paragraph 5, above).

13. Article 10(1) is the basic provision of the Paris Convention on indications of source. It provides that the sanctions prescribed by Article 9 in respect of goods unlawfully bearing a trademark or trade name apply to any use of a "false indication of the source" of a product. This means that no indication of source may be used that refers to a geographical area from which the products in question do not originate. For the provision to be applicable, there is no need for the false indication to appear on the product, since any direct or indirect use, for example in advertising, is sanctionable. However, Article 10(1) does not apply to indications which, without being false, may mislead the public, or at least the public of a certain country (for example, where certain geographical areas in different countries have the same name but only one of those areas is internationally known for particular products, the use of that name in connection with products originating from another area may be misleading).

14. As regards the sanctions in the case of the use of a false indication of source, Article 9 establishes the principle that seizure upon importation must

be provided for, or at least prohibition of importation or seizure inside the country but, if those sanctions do not exist in a particular country, the actions and remedies available in such cases are to be applied.

15. Article 9(3) and Article 10(2) determine who may request seizure on importation or the imposition of other sanctions: the public prosecutor, any other competent authority, any interested party. Article 10(2) defines what is meant by "interested party," stipulating that "any producer, manufacturer, or merchant, whether a natural person or a legal entity, engaged in the production or manufacture of or trade in such goods and established either in the locality falsely indicated as the source, or in the region where such locality is situated, or in the country falsely indicated, or in the country where the false indication of source is used, shall in any case be deemed an interested party."

16. Article 10bis concerns the protection against unfair competition and as such provides a basis for protection against the use of confusing, false or misleading geographical indications. Article 10bis obliges countries of the Paris Union to assure effective protection against unfair competition, sets a general definition of what constitutes an act of unfair competition and contains a non-exhaustive list of three types of acts which, in particular, must be prohibited.

17. Article 10ter is also relevant inasmuch as it obliges countries of the Union to provide, on the one hand, appropriate legal remedies and to permit, on the other, federations and associations representing interested industrialists, producers or traders to take action, under certain conditions, with a view to the repression of false indications of source.

18. The main advantage of the protection afforded by the Paris Convention to indications of source lies in the extent of the territorial area covered by the Paris Union, which on March 1, 1990, comprised 100 member States. On the other hand, the question of indications which, in countries other than the country of origin, are generic names of a product in other countries is not dealt with in the Paris Convention, so that member States of the Paris Union seem to be entirely free in that respect. Finally, sanctions, although specifically mentioned in the Paris Convention, are not in all cases mandatory and apply only to false but not to misleading indications of source.

(b) The Madrid Agreement

19. The Madrid Agreement is a special agreement within the framework of the Paris Union. The Agreement aims at the repression not only of false but also of deceptive indications of source.

20. Article 1(1) of the Madrid Agreement provides that any product bearing a false or deceptive indication by which one of the States party to the Madrid Agreement or a place situated therein is directly or indirectly indicated as being the country or place of origin must be seized on importation into any of the States party to the Madrid Agreement.

21. The other paragraphs of Articles 1 and 2 specify the cases and the manner in which seizure or similar measures may be requested and carried out. There is no express provision to the effect that private individuals may request seizure directly. Thus, member States are free to provide that such persons have to apply through the public prosecutor or any other competent authority.

22. Article 3 authorizes a vendor to indicate his name or address on goods coming from a country other than that in which the sale takes place, but obliges him, if he does so, to have his name or address accompanied by an exact indication in clear characters of the country or place of manufacture or production, or by some other indication sufficient to avoid any error as to the true source of the wares.

23. Article 3bis obliges the States party to the Madrid Agreement to prohibit the use, in connection with the sale or display or offering for sale of any goods, of all indications capable of deceiving the public as to the source of the goods.

24. Article 4 provides that the courts of each country have to decide what appellations, on account of their generic character, do not fall within the provisions of the Madrid Agreement. Only regional appellations concerning the source of products of the vine are excluded from the reservation inherent in the provision. The reservation substantially limits the scope of the Madrid Agreement, in spite of the important exception constituted by the case of regional appellations concerning the source of products of the vine, for which protection is absolute. Yet the expression "regional appellations concerning the source of products of the vine" is somewhat ambiguous and has given rise to divergent interpretations.

25. The territorial scope of the Madrid Agreement is considerably smaller than that of the Paris Convention, as only 31* countries are bound by it. In addition, the Agreement has certain limitations some of which are similar to those existing in the Paris Convention. In particular, the repression of false or deceptive indications used in translation or qualified by terms such as "kind" or "type" is not provided for. Furthermore, apart from regional appellations concerning the source of products of the vine, indications of source are not protected against the risk of becoming generic names. Finally, the sanctions provided for are limited. However, the protection conferred by the Madrid Agreement goes further than that conferred by the Paris Convention in two respects: the repression of deceptive indications of source (even if they are not false) is provided for, and regional appellations concerning the source of products of the vine are protected against the risk of becoming generic names.

(c) The Lisbon Agreement

26. Sixteen countries** are party to the Lisbon Agreement. The limited geographical scope of the Lisbon Agreement is due to particular characteristics of the substantive provisions of the Agreement.

*Algeria, Brazil, Bulgaria, Cuba, Czechoslovakia, Dominican Republic, Egypt, France, German Democratic Republic, Germany (Federal Republic of), Hungary, Ireland, Israel, Italy, Japan, Lebanon, Liechtenstein, Monaco, Morocco, New Zealand, Poland, Portugal, San Marino, Spain, Sri Lanka, Sweden, Switzerland, Syria, Tunisia, Turkey, United Kingdom.

**Algeria, Bulgaria, Burkina Faso, Congo, Cuba, Czechoslovakia, France, Gabon, Haiti, Hungary, Israel, Italy, Mexico, Portugal, Togo, Tunisia.

27. Article 2(1) contains a definition according to which appellation of origin means "the geographical name of a country, region, or locality which serves to designate a product originating therein, the quality and characteristics of which are due exclusively or essentially to the geographical environment, including natural and human factors." It follows that only names conforming to the definition may be protected by virtue of the Lisbon Agreement. Simple indications of source (which can be used for products whose characteristics do not result from the geographical environment) are excluded from its purview. This limitation has prevented the accession of countries which do not know the concept of appellation of origin.

28. The first element of the definition is that the appellation must be the geographical name of a country, region or locality. The second element of the definition is that the appellation of origin must serve to designate a product originating in the country, region or locality referred to. The third element of the definition is that there must be a qualitative link between the product and the geographical area: the "quality and characteristics" must be due exclusively or essentially to the geographical environment; if the qualitative link is insufficient, that is, if the characteristic qualities are not due essentially, but only to a small extent, to the geographical environment, the name is not an appellation of origin but merely an indication of source or even a generic name; as for the geographical environment, it includes natural factors, such as soil or climate, and human factors, such as the special professional traditions of the producers established in the geographical area concerned.

29. Even if interpreted broadly, the definition of appellation of origin in Article 2(1) has a serious drawback for countries whose denominations typically do not apply to agricultural products or products of handicraft but to products of industry. The difficulty arises from the fact that Article 2(1) requires the existence of a qualitative link between the geographical environment and the product, even though the presence of purely human factors would be considered sufficient. This link, which may have existed at the start of the manufacture of an industrial product, may subsequently have been stretched to the point that its existence is difficult to prove. Moreover, traditions in manufacture and skilled staff can be shifted from one geographical area to another, in particular in view of the increasing mobility of human resources in all parts of the world.

30. Article 1(2) provides that the countries party to the Lisbon Agreement undertake to protect on their territories, in accordance with the terms of the Agreement, the appellations of origin of products of the other countries party to the Lisbon Agreement, recognized and protected as such in the country of origin and registered at the International Bureau of WIPO. Therefore, in order to be protected under the Lisbon Agreement, the appellation of origin must fulfill two conditions. The first condition is that the appellation of origin must be recognized and protected as such in the country of origin (the latter being defined in Article 2(2)). This condition means that it is not sufficient for the country in question to protect its appellations in a general way. Each appellation still has to benefit from distinct and express protection, deriving from a specific official act (a legislative or administrative provision, or a judicial decision, or a registration). Such an official act is required because the specific elements of the object of protection (the geographical area, the lawful users of the appellation of origin, the nature of the product) must be determined. Those elements must be indicated in the application for international registration in accordance with Rule 1 of the Regulations under the Lisbon Agreement.

31. This first condition (recognition and protection as appellation of origin in the country of origin) is one of the main obstacles to the territorial extension of the Lisbon Agreement. In a number of countries, it is only in a few exceptional cases that specific official acts granting distinct and express protection to an appellation of origin exist. While this fact alone does not prevent those countries from acceding to the Lisbon Agreement, for such reason they nevertheless cannot apply for international registration of all the appellations which they might wish to have protected, even if the appellations correspond to the definition in Article 2(1). This, obviously, diminishes the practical value of accession to the Lisbon Agreement.

32. The second condition laid down by Article 1(2) is that the appellation of origin must be registered with the International Bureau of WIPO. Articles 5 and 7 of the Agreement itself and the Regulations set forth the procedure for international registration.

33. Article 2(2) defines the country of origin as being "the country whose name, or the country in which is situated the region or locality whose name, constitutes the appellation of origin which has given the product its reputation."

34. Article 5(1) and the corresponding provisions of the Regulations issued under the Lisbon Agreement define the procedure for international registration. International registration must be applied for by the competent Office of the country of origin, and therefore may not be requested by interested parties. The national Office, however, does not apply in its own name for international registration, but in that of "any natural persons or legal entities, public or private, having a right to use (titulaires du droit d'usage)" the appellation, according to the applicable national legislation. The International Bureau of WIPO has no competence to examine the application with respect to substance; it may only make an examination as to form. Under Article 5(2) of the Lisbon Agreement, the International Bureau notifies the registration without delay to the Offices of the countries party to the Lisbon Agreement and publishes it in its periodical Les Appellations d'origine (Rule 5 of the Regulations). Up to March 1990, 726 appellations of origin have been so registered under the Lisbon Agreement. This means that, since the Agreement entered into force in 1966, an average of 30 registrations per year (or more than two registrations per month) were effected so far.

35. In accordance with Article 5(3) to (5), the Office of any State party to the Lisbon Agreement may, within a period of one year from the receipt of the notification of registration, declare that it cannot ensure the protection of a given appellation. Apart from the time limit mentioned, the right of refusal is subject to only one condition: the grounds for refusal must be indicated. The grounds which may be so indicated are not restricted by the Lisbon Agreement; this in fact gives each country the discretionary power to protect or refuse to protect a registered appellation of origin.

36. In all countries not having made a declaration of refusal, the registered appellation enjoys protection. However, if third parties have been using the appellation in a given country prior to the notification of the registration, the Office of that country may, under Article 5(6) of the Lisbon Agreement, grant them a maximum of two years in which to terminate such use.

37. The protection conferred by international registration is unlimited in time. Article 6 provides that an appellation which has been granted protection cannot be deemed to have become generic, as long as it is protected as an appellation of origin in the country of origin. Article 7 provides that the registration need not be renewed and is subject to payment of a single fee. An international registration ceases to have effect only in two cases: either the registered appellation has become a generic name in the country of origin, or the international registration has been cancelled by the International Bureau at the request of the Office of the country of origin.

38. The content of the protection afforded to an appellation of origin registered under the Lisbon Agreement, according to Article 3 of the Agreement, is very extensive. Any usurpation or imitation of the appellation is prohibited, even if the true origin of the product is indicated or if the appellation is used in translated form or qualified by terms such as "kind," "type," "make," "imitation," or the like.

39. With regard to the enforcement of the protection of an appellation of origin registered under the Lisbon Agreement, Article 8 refers to national legislation. It specifies that the right to take action belongs to the competent Office and the public prosecutor, on one hand, and to any interested party, whether a natural person or a legal entity, whether public or private, on the other. In addition to any sanctions applicable pursuant to the Paris Convention and the Madrid Agreement (Article 4), all the sanctions provided for in national legislation, whether civil (injunctions restraining or prohibiting unlawful acts, actions for damages, etc.), penal or administrative, are to be applied. However, the Lisbon Agreement does not establish a standard with respect to the sanctions to be provided for by the States party to it.

40. The main advantages of the Lisbon Agreement are that the use of corrective or qualifying terms in connection with an internationally registered appellation of origin does not make its use licit (Article 3) and that it prevents an internationally registered appellation of origin from becoming a generic name as long as it has not become a generic name in the country of origin (Article 6).

41. The main shortcomings of the Lisbon Agreement seem to be as follows: the definition of appellation of origin is too narrow (Article 2(1)); the requirement of prior recognition and protection under a special official act in the country of origin does not take into account any system of protection by general legislative provisions for the repression of deceptive practices (Article 1(2)); the mandatory indication of the owners of the right to use the appellation in whose name the international registration must be applied for is difficult to reconcile with a system of protection by general legislative provisions for the repression of deceptive practices (Article 5(1)); the absence of any definition of what constitutes valid grounds for refusal weakens the protection conferred by international registration, in particular since negotiations between interested countries can only be initiated after refusal (Article 5(3) to (5)). In addition, the Lisbon Agreement does not provide for the application of the law of the country of origin, except for the determination whether an appellation has become a generic name (Article 6); as a result, the question of usurpation or imitation in a specific case is to be decided in accordance with the law of the country in which protection is sought, a situation that is unlikely to ensure that products embody all the characteristic qualities required.

C. Work Undertaken Within the Framework of WIPO Towards the Adoption of New Treaty Provisions

(a) Preparation in 1974 and 1975 of a New Multilateral Treaty on the Protection of Geographical Indications

42. In 1974, WIPO started work on the preparation of a new multilateral treaty for the protection of appellations of origin and indications of source. After a first session of a committee of experts in 1974, the International Bureau of WIPO prepared a draft treaty which was submitted to the second session of the committee in 1975. The proposed text was entitled "Draft Treaty on the Protection of Geographical Indications" (hereinafter referred to as the "WIPO draft Treaty"). The expression "geographical indications" was used in order to cover both indications of source and appellations of origin. (The draft Treaty and the report adopted by the Committee of Experts are contained in WIPO documents TAO/II/2 and 6, respectively.)

43. The first chapter of the WIPO draft Treaty contained a provision according to which the use of denominations, expressions or signs which constitute or directly or indirectly contain false or deceptive geographical indications as to the source of products or services must be prohibited.

44. The second chapter provided for a system of international registration in respect of any geographical indication which fulfills the following conditions: (i) the geographical indication consists of the official or usual name of a State (the "filing State") or of the name of a major circumscription of a State or of a denomination which serves to indicate the source of a product; (ii) the indication is declared by the filing State to be a reference to itself as the State of origin; (iii) the indication is used in the course of trade in relation to products originating in the State, and the said State certifies such use.

45. The WIPO draft Treaty intended to establish a new definition of geographical indication for the purposes of a system of international registration. The new definition was broader than the definition of appellation of origin under the Lisbon Agreement. In most other respects, the system of the WIPO draft Treaty was similar to the Lisbon Agreement. In particular, the procedure of international registration included the possibility of objections and provided for protection unlimited in time once the international registration had become effective. However, unlike the Lisbon Agreement, the grounds for objection were limited to one of the following: (i) the subject of the application for international registration consists neither of the official or usual name of the filing State or of that of a major circumscription of that State, nor of a denomination which serves to indicate the source of a product; (ii) the denomination in question does not refer to the filing State as the State of origin; (iii) in the filing State, the denomination in question is used in the course of trade in relation to products originating in any State; (iv) in the objecting State the denomination in question is regarded as a generic term by the general public and is used as such in the course of trade; (v) certain requirements concerning the application have not been fulfilled. Although unlimited in time, continued protection would depend on the payment of maintenance fees. In addition, the WIPO draft Treaty contained a chapter on sanctions, the right to bring action and the settlement of disputes through diplomatic channels.

46. When preparations for the revision of the Paris Convention started in the late 1970s, and those preparations also dealt with the possible revision of those provisions of the Paris Convention that deal with geographical indications, work on the WIPO draft Treaty was interrupted.

(b) Revision of the Paris Convention

47. As indicated, during the time the WIPO draft Treaty on geographical indications was being prepared, the process of revision of the Paris Convention was initiated. This process has not yet been completed.

48. In the course of the discussions on the revision of the Paris Convention, the Working Group on Conflict Between an Appellation of Origin and a Trademark prepared a proposal to include in the Paris Convention a new article on the protection of appellations of origin and indications of source. Under the Rules of Procedure of the Diplomatic Conference on the Revision of the Paris Convention, the said proposal became a basic proposal for the revision of the Paris Convention (see document PR/DC/4). In the proposal, the terminology used in the WIPO draft Treaty was adopted; thus the term "geographical indication" was used. The purpose of this new article of the Paris Convention, which provisionally is numbered Article 10^{quater}, is intended to be two-fold. First, the article should ensure a more extensive protection of appellations of origin and indications of source against their use as trademarks. Second, a special provision in favor of developing countries should be included, which would allow such countries to reserve a certain number of potential geographical indications for the future so that, even if they were not yet used as geographical indications, they could not be used as trademarks.

49. The draft Article 10^{quater} establishes in its paragraph (1) the principle that a geographical indication which directly or indirectly suggests a country of the Paris Union or a region or locality in that country with respect to goods not originating in that country may not be used or registered as a trademark, if the use of the indication for the goods in question is of a nature as to mislead the public as to the country of origin. Paragraph (2) extends the application of paragraph (1) to geographical indications which, although literally true, falsely represent to the public that the goods originate in a particular country. Paragraph (3) contains an additional provision in respect of geographical indications which have acquired a reputation in relation to goods originating in a country, region or locality, provided that such reputation is generally known in the country where protection is sought by persons engaged in the production of goods of the same kind or in trade in such goods. This additional provision establishes a reinforced protection for certain generally known geographical indications without the requirement of misleading use. Paragraph (4) allows the continuation of use which had been begun in good faith. Paragraph (5) requires that all factual circumstances must be considered when applying the preceding provisions. Paragraph (6) reserves the possibility of bilateral or multilateral negotiations between member countries of the Paris Union. Finally, paragraph (7) provides that each developing country may notify the International Bureau of up to 200 geographical names denominating the country itself or a region or a locality on its territory, with the consequence that the International Bureau would notify all Paris Union member States and that these States would be obliged to prohibit the registration or use of trademarks containing or consisting of the notified names. The effect of the notification would last for 20 years. During this period, any developing

country having made a notification would have the possibility of making known and protecting the geographical indication as referring to a geographical area in its territory from which certain goods originate so that subsequently the general provisions on protection of geographical indications would apply.

50. Draft Article 10^{quater} has been discussed in the four sessions of the Diplomatic Conference as well as in some of the subsequent consultative meetings. Although, initially, the Group of industrialized market economy countries was divided in respect of the protection of geographical indications which have acquired a certain reputation, in 1984, those countries agreed on a proposal (see document PR/DC/51) for a new Article 10^{quater}, which can be summarized as follows: paragraphs (1) and (2) are similar to paragraphs (1) and (2) of Article 10^{quater}, as contained in the basic proposals for the revision of the Paris Convention described in paragraphs 48 and 49, above, subject to some minor changes; paragraph (3) deals with the special case of any "geographical indication generally known in a country to consumers of given products or of similar products as designating the origin of such products manufactured or produced in another country of the Union," and provides that the protection would not, as in the basic proposal, be directed against the use as a trademark but against a development of such an indication to a designation of generic character for the said product or similar products; paragraph (4) contains an amended version of the special provisions in favor of developing countries; in contrast to the basic proposal, the number of geographical indications which can be reserved is up to 10, and they can only be reserved if the goods for which the name is or will be used have been indicated; paragraphs (5) to (7) contain slightly amended versions of the provisions of the basic proposal in respect of acquired rights, the consideration of all factual circumstances and the possibilities of concluding bilateral and multilateral agreements. The said proposal has not yet been discussed in the sessions of the diplomatic conference itself.

51. It should also be mentioned that in 1982 the competent Main Committee of the Diplomatic Conference on the Revision of the Paris Convention adopted an amendment to Article 6^{ter} of the Paris Convention. That Article, in its present text, contains a prohibition on using as trademarks state emblems, official marks or emblems of intergovernmental organizations (see document PR/DC/INF/38Rev.). The amendment concerns the inclusion of the official names of States in the list of emblems, etc., which may not be used as trademarks. This is of importance for protection of geographical indications since it means that at least official names of States would always have to be excluded from use as trademarks.

52. As regards the prospects for the adoption of the aforementioned proposals regarding geographical indications in the course of the revision of the Paris Convention, all that can be said at present is that the process of the revision of the Paris Convention has not yet been concluded. The question of international protection of geographical indications is only one of a number of questions which are being considered by the Diplomatic Conference.

III. NEED FOR A NEW TREATY

53. As the preceding explanations show, the existing multilateral treaties, such as the Paris Convention, the Madrid Agreement and the Lisbon Agreement, and the efforts within the framework of WIPO towards the adoption of new treaty provisions, have not ensured a satisfactory worldwide protection of geographical indications.

54. The Lisbon Agreement has been accepted by only 16 States. It is clear that a number of States are not in a position to accede to the Lisbon Agreement presumably and mainly because that Agreement is limited to appellations of origin, with a specific definition of that concept that is unlikely to be accepted worldwide.

55. The Madrid Agreement has found a broader acceptance (31 States). However, there are only ten States which joined the Agreement during the last 40 years, and, during the last ten years, no State has joined that Agreement. A number of States seem to be unable to accept some of the features of the Agreement.

56. The relevant provisions of the Paris Convention are widely accepted but only ensure limited protection.

57. As regards the revision of the Paris Convention, so far this work has not come to a conclusion. As already noted, the outcome of the Diplomatic Conference on the Revision of the Paris Convention is still unsettled. The protection of geographical indications is only one of a number of questions under consideration in the revision process, some of which are controversial, and it is unlikely that this question could be settled without reaching agreement on the other questions as well. Moreover, the Paris Convention can only be expected to ensure certain basic conditions of protection but not specific rules covering all aspects of the international protection of geographical indications, which are also greatly needed.

58. The work commenced about 15 years ago within the ambit of WIPO to prepare a new Treaty on the international protection of geographical indications shows the desirability and feasibility of finding a solution in this respect since several countries expressed support or at least an interest in a new draft Treaty. Such interest appears to persist and even to have grown.*

59. As already mentioned, it would seem that under the existing multilateral agreements the concept and scope of protection of geographical indications do not cover all existing systems, the international registration system established under the Lisbon Agreement is not adapted to a number of legal systems, the rights conferred by registration and the sanctions and remedies generally afforded lack mechanisms of enforcement, and insufficient attention is given to dispute settlement procedures. There seem to be various reasons for the relatively small number of States that have adhered to the existing special agreements. Therefore, this has resulted in an incomplete and ineffective protection of geographical indications at the international level.

60. There are several strong arguments that can be made in support of the need for concluding a new Treaty on the international protection of geographical indications.

*WIPO, in cooperation with the Government of France, organized, in 1988, a symposium in Bordeaux and, in 1989, a symposium in Santenay (Bourgogne). In both of those meetings, the question of the international protection of geographical indications was considered. Relevant publications can be obtained from the International Bureau.

(i) Given the integration of the world economy and the sophistication of contemporary telecommunications, it is important to achieve widespread agreement on the international standards concerning geographical indications.

(ii) It is therefore desirable that a large majority of Paris Union member States adhere to a treaty on the international protection of geographical indications, so that such a treaty can have a truly widespread, if not global, application. The 99-year experience with the Madrid Agreement and the 32-year experience with the Lisbon Agreement indicate that this objective cannot be achieved by a revision of the Madrid Agreement and/or the Lisbon Agreement. The desirable modifications of each of those Agreements concern basic concepts, such as the introduction of a system of international registration in the case of the Madrid Agreement or the definition of appellation of origin in the case of the Lisbon Agreement, so that a revision would change the essential characteristics of those Agreements and would be tantamount to the introduction of a new treaty.

(iii) There is a need to depart from the concepts of appellation of origin and indication of source by introducing a new notion, namely "geographical indication," a notion that would allow all existing national systems of protection to be covered.

(iv) There is a need to establish a new international registration system which is more widely acceptable than the system of the Lisbon Agreement. It is believed that a system which would not require a specific form of protection in the country of origin as a condition for international registration would be so acceptable.

(v) There is a need, in particular, that such an international registration system provide for effective protection of geographical indications against degeneration into a generic term, and that it ensure effective enforcement of protection.

61. Furthermore, if a new Treaty is negotiated within the framework of the Paris Convention, all the presently 100 Paris Union member States (and not only countries party to the Madrid Agreement or the Lisbon Agreement) would be able to participate fully in the negotiations and the diplomatic conference that would have the task of adopting the new Treaty and would be entitled to become party thereto.

62. A new Treaty would also provide an opportunity to introduce dispute-settlement provisions. Subject to the application of a possible new Treaty on the Settlement of Intellectual Property Disputes between States (see documents SD/CE/I/2 and 3), a dispute settlement body, composed of experts elected for a fixed-term and with broad powers for interpreting and applying the Treaty and resolving differences between contracting parties, is considered to be a necessary element for achieving an effective system for the protection of geographical indications at the international level. It would ensure both the continuity and the flexibility needed in the application and interpretation of the Treaty to different situations and allow it to evolve with new needs and problems as they arise. Naturally, if, in the meantime, a general WIPO settlement-of-disputes Treaty is adopted, the mechanism offered by that Treaty would, or would also, be at the disposal of States having a dispute concerning the application or interpretation of the new Treaty.

IV. POSSIBLE CONTENTS OF A NEW TREATY

63. On the assumption that a new Treaty on the international protection of geographical indications is considered desirable, and for purposes of preparing a draft of such a Treaty, the following questions and explanations thereof regarding the possible contents of the said Treaty are submitted for consideration to the Committee of Experts.

64. Three basic questions would appear to require examination at this stage in order to define the possible scope and contents of a new Treaty:

(i) What should be the subject matter of protection? (see Section A, below)

(ii) What should be the general principles of protection, including the conditions of protection, its contents, and the mechanisms for its enforcement and for settling disputes arising under the new Treaty? (see Sections B to E, below)

(iii) Should there be a system of international registration and, if so, what should it consist of? (see Section F, below)

A. Subject Matter of Protection

65. The new Treaty would have to define the subject matter of protection. Four approaches are possible.

66. The first possible approach is that the new Treaty only refer to the protection of indications of source, as defined in paragraph 5, above, along the lines of the Madrid Agreement. Although this would implicitly cover appellations of origin because they are a special kind of indication of source (see paragraph 5, above), the use of the term "indication of source" could be misleading and create the impression that the specific concerns of the protection of appellations of origin have not been taken into account.

67. A second possible approach is that the new Treaty deal with the protection of appellations of origin, as defined in paragraph 5, above, along the lines of the Lisbon Agreement, that is, that it cover only names that serve to designate a product whose quality and characteristics are due exclusively or essentially to the geographical environment from where the goods originate. However, such a restrictive approach is likely to run into the same problems as those already encountered by the Lisbon Agreement.

68. A third possible approach would be that the new Treaty deal with both indications of source and appellations of origin but as two distinct objects of protection and possibly through different means of protection (e.g., protecting indications of source without registration through prohibition of the use of false or deceptive indications and protecting appellations of origin through registration not only against misleading practices but also against their use as generic terms or trademarks or with additional terms such as "kind, "type," etc. (see paragraph 77, below)). On the one hand, such an approach would be similar to the system of protection which already exists in the States party to the Lisbon Agreement and might, therefore, be acceptable to those countries. On the other hand, many other

countries outside the Lisbon Agreement do not always make a distinction between the general concept of "indication of source" and the qualified case thereof of "appellation of origin" as do countries party to the Lisbon Agreement. Therefore, this third approach would probably lead to a combined repetition of the Madrid Agreement and the Lisbon Agreement, which, even if the texts were improved, would not result in the desired increase in the number of Contracting Parties.

69. A fourth approach would be to depart from the restrictive concepts of the past and for the new Treaty to use a more general term, namely, "geographical indication." Such a notion would avoid, at the international level, the use of the two concepts of indication of source and appellation of origin and the somewhat artificial and difficult-to-distinguish differences between the two partly overlapping notions (since appellations of origin are indications of source). The concept of geographical indication is not restricted by the limitation that applies to the concept of appellation of origin, that is, that the indication must serve to designate a product whose characteristic qualities are due to the geographical environment from where the product originates. The concept of geographical indication is more adaptable to different legal systems. It could encompass protection established in the form of collective marks or certification marks, which are not an uncommon means of protecting geographical indications in many countries with an Anglo-Saxon legal tradition. It is recalled that "protection" of geographical indications is used here to mean that it is prohibited to use the indication for products not originating in the geographical area to which the indication refers, or as a generic name of a product or as a trademark in connection with products (see paragraph 7, above). Furthermore, the concept of geographical indication could also apply in those countries that are not party to the Lisbon Agreement and where recent developments towards strengthening protection have not resulted in adopting the concept of appellation of origin as defined in the Lisbon Agreement. The situation in the United States of America can be cited here as an example. In the United States of America, the term "appellation of origin" is used in regulations adopted in 1978 concerning appellations of origin for wines. Those appellations, however, only specify names of geographical areas but do not imply quality standards associated with the factors to be found or used in particular areas. Government control aims at preventing consumer deception by prohibiting false or misleading terms, without attempting to authenticate quality and production methods*. Thus the expression "appellation of origin" has, in the United States of America, a meaning that is different from the meaning that the same expression has in countries which follow the terminology established under the Lisbon Agreement, namely, that an appellation of origin serves to designate a product whose quality and characteristics are due exclusively or essentially to the geographical environment from which the goods originate. However, the concept of appellation of origin as used in the United States of America could be covered by the concept of geographical indication.

*See Lecture No. 3 at the Symposium on the International Protection of Geographical Indications at Santenay (France, November 3, 1989), entitled "The Protection of Geographical Indications in the United States of America" by Mr. S. Higgins, Director of the Bureau of Alcohol, Tobacco and Firearms, United States of America (document WIPO/AO/SAN/3, pages 3 and 4).

Question 1: Should the subject matter of protection of the new Treaty consist of the traditional concepts of indication of source and appellation of origin, or should it consist of the concept of geographical indication?

70. If the concept of "geographical indication" is adopted as the subject matter of protection under the new Treaty, the question then arises whether the new Treaty should also define what constitutes a protectable "geographical indication" for purposes of the Treaty.

71. The term "geographical indication" is composed of two words, "geographical" and "indication."

72. "Geographical," in this context, is generally understood to mean that the indication refers to a geographical area. For purposes of a treaty for the international protection of geographical indications, this reference should be precise and specific. The geographical indication should refer to an identifiable place or region, with precise boundaries, so as to leave no doubt as to the geographical origin of the goods in connection with which the indication is or may be used.

73. The word "indication," in this context, is generally agreed to mean the "name" of, or a denomination referring to, a geographical area (e.g., "St. Emilion"). The question arises whether other signs or expressions which refer to a specific geographical area should also be encompassed by the term "geographical indication" and be protectable under the new Treaty, such as signs (e.g., a national flower), expressions (e.g., "Tequila"), unofficial names of States, in the form of a noun or an adjective (e.g., "Holland" or "Dutch" as referring to the Netherlands), symbols (e.g., the Empire State building as referring to New York City) and other indirect indications which in themselves do not specifically refer, but are nonetheless understood or known to refer, to a particular geographical area.

Question 2: Should the new Treaty define what constitutes a protectable "geographical indication" for purposes of the Treaty? If so,

Question 3: Should a protectable "geographical indication" be defined as the name of, or a denomination referring to, a precise geographical area, or also as a sign, expression, unofficial name of a State, symbol or other indirect indication which refers, or is understood or known to refer, to a precise geographical area, and which thus serves to indicate the geographical origin of the goods in connection with which the indication is used?

B. Need of Protection in Country of Origin

74. It would seem essential that the Contracting Party to which the geographical indication refers, or where the geographical area is located (i.e., the "Contracting Party of origin"), protect the geographical indication in its territory against use of the indication in connection with goods which do not originate from that area. It would seem self-evident that a geographical indication should not benefit from protection under the new Treaty if the geographical indication is not protected, or at some time loses

protection, in the territory of the Contracting Party of origin, for example, because it is considered and used there, or at some time comes to be used there, as a generic term for the goods for which it is used and is no longer understood to indicate their specific geographical origin. The protection in the territory of the Contracting Party of origin may result from a special legislation, order or regulation concerning the indication in question or from the applications of general legislation or general principles, such as the legislation or principles on the protection against unfair competition. Alternatively, the protection in the territory of the Contracting Party of origin may result from a registration of the geographical indication as a collective mark or certification mark (a commonly used form of protection, for example, in the United States of America and the United Kingdom).

Question 4: Should the new Treaty require, as a condition of protection under the Treaty, that the geographical indication be protected in the territory of the Contracting Party where the geographical area is located (i.e., Contracting Party of origin), against use of the indication in connection with goods which do not originate in the area to which the indication refers?

C. Contents of Protection

75. The new Treaty would have to set down the obligations which the Contracting Parties to the Treaty agree to undertake. As a minimum, a treaty dealing with the international protection of geographical indications would have to establish that each Contracting Party undertakes to protect geographical indications, as defined in the Treaty and meeting any conditions of protection required by the Treaty, which refer to an area in another Contracting Party, against their use in connection with goods that do not originate from that area.

Question 5: Should the new Treaty provide that each Contracting Party must protect geographical indications, as defined in the Treaty, which refer to an area in another Contracting Party, and which meet the conditions of protection required by the Treaty, against their use in connection with goods that do not originate from the said area?

76. The new Treaty could, of course, go further in defining the scope of protection. It could define the scope of prohibited use and the scope of protected goods. It could also be considered whether the new Treaty should set any limits on the scope of protection, in particular, whether it should recognize any grounds on which a Contracting Party may refuse to protect any given geographical indication and whether the new Treaty should recognize any prior users' rights.

(a) Scope of Prohibited Use

77. As regards the scope of prohibited use, in addition to the basic obligation to prohibit use of the geographical indication in connection with goods that do not originate from the geographical area to which the indication refers, it may be appropriate to include an obligation to prohibit use of the

geographical indication as a mark (and its registration as a mark) and use of the geographical indication as a generic term, even where the goods in respect of which those kinds of uses are made originate from the geographical area to which the indication refers. In such a case, the use and registration of the geographical indication as a mark is not compatible with the function of the geographical indication and the possibility that any enterprise in the said area may continue to use it as a geographical indication, which would not be available if one of them could obtain an exclusive right in the indication. The use of the geographical indication as a generic term is likely to result in the dilution of the geographical indication and to contribute to its degeneration into a generic term. Finally, the prohibition of the use of the geographical indication with additional terms such as "kind," "type," "make," "imitation," or the like (see Article 3 of the Lisbon Agreement) should also be considered.

Question 6: Should the scope of prohibited use under the new Treaty extend only to prohibited use of the protected geographical indication as a geographical indication or also to its use as a mark or a generic term and its use with additional terms such as "kind," "type," "make," "imitation," or the like?

(b) Scope of Protected Goods

78. As regards the scope of protected goods, it is clear that the new Treaty should prohibit the use of a geographical indication in connection with goods not originating from the geographical area to which the indication refers, when such goods are the same as those for which the indication is protected in the territory of the Contracting Party of origin. The question still arises whether the protection should extend to other goods.

79. In this connection, as a general rule, protection could cover the same goods for which a geographical indication is protected in the territory of the Contracting Party of origin and to similar goods, without any need of showing that a prohibited use of the indication in connection with such goods would be likely to confuse consumers or dilute the indication.

Question 7: What should be the scope of protected goods under the new Treaty? In particular, should protection be limited to the same goods with respect to which the geographical indication is protected in the territory of the Contracting Party of origin, or should it also cover similar goods, provided that protection in the Contracting Party of origin covers similar goods?

(c) Grounds for Refusing Protection

80. It is to be recalled here that, if the new Treaty establishes as a condition of protection that a geographical indication must be protected in the territory of the Contracting Party of origin (see paragraph 74, above), then, logically, any other Contracting Party could refuse to protect any geographical indication that is not thus protected or which, at some time, loses such protection by the Contracting Party of origin.

81. A more difficult question arises when a geographical indication, which is protected by the Contracting Party of origin, is used and considered as a generic term in the territory of another Contracting Party (i.e., other than the Contracting Party of origin). Should that other Contracting Party be allowed to refuse protection on those grounds?

82. A generic term, in the context of the protection of geographical indications, is usually understood as a term which, although it may in fact refer to a geographical area, has, through use, come to be understood as a term referring to a particular kind of good. Two situations of this kind, in particular, are likely to arise. The first is that of the geographical indication which is protected by the Contracting Party of origin but which degenerates into a generic term in the territory of another Contracting Party after the latter accedes to the Treaty. The other situation is that of the geographical indication which, although protected by the Contracting Party of origin, was already considered a generic term in the territory of the other Contracting Party at the time of the latter's accession to the Treaty.

83. As regards the first case described, it would seem clear that geographical indications which are protected by the Contracting Party of origin and which are not considered a generic term by the other Contracting Party at the time of the latter's accession to the Treaty should not be allowed later to be considered and used as a generic term in the territory of such other Contracting Party.

84. The second case mentioned is more difficult to resolve. The fact that the geographical indication is already considered a generic term by the other Contracting Party (i.e., other than the Contracting Party of origin) at the time of its accession to the Treaty could be considered as an obstacle to redress the situation and reestablish use of the geographical indication in its proper sense because traders and consumers have become accustomed to the use as a generic term. Nevertheless, it could be considered to solve such problems through negotiations between the Contracting Parties concerned. A possible result of such negotiations could be, for example, that the use as a generic term is to be discontinued after a certain period of time (for example, ten or 20 years).

Question 8: Should the new Treaty allow a Contracting Party to refuse protection of a geographical indication on the ground that the indication came to be considered and used as a generic term in the territory of the Contracting party where protection is sought? Should a distinction be made between the case where the indication was already considered and used as a generic term in the territory of the Contracting Party where protection is sought before the latter's accession to the Treaty and the case where such a situation arose after the latter's accession to the Treaty? Should the Treaty encourage settlement of those questions through negotiations between the Contracting Parties concerned?

(d) Prior Users' Rights

85. A related question concerns the situation where a certain geographical indication which is protected by the Contracting Party of origin has already been used by a specific person or persons, as a mark or otherwise (for example, as a generic term), in the territory of another Contracting Party before the latter's accession to the Treaty. The problem then arises whether

the new Treaty should permit such a Contracting Party to allow such person or persons to continue using the indication, and, if so, under what conditions and for how long (that is, indefinitely or for a fixed period of time). Three basic approaches are possible. One approach is that, if a person or persons can prove that they have thus been continuously using an indication in the territory of another Contracting Party (i.e., other than the Contracting Party of origin), the new Treaty could allow such person or persons (and only such person or persons) to continue such use indefinitely. A second approach would be for the Treaty not to recognize at all any such prior users' rights. A third approach would be for the Treaty to allow such person or persons to continue using the indication but only if continuous use had already existed for a significant period of time (for example, at least 25 years) and, in that case, to allow such person or persons to continue using the indication only for a fixed period of time (for example, 25 years). This last approach would represent a compromise between the two other approaches of unlimited recognition of prior users' rights and no recognition at all, but would still impart a certain weight to the protection afforded under the new Treaty.

Question 9: Should the new Treaty recognize prior users' rights acquired through continuous use of a geographical indication, as a mark or otherwise (for example, a generic term), when such use occurred in the territory of the Contracting Party where protection is sought before the latter's accession to the Treaty?

Question 10: If so, should such prior users' rights be recognized indefinitely, regardless of the length of time during which the continuous use on the basis of which the right is claimed took place, or should such prior users' rights be recognized only for a fixed period of time (for example, 25 years) and only if the use on the basis of which the right is claimed took place for at least a specified period of time (for example, 25 years)?

D. Enforcement Mechanisms

86. If the new Treaty is to ensure not only effective protection but also effective enforcement and go beyond existing multilateral treaties concerning the international protection of geographical indications, it should also deal with enforcement mechanisms.

87. In this regard, the new Treaty could establish at least what minimum remedies Contracting Parties must undertake to provide for purposes of enforcing the provisions of the Treaty and the protection afforded thereunder. Such minimum remedies could consist of: (i) an injunction to prevent and to stop prohibited acts under the Treaty; (ii) damages to compensate for losses incurred by reason of the commission of prohibited acts under the Treaty; (iii) refusal and invalidation of registration as a mark of protected geographical indications; (iv) seizure, upon importation or in the territory of the Contracting Party, by court order or by administrative decision (e.g., seizure by customs authority), of the goods bearing the geographical indication which does not refer to the geographical area from which the goods originate; and (v) penal sanctions.

88. The question of remedies raises the related question of who should be entitled to invoke the enforcement of such remedies. There are various possibilities: (i) a competent authority of a Contracting Party, either only ex officio or only upon request of an "interested party," or both; or (ii) also any "interested party" directly. Such "interested party" could be defined as a natural person or a legal entity, public or private, which has a right to or an interest in the use of a geographical indication (e.g., producers or producer associations, owners of collective marks or certification marks, or consumer organizations).

Question 11: Should the new Treaty provide for minimum remedies, and, if so, what should such remedies consist of:

- (i) an injunction to prevent and to stop prohibited acts under the Treaty?
- (ii) damages to compensate for losses incurred by reason of such acts?
- (iii) refusal and invalidation of registration as a mark of protected geographical indications?
- (iv) seizure, upon importation or in the territory of the Contracting Party, by court order or administrative decision, of goods bearing the geographical indication which does not refer to the geographical area from which the goods originate?
- (v) penal sanctions?

Question 12: Who should be entitled to invoke the remedies ensured under the new Treaty:

- (i) a competent authority of a Contracting Party, ex officio?
- (ii) a competent authority of a Contracting Party, upon request of an interested party?
- (iii) any interested party?

Question 13: For the purposes of the new Treaty, should the term "interested party" include any natural person or a legal entity, public or private, which has a right to or an interest in the use of a geographical indication (e.g., producers or producer associations, owners of collective marks or certification marks, or consumer organizations)?

E. Dispute Settlement

89. If the new Treaty is to ensure effective protection and enforcement, and if it is to afford continuity, flexibility and expertise in the application and interpretation of its provisions, the most effective way of doing so would be by setting up a special dispute-settlement mechanism. The examination of such a dispute-settlement mechanism must, of course, follow closely the work being concurrently carried out within the ambit of the WIPO Committee of

Experts on the Settlement of Intellectual Property Disputes Between States, which held its first session, in Geneva, from February 19 to 23, 1990 (the memorandum prepared by the International Bureau for that meeting and the report of the meeting are contained in documents SD/CE/I/2 and 3, respectively). In any case, a dispute-settlement mechanism will have to regulate, among others, the following questions: What kind of disputes may be submitted and by whom to a dispute settlement body? What kind of decision can be made by such body (order, recommendation, etc)? What are the sanctions for non-compliance with the body's decision? Who bears the cost of the procedures?

Question 14: Should the new Treaty provide for a dispute-settlement mechanism, and, if so, what principles should it rest upon?

F. International Registration System

90. A system of international registration of geographical indications with WIPO already exists in respect of appellations of origin under the Lisbon Agreement. The modernization of that system and the enlargement of the participation in it could, however, be envisaged. Before any such modernization is undertaken, a number of preliminary questions need to be examined. The most fundamental of those questions concern the nature and purpose of the international registration system:

Question 15: What should be the legal consequences of international registration? In particular,

- (i) Should international registration be an essential precondition or sine qua non of obtaining international protection and for the enforcement of that protection?
- (ii) Should international registration have the effect that the protection of a registered indication cannot be contested, unless an objection is made within a given time limit (for example, one year from the date of international registration) and unless the registered geographical indication is no longer protected in the Contracting Party of origin?
- (iii) Should, alternatively, international registration only provide the start of proof of entitlement to protection by constituting prima facie evidence of the existence of international protection?
- (iv) Should international registration be regarded as neither giving rise to entitlement to protection nor providing prima facie evidence of the existence of protection but as constituting a mere source of information of what each Contracting Party protects within its territory, it being understood that proof of entitlement to protection would depend entirely on the application of the principles established by the new Treaty without reference to registration?

91. Once the essential nature and purpose of the international registration system is clarified, the following further questions would require examination:

Question 16: What should be the role of the International Bureau in any system of international registration?

Question 17: Who should be allowed to file applications for registration?

Question 18: Should a procedure be provided for an objection to be made by a Contracting Party to the registration of a geographical indication by another Contracting Party? In particular,

- (i) Should provision be made for the objection procedure to take place before or after registration?
- (ii) What should be the effect of an objection, that is, should an objection have the effect of non-recognition of entitlement to protection in the objecting Contracting Party or should it give rise to some form of bilateral consultations or require a decision by an entity other than either of the Contracting Parties in question?
- (iii) If it is envisaged that objections should be dealt with and decided by an entity other than the interested Contracting Parties, should that procedure be the same as any procedure that may be established for the settlement of disputes concerning the interpretation and the application of the Treaty?

Question 19: What should be the duration of the validity of an international registration?

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