Workshop on the protection and promotion of Geographical Indications (GI)

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GIs protection: the Italian and international perspective

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GIs are a truly global concept

Acknowledgements: oriGIn The Organization for an International Geographical Indications Network
A wonderful trip among tastes and flavors originated from all over the world

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GIs are a truly global concept

- Some 3.500 GIs recognized in the EU
- Some 2.000 in China
- Some 400 in Latin America
- Some 300 in the USA (AVAs for wines & geographical certification marks)
- Some 200 in Africa (mainly South African wines)
Introduction: Definition

➢ GIs are registered names used to identify the origin, quality, reputation or other characteristics of products. Thus, a GI has historically been, and still is today, **a way to create value through exclusivity**.

➢ Several countries have developed effective legislation to protect GIs, even though there is still a lack of harmonization.

➢ A single term can be protected in different ways, depending on the country: as an **individual mark**, a **collective mark**, a **certification mark**, an **appellation of origin (AO)** or a GI.
No uniform tools for GIs protection

- TRIPS Agreement
- European Union legislation
- Regulation (EU) No 1151/12 on quality schemes for agricultural products and foodstuff
- Multilateral agreements
- Lisbon Agreement (amended on 28 September 1979)
- FTAs of the EU with third countries including GIs protection
- Registration as a GI in third countries by means of a *sui generis* legislation
- Trade marks (Collective TM, Certification TM) protection
Characteristics of GIs “sui generis” system

- GIs can never become generic
- No duty of use
- Possible coexistence (good faith)
- No temporal limits of protection and no extra costs for renewals
- The registration process is managed by Institutions and the GI is a public certification

GIs counterfeiting approach: situations prohibited under GIs relevant EU Regulations:

- any commercial use (direct or indirect) of a name registered as GI for other products;
- any usurpation or imitation, even by the use of terms that may evoke protected GIs (i.e. “like”, “type” “make” or “imitation”);
- use of any other practices or false information which can mislead consumers regarding the origin, the nature or the quality of the product in relation to its origin.
GIs European Legal Framework

✓ Regulation (EC) No 110/2008 for spirit drinks
✓ Regulation (EU) No 1308/2013 for wine GIs
✓ Regulation (EU) No 251/2014 for aromatized wine product GIs
✓ Regulation (EU) No 1151/2012 for agriculture product and foodstuffs
GIs protection in the EU

➢ As regards **food names**, the EU has introduced a series of Regulations to **standardize the protection** available within the European Union. The first EU Regulation that regulated geographic designations was introduced in 1992 and was then replaced by new Regulations in 2006 and in 2012.

➢ Moreover, EU adopted the Regulation (EC) No 110/2008 for **spirit drinks** GIs, Regulation (EU) No 1308/2013 which provides explicit provisions for **wine** GIs, and Regulation (EU) No 251/2014 for aromatized wine product GIs.

➢ **Protection of non-agricultural GIs**, is ensured country by country according to national legislation and specific agreements pre-existing with respect to EU regulations
The current EU legislation, based on the PDOs and PGIs model introduced by Reg. EC 2081/1992, was recently reformed by Reg. EU n. 1151/2012 of 21st November 2012 on quality schemes for agricultural products and foodstuffs.

There are two types of GIs:

- **Protected Designation of Origin (PDO)**, which requires that all stages of the food production process are conducted in the concerned area;
- **Protected Geographical Indication (PGI)**, which requires that at least one stage of the food production process must be carried out in the concerned area;

The different types of Geographical Indications reflect the strength of the link with the geographical area of origin: such link is very strong for PDOs, while it is at an intermediate level for PGIs.
Wide protection in the EU / EVOCATION

➢ EUCJ, ‘Gorgonzola/Cambozola’ (case C-87/97, 4 March 1999)

➢ EUCJ, ‘Parmigiano Reggiano/Parmesan’ (case C-132/05, 26 February 2008)

➢ EUCJ, ‘Cognac’ (joined cases C-4/10 and C-27/10, 14 July 2011)

➢ EUCJ, ‘Calvados/Verlados’ (case C-75/15, 21 January 2016)

➢ EUGC, ‘Toscano/Toscoro’ (Case T-510/15, 2 February 2017)
PDO ‘GORGONZOLA’ vs ‘CAMBOZOLA’ trademark

EUCJ, Gorgonzola’ (case C-87/97, 4 March 1999, points 25 to 29)

➢ “Evocation, as referred to in Article 13(1)(b) of Regulation No 2081/92, covers a situation where the term used to designate a product incorporates part of a protected designation, so that when the consumer is confronted with the name of the product, the image triggered in his mind is that of the product whose designation is protected” (point 25)

➢ “It is possible, contrary to the view taken by the defendants, for a protected designation to be evoked where there is no likelihood of confusion between the products concerned and even where no Community protection extends to the parts of that designation which are echoed in the term or terms at issue.” (point 26)

➢ “Article 13(1)(b) of Regulation No 2081/92 also expressly provides that the indication of the true origin of the product on its packaging or otherwise has no bearing on the application to that product of the concepts referred to in that subparagraph.” (point 29)
Are there any differences between trademarks and GIs systems?

YES!
Trademark protection for quality products?

➢ Trademarks can become generic (i.e. vulgarization)
➢ “First in time first in right” principle
➢ Lapse for non use
➢ Time limits of registration (i.e. renewals and payment of related fees)
➢ The registration process is managed by the Trademark Office and a trademark is a private law instrument
➢ TM counterfeiting approach: comparison of signs, comparison of goods, likelihood of confusion

Nevertheless, there are situations where the two systems create synergies, rather than being adversarial.
Both concepts enable producers to **distinguish their products in the market**.

They also serve the same purposes – identifying to consumers the origin of the goods in connection with their qualities and characteristics coming from the territory – **providing exclusivity for producers**.

The advantages of trademark protection for GI names lies in **generally easier** (in GIs, it is necessary to prove also reputation) and more cost-efficient registration procedure, as well as in its ability to shape consumer perceptions, unlike GIs, which rely on the past experience of consumers.

Right holders may use both trademarks and GIs according to the relevant national law (i.e. “*de iure condito*”), as long as both are used legitimately, obtaining a two-layer protection. **Such combined use can provide consumers more complete information regarding both commercial and geographical origin of the good.**
GIs and Trademarks – synergies and future development

➢ The registration of collective/certification trademarks, can increase the recognition, by foreign consumers, of high quality food products and strengthen their protection worldwide.

➢ For example, the registration of several marks corresponding to EU GIs – started in the 90’s and implemented in recent years – that distinguish the TALEGGIO PDO cheese (in addition to the EU PDO TALEGGIO), allowed Consorzio Tutela Taleggio to start and successfully conclude several actions to protect its trademarks in those countries where the trademark system is in force. The Consorzio Tutela Taleggio also registered a mark CTT related to the package of the product and one TTT related to the rind of the cheese in several countries.
GIs in Italy

In Italy there are:

- **294** PDO/PGI products
- **523** wine GIs
Italian GIs Economic value

Food GIs Production Value
6,35 Billions of Euro

Food GIs Consumption
value
13,3 Billions of Euro

Food Operators PDO PGI
80,010

Food export value
3,1 Billions of Euro

Wine export value
4,7 Billions of Euro

Conflicts between GIs and TMs – The Italian perspective

Italy has given a significant contribution to the development of the concept of “evocation” of a GI by a TM. The Italian perspective has lead to the declaration of invalidity of TMs that evocate “Italy” as a Country, sanctioning the phenomenon of the “Italian sounding”.

In a recent case, the Court of Cagliari stated that the cheese “Sardaccio Formaggio Sardo Ovino” was evocative of the PDO “Pecorino Sardo”, arguing that denominations lexically different from the protected one, but conceptually similar due to the combination of generic and geographical expressions, are able to evoke and recall to the consumers the protected name.

Moreover, the Court held that the differences of shape and size, between the PDO cheese and cheese evoking the PDO, were not sufficient to overcome the evident similarity between the two cheeses.

See Court of Cagliari, Decision No 3578/2014
Conflicts between GIs and TMs – The Italian perspective

With regards to the labelling, some Courts have considered a label as “evocative” of a GI where all the geographical elements, images and signs included in it are able to recall to the consumers the same geographical origin of the protected product.

For instance, the Court of Catania stated that a pork-made salami, called “Salsiccia piccante”, with a label including the image of the Calabria Region and the wording “typical salami” / “savor and tradition”, was evocative of the PDO “Salsiccia di Calabria”.

The Court held that the assessment of the “evocation” of the cited PDO had to be referred to the label, considering the sum of its graphical and descriptive elements, first of all the representation of the unique and peculiar image of the Calabria Region.

See Court of Catania, Decision No 1424/2012
Italian GIs Enforcement Bodies

The Italian Department of Central Inspectorate for fraud repression and quality protection of agro-food products (ICQRF) is the Law Enforcement Body of the Mipaaf (Italian Ministry of Agriculture, Foodstuffs and Forestry Policies), carrying out the following tasks:

- Official Controls according to (EC) Reg. No. 882/2004 (by means of Inspections, Chemical Analyses, etc.) acting as a Food Fraud Contact Point;
- Issuing fines or other sanctions;
- Authorizing and supervising private or public GI Control Bodies;
- Verifying compliance with the contractual rules in the sale of agri-food products, reporting the detected irregularities to the AGCM.

Since 2016 the ICQRF can submit GI complaints across multiple platforms:
The role of Internet in detecting GIs infringements

The strategy for controls on e-commerce relies on specific “agreements” with the main global players, also called Internet Hosting Providers (IHPs) that recognize the Inspectorate as the GIs right holder, together with the relevant Consortia, and allow it to take down irregular listings on the platforms.

➢ A Memorandum of Understanding (MoU) was, for example, signed between the Inspectorate, eBay and the PGs in 2014, and recently renewed in June 2016, for the protection of Italian GIs on the web through the Program Verified Rights Owner (VeRO).

➢ The Italian Ministry of Agriculture also cooperates with Amazon sending to its legal Department many reports relating to illegal listings/advertising detected on the European AMAZON’s platforms.
ICQRF Results: Italian GIs protection on the marketplaces

<table>
<thead>
<tr>
<th>Web Cooperation</th>
<th>Number of detected infringements</th>
<th>GIs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alibaba.com</td>
<td>123</td>
<td>Aceto balsamico di Modena, Prosecco, Pecorino Romano, Gorgonzola, Asiago, Parmigiano Reggiano</td>
</tr>
<tr>
<td>Amazon</td>
<td>197</td>
<td>Asiago, Prosecco, Gorgonzola, Parmigiano Reggiano, Aceto balsamico di Modena</td>
</tr>
</tbody>
</table>

Source: ICQRF - Ministry of Agriculture, Food and Forestry – Presentation at DG AGRI 27.10.17
Traditional knowledge and intellectual property

**Traditional knowledge** (TK) can be found in a wide variety of contexts, including: agricultural, scientific, technical, ecological and medicinal knowledge as well as biodiversity-related knowledge.

To date, innovations based on TK may be protected as a patent, trademark, geographical indication or as a trade secret but traditional knowledge as such does not enjoy a proper intellectual property system of protection.

The 2015 WIPO General Assembly renewed the mandate of **WIPO’s Intergovernmental Committee on Intellectual Property and Genetic Resources, Traditional Knowledge and Folklore** (IGC) to resume negotiations on an international instrument for the protection of traditional knowledge.
Traditional knowledge and intellectual property

With regard to traditional knowledge associated with genetic resources, EU and South Africa, among others, are part of the Nagoya Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of Benefits Arising from their Utilization (ABS) to the Convention on Biological Diversity that entered into force on 12 October 2014.

The Nagoya Protocol addresses traditional knowledge associated with genetic resources with provisions on access, benefit-sharing and compliance.

It also addresses genetic resources where indigenous and local communities have the established right to grant access to them. Contracting Parties are to take measures to ensure these communities’ prior informed consent, and fair and equitable benefit-sharing, keeping in mind community laws and procedures as well as customary use and exchange.
Thank you for your attention!
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In the EU *sui generis* system, a trademark can preclude the registration of a GI if such registration could mislead consumers about the identity of the product, taking into account the reputation, the notoriety and the duration of use of the mark.

According to Article 6, par. 4 of the Regulation 1151/2012:

[...] 4. A name proposed for registration as a designation of origin or geographical indication shall not be registered where, in the light of a trade mark’s reputation and renown and the length of time it has been used, registration of the name proposed as the designation of origin or geographical indication would be liable to mislead the consumer as to the true identity of the product.”
Likewise, an application for registration of a trademark contrary to the protection granted to the GI (in accordance with article 13, par. 1) must be rejected if there is a registered GI and the trademark application has been filed after the date on which the application for the protection of the GI is submitted to the Commission (art. 14, par. 1).

Moreover, also a coexistence of the two rights is possible, in case of application/registration/use of the mark in good faith within the EU, before the date on which the application for the protection of the GI is submitted to the Commission (art. 14, par. 2).

In this case, the mark may continue to be used and renewed for the covered products and/or services, notwithstanding the successive registration of a GI (except whether grounds for invalidity or revocation of the mark exist, pursuant to art. 51 and 52 of the new EUTMR).
Conflicts between GIs and TMs in the new EUTMR

- The new European Union Trademark Regulation n. 2424/2015 (approved on December 2015 and entered into force on March 23rd, 2016) contains provisions related to GIs.

- In particular, it explicitly includes GIs among the absolute grounds for refusal of EUTM registrations, as well as a relative ground of refusal.

- Therefore, the Regulation provides for the possibility to submit an opposition against an application for EUTM registration on the basis of a PDO or PGI.
Conflicts between GIs and TMs in the TRIPs Agreement

➢ TRIPs deals with these conflicts by prescribing that previously registered trademarks containing a protected GI can, under certain circumstances, be invalidated. Such circumstances include the situation when the use of a trademark “is of such a nature as to mislead the public” about the origin of the goods carrying it. The burden of proof lay on the producer claiming that an illegitimate use of the GI is taking place.

➢ If the GI relates to wine or spirits, no proof regarding risk of misleading is needed; the trademark shall be invalidated anyway.

➢ However, Article 24, par. 5 of TRIPs Agreement provides for the so-called “grandfather clause” which allows the use of trademarks containing GIs which have been applied for, registered or used in good faith in other TRIPs member States, before the entry into force of the TRIPs and/or before the geographical indication is protected in its country of origin.

➢ The TRIPS Agreement requires for all WTO Members to provide minimum standards of protection for GIs within their territories.
Generic terms and TM systems

➢ Most trademark laws, in general, prohibit the registration of a name with a geographical meaning and/or trademarks consisting exclusively of a generic term.

➢ A registered trademark can also become generic after its registration (i.e. vulgarization) if it has become a generic name for the goods or services for which it is registered.

➢ Such generic character leads to the rejection of a TM application and/or causes the cancellation of a registration if a TM has become generic.

➢ Therefore, GI names are often protected via a collective or a certification mark when such legal concepts exist. When they are not available, GI producers have often sought protection - for their logo only - via a figurative trademark registration.

➢ In most TM systems, the exam of the generic character depends on the consumer perception in that specific territory. If consumers use a term referring to a category/type of products that could come from anywhere and not to a product originated exclusively in a specific geographic area, the term is considered generic and it can not be monopolized.
Generic terms and GIs system

- Genericness is a common problem faced by applicants for the registration of geographical designations. A geographical name can, over time and through use, become generic in the sense that consumers come to regard it chiefly as an indication of a certain type of product.

- According to the EU sui-generis system, generic terms cannot be registered as GIs:
  - a term can not be registered as a GI when such term, before the registration, is considered a common name for a type of product and, therefore, the link between the geographical area and the quality of the product is absent.
  - GIs can never become generic: a term registered and protected as a GI can not become generic after its registration.

- The CJEU, in particular, has often stated that the generic character of a GI can be recognized only when there was no longer persistence of the link between the quality of a given product and its geographical origin, so that the term became only the description of a style or type of product.