

# ARTICLE

## IRRECONCILABLE DIFFERENCES? THE GENEVA ACT OF THE LISBON AGREEMENT AND THE COMMON LAW

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### ABSTRACT

This Article considers whether the Geneva Act (2015) of the 1958 Lisbon Agreement achieved a reconciliation between the common-law approach to protecting certain GIs as trademarks and the (currently) mostly European approach of using a *sui generis* system to protect GIs. In “Old Lisbon” as in many parts of Europe—and perhaps more strikingly in France—GIs have deep roots in the *terroir*. And the *terroir* matters: it is not an exaggeration to say that some countries link *terroir* to national identity. New World producers see things differently, but they also recognize the value of geographic origin, at least for certain products: Napa Valley wines, Vidalia onions, Idaho potatoes and many other products are sold with symbols identifying their geographic origin.

The Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) is directly relevant in this context. TRIPS does three main things in respect of GIs. First, it creates a dual layer of protection for GIs. It arguably provides protections for wines and spirits beyond the traditional trademark law standard.

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Second, TRIPS provides a set of rules for the interaction between GIs and (other) trademarks. Third, TRIPS obligates WTO Members to negotiate concerning the establishment of a GI registration and notification system.

No significant progress has been made on the TRIPS register since the entry into force of the TRIPS Agreement in 1995. Part of the issue is that WTO Members pushing for international protection of GIs disagree on the scope and purpose of their effort. Europe's focus has been on the establishment of the TRIPS Article 23.4 register. Other WTO Members, many of them developing countries, have insisted on an extension of the higher level of protection contained in Article 23.1 of TRIPS to products other than wines and spirits. They consider the emphasis in TRIPS on alcoholic beverages to be both culturally discriminatory and a commercial impediment to the ability to collect potentially higher rents associated with GIs on other types of protected products.

No common law jurisdiction is party to the Lisbon Agreement. There are a number of reasons that explain this lack of enthusiasm. Many common law jurisdictions can use trademarks, collective marks, and certification marks to protect geographic symbols and names. This has a number of both normative and administrative implications, including use requirements, possible loss or diminution of right due to acquiescence and abandonment or genericness, and the payment of maintenance fees, to mention just the main ones. This could be described as the gap that needed to be bridged between the Lisbon system and the common law before the Diplomatic Conference of May 2015. Did the Diplomatic Conference that adopted the Geneva Act succeed in building a bridge between the two Lisbons?

To answer this question, this Article begins by briefly explicating the functioning of the Lisbon system and then compares the Lisbon system with the common law system of protection for geographic identifiers as certification marks, with a specific focus on U.S. law. The Article argues that the revised Lisbon Agreement fails to build a solid bridge between the two Lisbons though it may yet succeed in becoming a global GI registry due to exogenous trade pressures.

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## I. INTRODUCTION

There are many great things about the United States. One of them is that you can drive from Lisbon to Berlin in forty-five minutes. Make it a little over an hour if you want to drive there via East Palestine. All of this without leaving the state of Ohio.<sup>1</sup>

There is another Lisbon of course: the capital of Portugal.<sup>2</sup> *That* Lisbon was the home of a major intellectual property conference in 1958. A revised Act of the Paris Convention was adopted there, and the 1891 Madrid Agreement for the Repression of False or Deceptive Indications of Source on Goods was also updated on that occasion.<sup>3</sup> World Intellectual Property Organization (WIPO) Member States also adopted a new

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1. See Driving Directions from Lisbon, OH to East Palestine, OH to Berlin, OH, GOOGLE MAPS, <http://www.google.com/maps/>.

2. The name Lisbon reportedly comes from the Phoenician term for “safe harbor.” *Lisbon*, NEW WORLD ENCYCLOPEDIA, <http://www.newworldencyclopedia.org/entry/Lisbon> (last modified Aug. 9, 2014). As such, this city is very relevant to the IP world. *Safeguard Clause*, J. THOMAS MCCARTHY, MCCARTHY’S DESK ENCYCLOPEDIA OF INTELLECTUAL PROPERTY 539 (3d ed. 2004).

3. Paris Convention for the Protection of Industrial Property, Mar. 20, 1883, *as revised* July 14, 1967, 21 U.S.T. 1629 [hereinafter Paris Convention]; Madrid Agreement for the Repression of False or Deceptive Indications of Source on Goods, Apr. 14, 1891, *as revised* Oct. 31, 1958, with the Additional Act of Stockholm of July 14, 1967, 828 U.N.T.S. 163.

Agreement on the protection of “appellations of origin,” which may be seen as a subset or form of the slightly broader notion of geographical indication (GI).<sup>4</sup> The 1958 Lisbon Agreement was updated once in 1967.<sup>5</sup> It was recently rewritten: the Geneva Act (2015) of the Agreement was officially adopted and opened for signature on May 21, 2015.<sup>6</sup>

The two Lisbons, in Ohio and Portugal, are used here as the symbols of a possible reconciliation between the common-law approach to protecting certain GIs as trademarks and the (currently) mostly European approach of using a *sui generis* system to protect GIs.<sup>7</sup> In “Old Lisbon” as in many parts of Europe—and perhaps more strikingly in France—GIs have deep roots in the *terroir*.<sup>8</sup> And the *terroir* matters: it is not an exaggeration to say that some countries link *terroir* to national identity.<sup>9</sup> New World producers see things differently, but they also recognize the value of geographic origin, at least for certain

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4. Lisbon Agreement for the Protection of Appellations of Origin and Their International Registration, Oct. 31, 1958, *as revised*, July 14, 1967, 923 U.N.T.S. 205 [hereinafter Lisbon Agreement], [http://www.wipo.int/treaties/en/text.jsp?file\\_id=285856/](http://www.wipo.int/treaties/en/text.jsp?file_id=285856/).

5. *See id.*

6. World Intellectual Prop. Org. [WIPO], Geneva Act of the Lisbon Agreement on Appellations of Origin and Geographical Indications and Regulations Under the Geneva Act of the Lisbon Agreement on Appellations of Origin and Geographical Indications, WIPO Doc. LI/DC/19 (May 20, 2015), [hereinafter Geneva Act], [http://www.wipo.int/meetings/en/details.jsp?meeting\\_id=35202](http://www.wipo.int/meetings/en/details.jsp?meeting_id=35202). The previous update was adopted on July 14, 1967. *See* Lisbon Agreement, *supra* note 4.

7. For example, CHAMPAGNE is a GI protected under a *sui generis* regime in France and the rest of Europe. In France, this protection reflects a recognized link between the land (and know-how concerning its use) and a product, a concept known as *terroir*. *Terroir* has received various forms of legal protection dating back to at least the fifteenth century. *See* PAUL S. KINDSTEDT, CHEESE AND CULTURE 214 (2012); Justin Hughes, *Champagne, Feta, and Bourbon: The Spirited Debate About Geographical Indications*, 58 HASTINGS L.J. 299, 300–02, 306–08, 352 (2006) (describing *terroir* as an “essential land/qualities nexus”). CHAMPAGNE is now protected under the system of *Appellations d’Origine Contrôlée* (AOC). *Id.* at 308. More recent regulations are contained in the CODE DE LA PROPRIÉTÉ INTELLECTUELLE [C. PROP. INTELL.] [INTELLECTUAL PROPERTY CODE] art. L721-1 to -10 (Fr.), <http://www.legifrance.gouv.fr/affichCode.do?cidTexte=LEGITEXT000006069414>; and the Law of the 30th of July 1935. Décret législatif du 30 juillet 1935 Défense du Marché des Vins et Régime Économique de l’Alcool [Law of July 30, 1935 Defense of Wine Market and Economic Regime of Alcohol], JOURNAL OFFICIEL DE LA RÉPUBLIQUE FRANÇAISE [J.O.] [OFFICIAL GAZETTE OF FRANCE], July 31, 1935, p. 8314. *See also* MICHAEL BLAKENEY, INTELLECTUAL PROPERTY RIGHTS AND FOOD SECURITY 200 (2009) (noting that the Law of July 30, 1935 provided for the generalized AOC system).

8. *See* Hughes, *supra* note 7, at 301 (stating that *terroir* is the traditional justification for appellation laws).

9. *See* KOLLEEN M. GUY, WHEN CHAMPAGNE BECAME FRENCH: WINE AND THE MAKING OF A NATIONAL IDENTITY 2 (2007) (“Much like the nation, champagne and its *terroir* are believed to possess eternal, natural qualities. The wine can be seen as an objective manifestation of the French ‘soul,’ the guardian of supreme spiritual values.”); Emily C. Creditt, *Terroir vs. Trademarks: The Debate over Geographical Indications and Expansions to the TRIPS Agreement*, 11 VAND. J. ENT. & TECH. L. 425, 427 (2009).

products: Napa Valley wines, Vidalia onions, Idaho potatoes and many other products are sold with symbols identifying their geographic origin.<sup>10</sup>

Though it is administered not by WIPO but by the World Trade Organization (WTO), the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) is directly relevant in this context.<sup>11</sup> TRIPS does three main things in respect of GIs. First, it creates a dual layer of protection for GIs. The first layer obligates WTO Members to “provide the legal means for interested parties to prevent [ ] the use of any means in the designation or presentation of a good that indicates or suggests that the good in question originates in a geographical area other than the true place of origin in a manner which misleads the public as to the geographical origin of the good . . . [and] any use which constitutes an act of unfair competition within the meaning of Article 10bis of the Paris Convention (1967).”<sup>12</sup> The second layer protects against the use of a geographical indication identifying wines and spirits “even where the true origin of the goods is indicated or the geographical indication is used in translation or accompanied by expressions such as ‘kind’, ‘type’, ‘style’, ‘imitation’ or the like.”<sup>13</sup> In other words, it arguably protects beyond the traditional trademark law standard.<sup>14</sup> Second, TRIPS provides a set of rules for the interaction between GIs and (other) trademarks.<sup>15</sup> Third, TRIPS obligates WTO Members to negotiate concerning the establishment of a GI registration and notification system.<sup>16</sup>

No significant progress has been made on the TRIPS register since the entry into force of the TRIPS Agreement in 1995, despite a renewed appeal to WTO Members contained in the 2001 Doha

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10. See, e.g., CERTIFIED GENUINE IDAHO POTATOES GROWN IN IDAHO, Registration No. 4,221,403; NAPA VALLEY WINES, Registration No. 2,834,682; VIDALIA, Registration No. 1,709,019.

11. Agreement on Trade-Related Aspects of Intellectual Property Rights, Apr. 15, 1994, Marrakesh Agreement Establishing the World Trade Organization, Annex 1C, 1869 U.N.T.S. 299 [hereinafter TRIPS Agreement].

12. *Id.* art. 22.2.

13. *Id.* art. 23.1.

14. See 2 J. THOMAS MCCARTHY, MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION § 14:1.50 (4th ed.), Westlaw (database updated Sept. 2015) (explaining that traditional common-law protection relies on the notions of priority and likelihood of confusion).

15. See *infra* Part II.E.

16. See TRIPS Agreement, *supra* note 11, art. 23.4 (providing for the establishment of “a multilateral system of notification and registration of geographical indications for wines”); see also DANIEL GERVAIS, THE TRIPS AGREEMENT: DRAFTING HISTORY AND ANALYSIS 100–26 (4th ed. 2012).

Declaration.<sup>17</sup> Part of the issue is that the WTO Members who are pushing for international protection of GIs disagree on the scope and purpose of their effort. Europe's focus has been on the establishment of the TRIPS Article 23.4 register.<sup>18</sup> Other WTO Members, many of them developing countries, have insisted on an extension of the higher level of protection contained in Article 23.1 of TRIPS to products other than wines and spirits.<sup>19</sup> They consider the emphasis in TRIPS on alcoholic beverages to be both culturally discriminatory and a commercial impediment to the ability to collect potentially higher rents associated with GIs on other types of protected products.<sup>20</sup>

A number of developing countries rich in traditional knowledge and related products see the expansion of GI protection to products other than wines and spirits as a way to repair historical wrongs<sup>21</sup> and, more broadly, as a way to de-Westernize intellectual property rules, which some of them consider systematically discriminatory because they favor Western methods of marketing and production and Western goods.<sup>22</sup> Several developing nations thus see GIs as a way of protecting and globally marketing their rural and traditional products at a higher

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17. See generally World Trade Organization, Ministerial Declaration of 14 November 2001 ¶ 18, WTO Doc. WT/MIN(01)/DEC/1, 41 I.L.M. 746 (2002) [hereinafter Doha Declaration] (agreeing to negotiate the establishment of the notification and registration system and addressing expansion of the system beyond wines).

18. See David Vivas-Eugui, *Negotiations on Geographical Indications in the TRIPS Council and Their Effect on the WTO Agricultural Negotiations: Implications for Developing Countries and the Case of Venezuela*, 4 J. WORLD INTELL. PROP. 703, 705–06, 708 (2001) (discussing the EU's desire to protect wine exports with the Article 23.4 register and the non-wine producing countries' lack of enthusiasm for the register).

19. Gen. Council, Trade Negotiations Comm., *Note by the Secretariat: Issues Related to the Extension of the Protection of Geographical Indications Provided for in Article 23 of the TRIPS Agreement to Products Other than Wines and Spirits* ¶ 6, WTO Doc. WT/GC/W/546 (May 18, 2005) (noting that most advocates of GI extension are developing countries). For a discussion of Asian countries' positions, see Min-Chiuan Wang, *The Asian Consciousness and Interests in Geographical Indications*, 96 TRADEMARK REP. 906, 939–41 (2006).

20. See Tomer Broude, *Taking "Trade and Culture" Seriously: Geographical Indications and Cultural Protection in WTO Law*, 26 U. PA. J. INT'L ECON. L. 623, 656–57, 674–79 (2005) (expanding on the arguments of cultural and commercial discrimination); see also Thiébauld Dromard, *Le Champagne en Quête de Nouvelles Terres*, LE FIGARO (Oct. 26, 2007), <http://avis-vin.lefigaro.fr/magazine-vin/o8920-le-champagne-en-quete-de-nouvelles-terres> (stating that moving from outside to inside Champagne's appellation zone causes the price of a hectare of land—2.47 acres—to jump by 30,000 percent to almost \$1,200,000).

21. See Vivas-Eugui, *supra* note 18, at 718 (noting that quality regulation and denomination of products can be used for protectionist ends).

22. "Western" is used here not as a geographical reference but in its usual meaning as a reference to the most industrialized nations. Peter Yu has suggested that the discriminatory use of GIs may lead developing countries to be more self-interested in higher levels of intellectual property protection. See Peter K. Yu, *TRIPS and Its Achilles' Heel*, 18 J. INTELL. PROP. L. 479, 523–24 (2011).

price, which they assert would lead to “development from within,” that is, “an alternative development strategy that prioritizes local autonomy and broad, community-wide development goals.”<sup>23</sup> There are examples that support the potential capture of additional rents due to the *perception* of higher quality associated with certain geographical origins.<sup>24</sup> For some products, this ties into—or may be confused with—“fair trade” labels and certification processes concerning the sourcing of an increasingly wide range of products, many of which come from the developing world (coffee, tea, cocoa, etc.).<sup>25</sup>

The issue has broader implications still. Recent research suggests that GI protection impacts future global food consumption patterns and may lead to profound shifts in current agricultural models.<sup>26</sup> GIs tend to focus production on a nation’s comparative advantage in making a product whose origin infuses it with a higher market value.<sup>27</sup> As such, GIs may have deep environmental significance, and they may form an increasingly relevant part of agricultural and food policy.<sup>28</sup> Not surprisingly, the debate captured the imagination of a number of consumer groups, many of which insist on proper labeling of products to

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23. See Sarah Bowen, *Development from Within? The Potential for Geographical Indications in the Global South*, 13 J. WORLD INTELL. PROP. 231, 232 (2010) (noting that “diverse stakeholders” find GIs a useful tool for rural development). See generally Daniel Gervais, *Traditional Innovation and the Ongoing Debate on the Protection of Geographical Indications*, in INDIGENOUS PEOPLES’ INNOVATION 121, 121–47 (Peter Drahos & Susy Frankel eds., 2012) (suggesting that developing countries may be attracted to GI protection of indigenous products because of GI’s potential ability to promote respect, prevent the misappropriation and misuse of traditional cultural expressions, empower communities, and encourage community innovation and creativity).

24. See, e.g., Dromard, *supra* note 20 (discussing the increase in land value once an area becomes part of the approved “champagne” growing region).

25. For a review of fair trade labeling standards, see, for example, *Our Standards*, FAIRTRADE INT’L, <http://www.fairtrade.net/our-standards.html> (last visited Nov. 20, 2015).

26. See Elizabeth Barham, *Translating Terroir: The Global Challenge of French AOC Labeling*, 19 J. RURAL STUD. 127, 137 (arguing that expanded AOC-systems create “new forms of local–global connections”). “As part of its initiative on ‘Quality Linked to Geographical Origin,’ the Food and Agriculture Organization (FAO) of the United Nations sponsored case studies on GIs and developing countries, culminating in regional seminars in Morocco and Chile in 2007 and a conference in Rome in 2008.” Bowen, *supra* note 23, at 232.

27. Cerkia Bramley, Estelle Biénabe & Johann Kirsten, *The Economics of Geographical Indications: Towards a Conceptual Framework for Geographical Indication Research in Developing Countries*, in THE ECONOMICS OF INTELLECTUAL PROPERTY 109, 121 (2009), [http://www.wipo.int/edocs/pubdocs/en/economics/1012/wipo\\_pub\\_1012.pdf](http://www.wipo.int/edocs/pubdocs/en/economics/1012/wipo_pub_1012.pdf).

28. See William van Caenegem, *Registered GIs: Intellectual Property, Agricultural Policy and International Trade*, 26 EUR. INTELL. PROP. REV. 170, 172–73 (2004) (stating that the momentum behind the EU appeals for greater GI protection “comes from Mediterranean EU states, Italy, Portugal, Spain, and above all France, where traditional, specialised, small scale, non-commoditised agricultural practices remain relatively commonplace, with a fair degree of rural processing”).

clarify their origin.<sup>29</sup> Their insistence partly stems from a desire to buy more locally produced products and to reduce the carbon footprint of their consumption patterns but also from the “quality assurance” factor<sup>30</sup> associated with specific GIs.<sup>31</sup>

No common law jurisdiction is party to the Lisbon Agreement.<sup>32</sup> There are a number of reasons that explain this lack of enthusiasm. As this Article explains, many common law jurisdictions can use trademarks, collective marks, and certification marks to protect geographic symbols and names.<sup>33</sup> This has a number of both normative and administrative implications, including use requirements, possible loss or diminution of right due to acquiescence and abandonment or genericness, and the payment of maintenance fees, to mention just the main ones. This could be described as the gap that needed to be bridged between the Lisbon system and the common law before the Diplomatic Conference of May 2015. Did the Diplomatic Conference that adopted the Geneva Act succeed in building a bridge between the two Lisbons?<sup>34</sup>

To answer this question, this Article begins by briefly explicating the functioning of the Lisbon system (Part II). It then compares the Lisbon system with the common law system of protection for geographic identifiers as certification marks, with a specific focus on U.S. law (Part III). The Article argues that the revised Lisbon Agreement fails to build a solid bridge between the two Lisbons though it may yet succeed in becoming a global GI registry due to exogenous trade pressures.

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29. See Barham, *supra* note 26, at 136.

30. See Alberto Francisco Ribeiro de Almeida, *Key Differences Between Trade Marks and Geographical Indications*, 30 EUR. INTELL. PROP. REV. 406, 410 (2008) (listing positive public effects of GIs).

31. See David Goodman, *Rural Europe Redux? Reflections on Alternative Agro-Food Networks and Paradigm Change*, 44 SOCIOLOGIA RURALIS 3, 9–10 (2004).

32. As of October 2015, the list of parties to the Lisbon Agreement is as follows: Algeria, Bosnia and Herzegovina, Bulgaria, Burkina Faso, Congo, Costa Rica, Cuba, Czech Republic, Democratic People’s Republic of Korea, France, Gabon, Georgia, Haiti, Hungary, Iran, Israel, Italy, Mexico, Montenegro, Nicaragua, Peru, Portugal, Republic of Moldova, Serbia, Slovakia, the former Yugoslav Republic of Macedonia, Togo, and Tunisia. See *Contracting Parties—Lisbon Agreement*, WORLD INTELL. PROP. ORG., [http://www.wipo.int/treaties/en/ShowResults.jsp?lang=en&treaty\\_id=10](http://www.wipo.int/treaties/en/ShowResults.jsp?lang=en&treaty_id=10) (last visited Nov. 20, 2015).

33. See *infra* Part II.D.

34. See Geneva Act, *supra* note 6; *Negotiators Adopt Geneva Act of Lisbon Agreement at Diplomatic Conference*, WORLD INTELL. PROP. ORG. (May 20, 2015), [http://www.wipo.int/pressroom/en/articles/2015/article\\_0009.html](http://www.wipo.int/pressroom/en/articles/2015/article_0009.html).

## II. LISBON AGREEMENT GEOGRAPHICAL INDICATIONS

A. *Terminological Issues*

Article 1 of the 1958 Lisbon Agreement required Member States to protect appellations of origin “as such.”<sup>35</sup> Professor Justin Hughes has argued that this might require that Lisbon Members use the term “appellation of origin” in their national law, an option he (rightly) views as unpalatable from a U.S. perspective and as a foreign transplant in the legal systems of many New World countries.<sup>36</sup>

Here, the Geneva Act is an improvement. In addition to appellation of origin, the Geneva Act refers to geographical indications, bringing it closer to TRIPS language.<sup>37</sup> The Geneva Act applies to

any indication protected in the Contracting Party of Origin consisting of or containing the name of a geographical area, or another indication known as referring to such area, which identifies a good as originating in that geographical area, *where a given quality, reputation or other characteristic of the good is essentially attributable to its geographical origin.*<sup>38</sup>

TRIPS defines geographical indications as

indications which identify a good as originating in the territory of a Member, or a region or locality in that territory, *where a given quality, reputation or other characteristic of the good is essentially attributable to its geographical origin.*<sup>39</sup>

The dual approach chosen by the negotiators of the Geneva Act is an improvement because it incorporates the TRIPS

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35. Lisbon Agreement, *supra* note 4, art. 1(2); see Hughes, *supra* note 7, at 312–13, 312 n.79.

36. See *id.* at 312–13 & n.79 (arguing that the unpalatability of the Lisbon system “probably gave GI advocates added incentive to seek inclusion of GI protection in TRIPS”). The *Actes* explain that “as such” in Article 1(2) “means that the right to the appellation of origin must be recognized first and foremost in the country of origin.” Union Internationale pour la Protection de la Propriété Industrielle, *Actes de la Conférence Réunie a Lisbonne du 6 au 31 Octobre 1958*, at 814 (1863) [hereinafter *Actes*]. This recognition in the country of origin is meant to imply that each country can decide whether and how it will determine who may seek international recognition of geographical denominations originating from its territory. See Hughes, *supra* note 7, at 312–14.

37. TRIPS uses and defines only the term geographical indications. It refers neither to Lisbon nor to the notion of appellation of origin. TRIPS Agreement, *supra* note 11, art. 22.1. The text of art. 22.1 accompanies note 39, *infra*.

38. Geneva Act, *supra* note 6, art. 2(1)(ii) (emphasis added).

39. TRIPS Agreement, *supra* note 11, art. 22.1 (emphasis added). For a full analysis of the distinction between TRIPS and the original 1958 definitions, see Daniel J. Gervais, *Reinventing Lisbon: The Case for a Protocol to the Lisbon Agreement (Geographical Indications)*, 11 CHI. J. INT’L L. 67, 83–87 (2010).

language common to all WTO Members. While the new Act obligates members to protect both registered appellations of origin and geographical indications on its territory, it dropped the “as such” language and provides that each “Contracting Party shall be free to choose the type of legislation under which it establishes the protection stipulated in this Act.”<sup>40</sup> Dropping the “as such” language may have solved the terminological quandary.

### B. *Level of Protection Issues*

The 1958 Lisbon Agreement obligates countries party to that Agreement to provide protection of geographical indications against “any *usurpation* or imitation, even if the true origin of the product is indicated or if the appellation is used in translated form or accompanied by terms such as ‘kind,’ ‘type,’ ‘make,’ ‘imitation,’ or the like.”<sup>41</sup> The Lisbon standard of “usurpation” is not a term commonly used in international intellectual property laws and treaties.<sup>42</sup> The *travaux*<sup>43</sup> define usurpation as the “illicit adoption” of an appellation (and provide “counterfeiting” as a possible synonym).<sup>44</sup> They also make clear that it is up to each country to decide the remedies that should be available.<sup>45</sup> However, it was difficult to ascertain whether it was compatible with TRIPS because, as alluded to in the Introduction, the TRIPS Agreement provides for two different levels of protection of geographical indications.

Under TRIPS Article 22.2(a), a right holder must show that the public might be misled, a level of protection that resembles trademark protection.<sup>46</sup> A higher level of protection for *wines and*

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40. Geneva Act, *supra* note 6, arts. 9, 10(1).

41. Lisbon Agreement, *supra* note 4, art. 3 (emphasis added).

42. A search of the WIPO-administered treaties shows it only in the Lisbon Agreement. The term is also used in the Bangui Agreement Relating to the Creation of an African Intellectual Property Organization, Constituting a Revision of the Agreement Relating to the Creation of an African and Malagasy Office of Industrial Property, art. 47, Mar. 2, 1977, WORLD INTELL. PROP. ORG., [http://www.wipo.int/wipolex/en/other\\_treaties/text.jsp?file\\_id=181150#P3099\\_400022](http://www.wipo.int/wipolex/en/other_treaties/text.jsp?file_id=181150#P3099_400022) (last accessed Nov. 20, 2015).

43. *Travaux* are the “[m]aterials used in preparing the ultimate form of an agreement or statute, and esp. of an international treaty; the draft or legislative history of a treaty.” *Travaux préparatoires*, BLACK’S LAW DICTIONARY (9th ed. 2009).

44. *Actes*, *supra* note 36, at 815. The *Actes* (including mostly the *travaux préparatoires*) of the Lisbon Conference were published in French only. Translations are the Author’s own.

45. *Id.* at 818; *see also* Lisbon Agreement, *supra* note 4, art. 8 (stating that a “competent Authority” of each member state or an “interested party” in each member state may take legal action under the agreement).

46. *Compare* TRIPS Agreement, *supra* note 11, art. 22.2, with 1 MCCARTHY, *supra* note 14, § 2:35, at 2-71 (stating that trademarks protect consumers’ right to truthful information about the nature, quality, source, and sponsorship of a product).

*spirits* was also agreed upon in TRIPS.<sup>47</sup> Article 23 prohibits use of a GI on wine or spirits originating outside the specified region. The prohibition stands even if the true origin of the wine or spirits is indicated, a translation is used; or the indication is “accompanied by expressions such as ‘kind[,]’ ‘type[,]’ ‘style[,]’ ‘imitation’ or the like.”<sup>48</sup> There is thus at least a presumption that the public might be misled—or that the competing use constitutes an act of unfair competition—when dealing with GIs on wines and spirits. This level of protection of GIs on wines and spirits is closer to the Lisbon standard, even more so now because the Geneva Act replaced the right against usurpation with a three-legged right. Article 11 of the Geneva Act provides a right that combines elements of TRIPS Articles 16.3 and 22.2 and a form of dilution protection of well-known marks in providing that member countries must provide legal means to prevent any unauthorized use of the GI in three situations: (1) goods of the same kind as those to which the GI applies (including use in translated form or accompanied by terms such as “style,” “kind,” “type,” “make,” “imitation,” “method,” “as produced in,” “like,” “similar,” or the like); (2) goods or services not of the same kind if use would suggest a connection expanded to include, “where applicable,” a right against uses liable “to impair or dilute in an unfair manner, or take unfair advantage of, that reputation” of the GI; and (3) “any other practice liable to mislead consumers as to the true origin, provenance or nature of the goods,” including use amounting to imitation of the protected appellation or indication.<sup>49</sup>

This is a “TRIPS plus” outcome both because the higher level of protection in TRIPS (without the need to show deception or confusion) is limited to wines and spirits and TRIPS does not provide protection against “imitation.” The Geneva Act is a *de facto* expansion by (and for) the Lisbon Members of GI protection to goods other than wines and spirits—a measure sought by many WTO Members, especially in the developing world.<sup>50</sup> The Lisbon standard does not require confusion. Hence, it requires no evaluation of the local consumer even (or especially) in a market where a GI protected under Lisbon may be neither known (by a significant proportion of the relevant public) nor used. Under Lisbon, one could thus argue that registration creates a worldwide public notice of the claim leading, normatively and/or doctrinally,

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47. TRIPS Agreement, *supra* note 11, art. 23.1.

48. *Id.*

49. Geneva Act, *supra* note 6, art. 11.

50. See *supra* notes 19–23 and accompanying text; see also GERVAIS, *supra* note 16, at 100–26 (aggregating the debate over extending heightened GI protections).

to a presumption of confusion of sorts, requiring a ban on the use of the GI even with words such as “like” or “style.” The TRIPS Agreement provision on a possible notification and registration system does not go that far because it does not specify the legal effect of registration in the system the establishment of which must still be negotiated.

Implementation of the higher standard for wines and spirits in TRIPS was difficult in the United States if limited to trademark law, in large part because the higher standard does not require a showing of likelihood of confusion. Perhaps a presumption of confusion could be used here, as in Article 16.1 of TRIPS, but what if the GI is neither known nor used in the United States? Dilution was not applicable because it requires nationwide fame.<sup>51</sup> However, the United States was able to implement the higher TRIPS standard for wines and spirits under regulations concerning the labeling of alcoholic products.<sup>52</sup> The United States agreed to the protection for wines and spirits in TRIPS but used not just trademark law but also the Alcohol and Tobacco Tax and Trade Bureau (TTB) regulation of alcohol labels to do so.<sup>53</sup> This also allowed the United States to regulate the use of certain European wine-and-spirit GIs pursuant to the 2006 Wine Pact signed with the European Union.<sup>54</sup>

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51. See 15 U.S.C. § 1125(c)(1) (2012) (allowing a mark’s owner to seek an injunction against competing use that is likely to cause “dilution by blurring” “at any time after the owner’s mark has become famous”); see also § 1125(c)(2)(A), (B) (defining “famous” as “widely recognized by the general consuming public of the United States” and defining “dilution by blurring” as association arising from similarity between a mark and a famous mark that renders the famous mark less distinctive). Clearly, not every entry into the Lisbon register will have nationwide fame in the United States upon registration. I used a random number generator and picked five numbers from 1–900 (900 being the approximate total of entries now on the register). This list of five current Lisbon entries should suffice to prove the point: BANYULS (Lisbon entry 323; origin France); TURSAN (Lisbon entry 401; origin France); MIEL DE LORRAINE (Lisbon entry 467; origin France); FLEK SCHWARZ BIER (Lisbon entry 599; origin Czech Republic); COTEAUX DE DIE (Lisbon entry 754; origin France). Would the reader believe that any of these randomly selected entries has nationwide fame in the United States? All Lisbon entries can be searched at *Search Appellations of Origin (Lisbon Express)*, WORLD INTELL. PROP. ORG., <http://www.wipo.int/ipdl/en/search/lisbon/search-struct.jsp> (last visited Nov. 20, 2015).

52. See 27 C.F.R. § 4.25 (2015) (designating how to label wines according to place of origin); 27 C.F.R. § 5.36(e) (2015) (requiring country of origin on labels of imported spirits).

53. See 2 MCCARTHY, *supra* note 14, § 14:19.50, at 14-70 (“These regulations are designed to aid consumers in identifying the origin of the wine and to assist winemakers in distinguishing their products from those originating in different areas.”).

54. This was foreseen. The footnote to Article 23.1 of the TRIPS Agreement provides specifically for implementation via administrative measures. See Agreement Between the European Community and the United States of America on Trade in Wine, U.S.-E.U., Mar. 24, 2006, 2006 O.J. (L 87) 1, art. 7. [hereinafter “Wine Pact”]. The Wine Pact recognized that certain GIs (e.g. CHAMPAGNE and PORT are semi-generic, meaning that they can be perceived in two different ways by consumers). For a discussion, see generally Gervais, *supra* note 39, 115–17.

*C. Registration Issues*

The 1958 Lisbon Agreement established a multilateral registry.<sup>55</sup> The Geneva Act of the Lisbon Agreement made several improvements to the administrative operation of the register and generally modernized the system of registration of geographical indications. Without offering an exhaustive list of such improvements, the Geneva Act made the role of national Offices much clearer. Applicants may be required to pay to member country in which they seek protection and pay per-country fees and fees to use the protected indication, but not maintenance fees.<sup>56</sup>

The Geneva Act also introduced a clearer system to refuse (and then withdraw refusals in whole or in part) and a new system allowing interested parties to “request the Competent Authority to notify a refusal in respect of the international registration.”<sup>57</sup> By contrast, the 1958 Act did not mention grounds for refusal of a GI submitted by another Contracting Party.<sup>58</sup> Additionally, a court or other competent authority in the country where protection is claimed could invalidate an appellation.<sup>59</sup> The Geneva Act more or less maintains this system but includes much clearer process rules.<sup>60</sup>

The issue of fees was a major issue during the Diplomatic Conference. Under the 1958 Lisbon system, applicants pay a *single*

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55. Lisbon Agreement, *supra* note 4, art. 5.

56. The issue of maintenance fees was the topic of heated debate during the conference. Maintenance fees had been mentioned in square brackets in early versions of the draft Geneva Act but did not make it into the final version. Compare Geneva Act, *supra* note 6, arts. 7–8 (explaining the fee structure, which does not include a maintenance fee), with World Intellectual Prop. Org. [WIPO], *Basic Proposal for the New Act of the Lisbon Agreement on Appellations of Origin and Geographical Indications*, arts. 7–8, WIPO Doc. LI/DC/3 (Nov. 14, 2014) (providing in Article 7 an “Alternate A” and an “Alternate B” for a “maintenance fee,” and stating in Article 8 that nonpayment of a maintenance fee will result in the cancellation of a registration).

57. See Geneva Act, *supra* note 6, arts. 15–16; see also *id.* rule 9 (explaining how Contracting Parties are to notify the International Bureau of the refusal); *id.* rule 10 (explaining what the International Bureau does not consider as a valid refusal); *id.* rule 11 (stating the procedure for withdrawal of refusal).

58. Compare Geneva Act, *supra* note 6, rules 9–10 (specifying the required contents of a valid refusal), with Lisbon Agreement, *supra* note 4, art. 5 (requiring only that the basis of the refusal be included).

59. See Lisbon Agreement, *supra* note 4, art. 5 (stating that, once an appellation is registered with the International Bureau, an authority in any of the countries party to the Agreement may invalidate an appellation in their own country within one year of notice of the registration).

60. See Geneva Act, *supra* note 6, arts. 15–16 (using similar wording as the Lisbon Agreement that an authority may invalidate an appellation registered with the International Bureau); *id.* rules 9–10 (detailing the requirements for a notification of refusing, including the process of how the International Bureau will handle irregular notifications of refusals that do not contain all the required information).

*fee* once to WIPO and their application is deemed valid (subject to refusal by individual members) in all Lisbon Member States.<sup>61</sup> This fee (currently 500 Swiss francs or approximately US\$525, which will double as of January 1, 2016) is paid to and retained by WIPO, as there is no country designation and no “per-country” fee, unlike, say, the Madrid system for trademarks, the Hague system for designs, or the Patent Cooperation Treaty (PCT).<sup>62</sup> Additionally, no renewal fee is ever required.<sup>63</sup> This is administratively and also arguably incompatible with the current practice of many and perhaps all common law jurisdictions that protect GIs as trademarks because trademarks can be considered abandoned and canceled for nonuse, and a renewal or maintenance fee is typically payable.<sup>64</sup> As noted above, under the Geneva Act, country designation is introduced and fees are possible for the initial registration, and for use of the indication, but not maintenance fees.<sup>65</sup>

#### D. Genericness Issues

The 1958 Lisbon Agreement is fairly flexible<sup>66</sup> except in one major respect: genericide. Genericide is the loss of an appellation when it becomes generic and thus unable to function as an indication of geographic origin.<sup>67</sup> The 1958 Agreement prevents invalidation for genericness in the country where protection is claimed, *unless the appellation has become generic in its country of origin*.<sup>68</sup> This is a rare mandatory application of *lex originis* in

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61. Lisbon Agreement, *supra* note 4, arts. 5, 7.

62. *Individual Fees Under the Madrid Protocol*, WORLD INTELL. PROP. ORG., [http://www.wipo.int/madrid/en/madridgazette/remarks/ind\\_taxes.html](http://www.wipo.int/madrid/en/madridgazette/remarks/ind_taxes.html) (last visited Nov. 20, 2015); *Payment of Fees—Lisbon System*, WORLD INTELL. PROP. ORG., <http://www.wipo.int/about-wipo/en/finance/lisbon.html> (last visited Nov. 20, 2015); *PCT Fee Tables*, WORLD INTELL. PROP. ORG., <http://www.wipo.int/export/sites/www/pct/en/fees.pdf> (last visited Nov. 20, 2015); *Schedule of Fees*, WORLD INTELL. PROP. ORG., <http://www.wipo.int/export/sites/www/hague/en/fees/pdf/sched.pdf> (last visited Nov. 20, 2015) (containing the fee schedule for the Hague System for Designs).

63. The Lisbon Agreement specifically provides for the absence of renewal. Lisbon Agreement, *supra* note 4, art. 7.

64. In the United States, since 1989, the renewal term is 10 years. 3 MCCARTHY, *supra* note 14, § 19:142, at 19-422. Also under U.S. law, cancellation is possible after three years of nonuse. See 15 U.S.C. § 1127 (2012) (“Nonuse for 3 consecutive years shall be prima facie evidence of abandonment.”).

65. See *supra* note 56.

66. See *supra* Part II.A–B.

67. See, e.g., Deborah J. Kemp & Lynn M. Forsythe, *Trademarks and Geographical Indications: A Case of California Champagne*, 10 CHAP. L. REV. 257, 266 (2006); see also Daniel J. Gervais, *The Lisbon Agreement’s Misunderstood Potential*, 1 WORLD INTELL. PROP. ORG. J. 87, 96–97 (2010) (discussing how a country may refuse a registration if the name is generic in its country).

68. Lisbon Agreement, *supra* note 4, art. 6.

international intellectual property.<sup>69</sup> An exception grants a country joining the Lisbon system one year to determine if it will refuse to protect any previously registered appellations.<sup>70</sup> For appellations registered *after* a country has joined, however, an issue might surface, especially if the owner of the GI does nothing while the GI is used with his knowledge but without his consent by a third party.

It is a well-established principle of international intellectual property that the law of the country or protection (*lex loci protectionis*) governs.<sup>71</sup> Thus, a court or other competent authority determines the validity of a copyright, trademark, or patent in its own jurisdiction. The Paris Convention makes it clear that this does not directly affect the same trademark or a patent on the same invention in other jurisdictions—a principle known as the independence of patents and trademarks.<sup>72</sup> In the case of infringement, the law of the country where protection is claimed (*lex loci delicti*) typically applies.<sup>73</sup> It would be strange indeed if a court could not find a patent or mark invalid unless it had been found invalid in the inventor's or trademark owner's country of origin. Yet that is the system under the 1958 Lisbon Agreement.

Implementing this provision functionally requires a *sui generis* system because countries that protect GIs using trademarks assess genericness in their territory not in the mark's country of origin. Lisbon is thus a rare case indeed of *lex originis* in international intellectual property. I had suggested in previous scholarship that the Lisbon system should eliminate this obstacle to make it possible for countries protecting GIs under trademark systems to join.<sup>74</sup> Unfortunately, the Geneva Act, while it uses language that differs from the 1958 text, essentially maintains a version of the *lex originis* regime, especially in its Article 12:

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69. Cf. Graeme B. Dinwoodie, *Developing a Private International Intellectual Property Law: The Demise of Territoriality?*, 51 WM. & MARY L. REV. 711, 731 (2009) (arguing that the United States applies *lex originis* in authorship copyright law by giving special weight to "the nationality of the authors and the place of first publication").

70. Lisbon Agreement, *supra* note 4, art. 14.

71. See Dinwoodie, *supra* note 69, at 729–33 (discussing application of the *lex loci protectionis* doctrine).

72. See Paris Convention, *supra* note 3, arts. 4*bis*, 6 (proclaiming the independence of patents and marks).

73. See *id.* arts. 6*quinquies*(B), 10*ter*(2); Berne Convention for the Protection of Literary and Artistic Works art. 6*bis*, Sept. 9, 1886, 1161 U.N.T.S. 3 (amended Sept. 28, 1979); see also Pamela E. Kraver & Robert E. Purcell, *Application of the Lanham Act to Extraterritorial Activities: Trend Toward Universality or Imperialism?*, 77 J. PAT. & TRADEMARK OFF. SOC'Y 115, 121–22 (1995) (discussing choice of law principles, including *lex loci delicti*).

74. Gervais, *supra* note 39, at 119–20.

“Subject to the provisions of this Act, registered appellations of origin and registered geographical indications cannot be considered to have become generic in a Contracting Party.”<sup>75</sup>

In sum, the Geneva Act, like the 1958 Lisbon Agreement, allows a Lisbon Member to reject a GI at the time (within 12 months) of registration if it is generic in their territory.<sup>76</sup> As we will see below, Lisbon will also allow its members to maintain coexistence of a GI and a trademark and to protect prior trademark rights. However, if the GI gets protection under the Lisbon system and becomes generic in a Lisbon Member, for example because of inaction or even acquiescing by the holder of the GI, then it is far from clear under either the 1958 Agreement or the Geneva Act how that Lisbon Member could find this GI generic if the GI is not generic in its country of origin.<sup>77</sup> If that is so, then there is at least one irreconcilable difference between Lisbon and the common law.

This is not a new issue. It was specifically discussed at the Diplomatic Conference, and an attempt to craft a solution was rejected, as the Article will now explain. In the last day of formal negotiations—May 19, 2015—in Main Committee I, which had jurisdiction *inter alia* over scope of protection issues, the U.S. delegation made a reasonably limited proposal to add a second paragraph to Article 12 of the (then draft) Geneva Act.<sup>78</sup> The additional paragraph would allow Contracting Parties to find a denomination used as a geographical indication or appellation of origin generic due to acquiescence or abandonment by the holder of the right in the denomination (or “beneficiaries,” that is, authorized users).<sup>79</sup> The language caused difficulty because notions of acquiescence and abandonment are not used in relation to GIs in the legal systems of many of the delegations taking part in the discussions.<sup>80</sup> An observer nongovernmental organization,

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75. Geneva Act, *supra* note 6, arts. 8(1), 12.

76. Lisbon Agreement, *supra* note 4, art. 5(3), (4); Geneva Act, *supra* note 6, art. 15(1).

77. Lisbon Agreement, *supra* note 4, art. 6; Geneva Act, *supra* note 6, art. 12.

78. The Author attended the event and this is from personal knowledge as the Records of the conference had not yet been published as of this writing. However, archived webcasts of all official meetings are available. *Diplomatic Conference for the Adoption of a New Act of the Lisbon Agreement*, WORLD INTELL. PROP. ORG., <http://www.wipo.int/webcasting/en/index.jsp> (last visited Nov. 20, 2015) (select “LI/DC: Diplomatic Conference for the Adoption of a New Act of the Lisbon Agreement for the Protection of Appellations Of” in the Videos on Demand Search Bar, scroll to and select “LI/DC – Tues 19 – English Afternoon Main Committee I”; the U.S. delegation makes its proposal between 1:29:50 and 1:33:10).

79. *Id.*

80. Based on comments made by various delegations after the U.S. proposal was made (orally) before Main Committee I. *Id.*

the International Society for the Development of Intellectual Property (known under its French acronym ADALPI<sup>81</sup>) then proposed alternative language to the same effect but as an Agreed Statement instead of a new paragraph to the Act.<sup>82</sup> After some discussion, the language was added to the draft new act but as an Agreed Statement to Article 14 (enforcement) instead of 12.<sup>83</sup> It read as follows:

It is understood that nothing in this Act prevents a court or competent authority in a Contracting Party from refusing to enforce rights in a registered appellation of origin or geographical indication if, after due process, such court or competent authority finds that behavior by beneficiaries or their representative has led to the appellation of origin or geographical indication to lose its ability to designate a good as originating in the geographical area identified by the appellation of origin or geographical indication.<sup>84</sup>

The fact that the draft Agreed Statement was added to Article 14 instead of 12 was not necessarily fatal because the language used (“nothing in this Act”) would have applied to any provision in the Act. Nor was the draft Agreed Statement in direct opposition to Article 12. It did not allow members to consider a registered appellation of origin or registered geographical indication to have become generic forever. Rather, it refused to enforce a denomination if and when the denomination was no longer able to perform its function, namely to designate a good as originating in the geographical area identified by the appellation of origin or geographical indication. Genericness may in some cases be reversed.<sup>85</sup>

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81. See ASSOCIATION INTERNATIONALE POUR LE DÉVELOPPEMENT DE LA PROPRIÉTÉ INTELLECTUELLE, <http://www.adalpi.org> (last visited Nov. 20, 2015).

82. The Author was the representative of ADALPI at the Conference and drafted this text. *Diplomatic Conference for the Adoption of a New Act of the Lisbon Agreement*, *supra* note 78.

83. Based on discussions between the Author and delegates, this was a decision made by the President of the Committee after informal consultations with a number of delegations.

84. World Intellectual Prop. Org. [WIPO], *Draft New Act of the Lisbon Agreement on Appellations of Origin and Geographical Indications*, art. 14 n.3, WIPO Doc. LI/DC/14 (May 20, 2015).

85. This is admittedly rare, but it may happen especially with GIs where the law already recognizes the notion of semi-genericness. See *supra* note 54. The infelicitous expression reverse genericness is sometimes used in this context. See Thomas L. Casagrande, *Recent Developments in Trademark Law*, 7 TEX. INTELL. PROP. L.J. 463, 477 (1999) (discussing a case where Harley Davidson argued that a generic term can become a trademark if it later begins to signify a particular good). “Degenericization” might be closer to the mark. See Kemp & Forsythe, *supra* note 67, at 267 n.73 (“A newer concept that is the reverse of genericide is degenericide, where the name or mark is returned to trademark protection after having gone into the public domain.”).

On the morning of the last day of discussions at the Diplomatic Conference (May 20, 2015), the President of Main Committee I, Mihály Ficsor, a delegate from Hungary, announced that there was “no sufficient support” for adding the Agreed Statement to the draft new Act, and it was deleted without further discussion.<sup>86</sup> The fact that it sank may not be a complete surprise given that some European delegations negotiated the issue with the diplomatic finesse of an anvil.<sup>87</sup> The reason for the draft Agreed Statement’s rejection is not officially known. Clearly, the problem was not in adding an Agreed Statement to the Geneva Act because the Act as adopted contains other Agreed Statements.<sup>88</sup>

The deletion was announced as follows by the President of the Committee:

What I have learned from these informal consultations [with delegations] is that delegations are of the view that this Act should not address this issue leaving it open for Contracting Parties to deal with this issue in accordance with their legal system and practice. So it seems to me that the deletion of the draft Agreed Statement does not necessarily mean that this kind of interpretation could not be followed in a given jurisdiction. It only means that Contracting Parties do not want to interfere with the choices made by Contracting Parties at the national or regional level in that regard.<sup>89</sup>

As a matter of international law, this creates an almost unsolvable puzzle. While the Agreed Statement proposed by ADALPI could and would have been reconciled with Article 12 (as just explained, this was entirely feasible) and would also have been taken into account in interpreting the Geneva Act (as official text added to the Act), a committee president’s statement does not have the same legal effect.<sup>90</sup> The Chairman’s statement

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86. *Diplomatic Conference for the Adoption of a New Act of the Lisbon Agreement*, *supra* note 78 (select “LI/DC: Diplomatic Conference for the Adoption of a New Act of the Lisbon Agreement for the Protection of Appellations Of” in the Videos on Demand Search Bar, scroll to and select “LI/DC – Wed 20 – English Morning Main Committee I”; the President Ficsor’s announcement occurs between 00:06:26 and 00:09:41).

87. This comment is based on personal observations by the Author and discussions between the Author and members of various delegations at the May 2015 Diplomatic Conference.

88. Geneva Act, *supra* note 6, arts. 11(2) n.1, 12 n.2.

89. The Author was present and took notes as the statement was being made and the transcription of the statement was checked against the video recording (webcast) of the session by the Author. *Diplomatic Conference for the Adoption of a New Act of the Lisbon Agreement*, *supra* note 78.

90. The Chair’s statement may still be considered however. In the WTO dispute-settlement report concerning 17 U.S.C. § 110(5), a statement by the main rapporteur at the Stockholm Diplomatic Conference that revised the Berne Convention, *supra* note 73, was taken into account. See Report of the Panel, *United States—Section 110(5) of the U.S. Copyright Act*, ¶¶ 6.51–6.55, WTO Doc. WT/DS160/R (June 15, 2000).

accompanying the WTO's paragraph 6 system and the adoption of TRIPS Article 31bis concerning compulsory licensing of pharmaceuticals for export to least-developed countries purported to reflect the views of WTO Members.<sup>91</sup> In contrast, the President of Main Committee I did not indicate that he was speaking on behalf of anyone but himself when explaining the meaning of the deletion, and no delegation took the floor specifically to either agree or disagree.<sup>92</sup> In fact, the Records will show that almost no Lisbon Member intervened on any issue of substance at that last meeting on Main Committee I.<sup>93</sup> The value of the statement is thus questionable.

Furthermore, the committee president's statement suggests that the proposed Agreed Statement was unacceptable not because it was too broad or departed from Article 12 but exactly the opposite. According to the committee president, the proposed Agreed Statement was too narrow in that members could not deal with the issue of acquiescence and abandonment *in any way they wish* under their "legal system and practice."<sup>94</sup> It is difficult to see how such a broad approach can be reconciled with the text of the Geneva Act.

The question of *who* might be called upon to interpret the text of the Geneva Act is interesting. An alleged violation of Lisbon (whether of the 1958 or 1967 texts or of the Geneva Act) might be raised at WIPO or directly between Lisbon Members, but the absence of a formal dispute-settlement mechanism in the Geneva Act would likely limit these allegations to diplomatic action.<sup>95</sup> Should a bilateral or regional trade agreement incorporate the Geneva Act by reference, however, an international tribunal might interpret it, possibly even under investor–state provisions.<sup>96</sup>

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91. See Markus Nollf, *Paragraph 6 of the Declaration on the TRIPS Agreement and Public Health and the Decision of the WTO Regarding Its Implementation: An "Expeditious Solution"?*, 86 J. PAT. & TRADEMARK OFF. SOC'Y 291, 300 n. 22 (2004) ("According to Article 31, subsection 1, of the *Vienna Convention*, 'any agreement relating to the treaty which was made between all the parties in connexion with the conclusion of the treaty' is part of the 'context for the purpose of the interpretation of a treaty.' It is unclear whether or not, and if so, to what extent the *Note from the Chairman* and the attached '*Best Practices*' *Guidelines* may constitute such an agreement.").

92. See *Diplomatic Conference for the Adoption of a New Act of the Lisbon Agreement*, *supra* note 78.

93. *Id.*

94. See *supra* note 89 and accompanying text.

95. The Geneva Act, *supra* note 6, contains no provision on dispute-settlement between member states. Failure to comply could be raised through diplomatic or similar means. Lisbon was not integrated into the TRIPS framework so members cannot challenge a Lisbon violation at the WTO unless it also violates TRIPS.

96. See Ruth L. Okediji, *Is Intellectual Property "Investment"?* *Eli Lilly v. Canada and the International Intellectual Property System*, 35 U. PA. J. INT'L L. 1121, 1138 (2014) ("By

The WIPO Secretariat will no doubt try to emphasize flexibilities in the Geneva Act, including possibly the President's statement above, and the text of Articles 9 and 14, which do offer some degree of implementation elasticity.<sup>97</sup> Article 9 provides, in part, that Contracting Parties must "protect registered appellations of origin and geographical indications on its territory, within its own legal system and practice but in accordance with the terms of this Act . . ."<sup>98</sup> Article 13(1) allows a party to protect prior trademark rights.<sup>99</sup> Article 14 provides that Parties "shall make available effective legal remedies for the protection of registered appellations of origin and registered geographical indications and provide that legal proceedings for ensuring their protection may be brought by a public authority or interested party . . ."<sup>100</sup> Hence, both provisions do provide some implementation leeway. In the face of the Lisbon Members' stubborn refusal to expressly accommodate common law and maintaining *lex originis* in Article 12, however, it strikes this Author as unlikely that arguments based on leeway will convince countries that protect GIs as certification marks (or equivalent) to join Lisbon *en masse*.

#### *E. Conflicts with Prior Trademarks and Generic Terms*

The 1958 Lisbon Agreement allows its Members to adopt or continue to use one of three approaches in managing conflicts between trademarks and GIs (however those are protected under national law): (1) a "first in time, first in right" approach; (2) a "coexistence approach" (that is, a GI and trademark with similar legal effect); or (3) a "GI superiority approach," under which the GI wins the conflict, except perhaps where the previous trademark is considered well-known.<sup>101</sup>

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leveraging investor-state dispute provisions, the political bargains that make an investment treaty acceptable to States may be unraveled by a single investor whose interests will not reflect the range of policy tradeoffs animating the treaty.").

97. See Matthijs Geuze, *Geographical Indications Under WIPO-Administered Treaties*, in RESEARCH HANDBOOK ON INTELLECTUAL PROPERTY AND GEOGRAPHICAL INDICATIONS (Dev S. Gangjee ed., forthcoming 2015).

98. Geneva Act, *supra* note 6, art. 9.

99. See *infra* Part II.E.

100. *Id.* art. 14.

101. Lina Montén, *Geographical Indications of Origin: Should They Be Protected and Why? – An Analysis of the Issue from the U.S. and EU Perspectives*, 22 SANTA CLARA COMPUTER & HIGH-TECH. L.J. 315, 328–30 (2006). For example, while the European Union has a GI superiority approach in most cases, its regulations provide protection for prior, well-known marks. See Council Regulation 510/2006 of 20 March 2006 on the Protection of Geographical Indications and Designations of Origin for Agricultural Products and Foodstuffs, art. 3(4), 2006 O.J. (L 93) 12, 14–15 (EC). The European Union's Council

“First in time, first in right” usually is understood to mean first *in the territory of the jurisdiction concerned*.<sup>102</sup> One could see a degree of irony in the case of GIs because GIs very often have been in use for decades or more before the registration of a trademark that would defeat the use of such GIs in a country other than the country of origin.<sup>103</sup> Yet, as a matter of trademark law, the analysis is all about the domestic market and thus is largely a question of the domestic consumer’s perception—although this perception may include knowledge gained through advertising of a famous mark not in use or not yet widely used in the territory concerned.<sup>104</sup> The Geneva Act thus allows, but does not mandate, a country party to it to apply the “first in time, first in right” principle in resolving GI–trademark disputes.<sup>105</sup>

What is the situation under the TRIPS Agreement? First, a WTO Member must refuse or invalidate the registration of a trademark that contains or consists of a geographical indication if: (a) the goods do not originate in the territory indicated; and (b) use of the indication in the trademark for such goods in the territory of the “Member” concerned is *of such a nature as to mislead the*

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Regulations provide that a “designation of origin or geographical indication shall not be registered where, in the light of a trademark’s reputation and renown and the length of time it has been used, registration is liable to mislead the consumer as to the true identity of the product.” In sum, EU law provides that prior well-known trademarks prevail over GIs and allows coexistence of prior trademarks not considered to be well-known. *Id.*

102. See Dev Gangjee, *Quibbling Siblings: Conflicts Between Trademarks and Geographical Indications*, 82 CHI.-KENT L. REV. 1253, 1262 (2007) (“Given the similarity of function and therefore presumed epistemological backcloth for both trademarks and GIs, the principle of ‘first in time, first in right’ has been suggested as a means of resolving such conflicts.”); see also FREDERICK W. MOSTERT, *FAMOUS AND WELL-KNOWN MARKS: AN INTERNATIONAL ANALYSIS* 2-34 (2d ed. 2004) (also arguing that the principle of ‘first in time, first in right’ should be applied to resolve for GI–trademark conflicts). A number of trade agreements have enshrined the principle. See, e.g., Free Trade Agreement, Austl.-U.S., art. 17.2(4), May 18, 2004, KAV 6422; see also CHASE C. RHEE, *PRINCIPLES OF INTERNATIONAL TRADE (IMPORT-EXPORT): THE FIRST STEP TOWARD GLOBALIZATION* 48 (5th ed. 2012) (stating the U.S.-Singapore Free Trade Agreement applies the principle of “first in time, first in right”).

103. See *Geographical Indication Protection in the United States*, U.S. PATENT AND TRADEMARK OFFICE, [http://www.uspto.gov/sites/default/files/web/offices/dcom/olia/globalip/pdf/gi\\_system.pdf](http://www.uspto.gov/sites/default/files/web/offices/dcom/olia/globalip/pdf/gi_system.pdf) (last visited Nov. 20, 2015) (“The United States has provided protection to foreign and domestic GIs since at least 1946, decades prior to the implementation of the TRIPS Agreement (1995) when the term of art ‘geographical indication’ came into wide use.”). I am grateful to Keri Johnston (of MARQUES) for this insight.

104. This situation is reflected in TRIPS Article 16, which provides that, in determining whether a trademark is well-known for the purposes of applying Article 6bis of the Paris Convention (which only applies to identical or similar goods but which TRIPS extends to both dissimilar goods and to services), WTO “Members shall take account of the knowledge of the trademark in the relevant sector of the public, including knowledge in the Member concerned which has been obtained as a result of the promotion of the trademark.” TRIPS Agreement, *supra* note 11, art. 16; Paris Convention, *supra* note 3, art. 6bis.

105. Geneva Act, *supra* note 6, art. 13(1).

public as to the true place of origin.<sup>106</sup> For GIs used in connection with wines and spirits, however, deception (misleading the public as to the true place of origin) does not need to be present.<sup>107</sup> Second, TRIPS Article 24.5 then allows a WTO Member to protect those who were using or applied for registration of a trademark (or were “grandfathered”) in the WTO Member concerned either before the TRIPS Agreement became applicable in the Member concerned or before the indication in question was protected in its country of origin.<sup>108</sup> It is also worth noting that Article 24.6 provides that WTO Members at times may decide not to protect a geographical indication used in connection with foreign goods or services.<sup>109</sup> This choice not to protect is available only when the relevant indication “is identical with the term customary in common language as the common name for such goods or services in the territory of that Member.”<sup>110</sup>

In *EC–Trademarks and Geographical Indications I*, a WTO dispute-settlement panel explained that the coexistence of a protected indication and a trademark can be considered, under certain circumstances a limited exception justifiable under TRIPS Article 17.<sup>111</sup> In other words, the coexistence of a protected indication and a nonfamous trademark is a permitted exception to *trademark rights*.<sup>112</sup> In sum, TRIPS allows—but does not mandate—continued application of “first in time, first in right” by each WTO Member.<sup>113</sup>

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106. TRIPS Agreement, *supra* note 11, art. 22.3.

107. *Id.* art. 23.2.

108. *Id.* art. 24.5; *see also* World Intellectual Prop. Org. [WIPO], *Possible Solutions for Conflicts Between Trademarks and Geographical Indications and for Conflicts Between Homonymous Geographical Indications*, at 11–12, WIPO Doc. SCT/5/3 (June 8, 2000).

109. TRIPS Agreement, *supra* note 11, art. 24.6.

110. *Id.*

111. Panel Report, *European Communities—Protection of Trademarks and Geographical Indications for Agricultural Products and Foodstuffs, Complaint by the United States*, ¶ 7.688, WTO Doc. WT/DS174/R (Mar. 15, 2005); Panel Report, *European Communities—Protection of Trademarks and Geographical Indications for Agricultural Products and Foodstuffs, Complaint by Australia*, ¶ 7.644–7.686, WTO Doc. WT/DS290/R (Mar. 15, 2005).

112. And thus allowed under Article 17 of TRIPS. *See* TRIPS Agreement, *supra* note 11, art. 17 (“Members may provide limited exceptions to the rights conferred by a trademark . . .”). The report of the dispute-settlement panel mentioned in the previous note concluded, “with respect to the coexistence of GIs with prior trademarks, the Regulation is inconsistent with Article 16.1 of the TRIPS Agreement but, on the basis of the evidence presented to the Panel, this is justified by Article 17 of the TRIPS Agreement.” *Complaint by Australia*, *supra* note 111, ¶ 7.686; *Complaint by the United States*, *supra* note 111, ¶ 7.688. In countries that use certification marks and/or the torts of “unfair competition” and “passing off” in this context, such a conflict would be between two trademarks, not between a trademark and “something else,” such as a GI.

113. *See also* Gervais, *supra* note 39, at 97. Essentially, under TRIPS Article 24.5, a prior trademark continues to be registerable and its owner may continue to use the mark. This must be interpreted together with Article 16.1.

The Geneva Act is clearer on this point than the 1958 Lisbon Agreement in that it provides specific conflict rules, which mostly allow for prior trademark rights to be protected and, like the 1958 text, allows GIs to be rejected for genericness in a member country at the time that country joins the system.<sup>114</sup> The genericide prohibition in the Geneva Act would make it difficult, however, to reconcile with “first in time, first in right” in the case of a GI that was used but becomes generic as a geographic term in a country if the owner of the GI then tries to prevent its use, or the use of a similar term, by a third party as a trademark or even otherwise.<sup>115</sup> A country or intergovernmental organization joining the Geneva Act may thus limit its option to use to its full extent the TRIPS exception regime as interpreted in the WTO dispute-settlement process.<sup>116</sup>

### III. COMMON LAW GEOGRAPHICAL INDICATIONS

#### A. *Geographical Indications and a Free Market Economy*

Attaching an intangible, yet measurable (higher price/rent), value to the identification of the geographic origin of a product seems to postulate the existence of a correlative, measurable difference in actual quality, that is, an objectively quantifiable difference between products of different origin but similar composition (say, a wine produced from Pinot Noir grapes in Napa Valley or Bourgogne (Burgundy)).<sup>117</sup> One could posit that the difference—assuming that one can measure it—lies in natural factors such as soil and climate. A system of protection for denominations of geographic origin emphasizes the cluster of factors that can be amalgamated under the term *terroir*.<sup>118</sup> *Terroir* is associated with tradition: it recognizes traditional know-how and a link between product and land.<sup>119</sup> And it can be used as a marketing tool to extract additional rents.<sup>120</sup>

114. See *supra* note 102 and accompanying text.

115. See *supra* notes 76–77 and accompanying text.

116. See *supra* note 95. State practice subsequent to the adoption of a treaty is one of the relevant factors in that treaty’s interpretation. Vienna Convention on the Law of Treaties, art. 31(3)(b), May 23, 1969, 1155 U.N.T.S. 331 (entered into force Jan. 27, 1980).

117. See DAVID BIRD, UNDERSTANDING WINE TECHNOLOGY: THE SCIENCE OF WINE EXPLAINED 1–16 (2005).

118. See Irene Calboli, *Of Markets, Culture and Terroir: The Unique Economic and Culture-Related Benefits of Geographical Indications of Origin*, in INTERNATIONAL INTELLECTUAL PROPERTY 433, 434 (Daniel J. Gervais ed., 2015) (describing *terroir* as a “deep traditional connection to the land—where the products are grown, processed, or manufactured”).

119. See *id.*

120. See Barham, *supra* note 26, at 134.

The consumer in the United States who does not share the history and culture of the French, Italian, or Spanish *terroir* may not easily identify with the conventions and practices that were used to define the quality of a product at its point of origin.<sup>121</sup> Yet that same consumer *can* attribute a higher value or quality to a product for a different set of reasons. Even if the higher price resulting from the linkage between a product and its origin is demonstrably irrational because no measurable objective quality differentiates the product and its non-GI equivalent, trademarks also sometimes perform an “irrational” yet well-accepted function in guiding consumer behavior.<sup>122</sup> Put differently and more concretely, using a consumer’s belief that *Brie* will be not just different but *better* because it was produced in Meaux<sup>123</sup> (France) and not at an unknown location in some industrial plant or even in a known cheese producing location (such as the State of Wisconsin) is compatible with the principles of a “free” market economy unless the perception is based on deceptive marketing practices.

### B. GIs as Marks

Geographical indications, like trademarks, depend on reputation and associated goodwill.<sup>124</sup> To paraphrase Professor Gangjee, they share the same epistemological backcloth.<sup>125</sup> Reputation is an element mentioned in both the Lisbon Agreement and the TRIPS Agreement.<sup>126</sup> “Normal” trademarks, collective marks and certification marks can be used as symbols of or ways to suggest geographic origin.

A common feature of common law based trademark law is the so-called first-in-time, first-in-right approach, according to which the first user in a given territory will have senior rights. A GI,

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121. On the use of the term “conventions” in this context see Gervais, *supra* note 39, at 109–10.

122. See 1 MCCARTHY, *supra* note 14, § 2:38 (discussing the criticism that trademarks create irrational consumer preferences).

123. Brie de Meaux is a protected indication, but not “Brie.” BRIE DE MEAUX is Lisbon entry no. 686 and was registered on October 5, 1983. See (686) *Brie de Meaux*, WORLD INTEL. PROP. ORG., <http://www.wipo.int/cgi-lis/guest/ifetch5?ENG+LISBON+17-00+41439512-KEY+256+0+686+F-ENG+1+1+1+25+SEP-0/HITNUM,NO,APP-ENG+meaux+> (last visited Nov. 20, 2015). Meaux is the name of a town (“*commune*”) near Paris, France. Wisconsin also produces “brie” cheese. See *Brie*, WIS. CHEESE, <http://www.eatwisconsincheese.com/wisconsin-cheese/article?cid=9> (last visited Nov. 20, 2015) (“Wisconsin has become an important source of Brie for American consumers.”).

124. See 1 MCCARTHY, *supra* note 14, § 2:38, at 2-76.

125. See Gangjee, *supra* note 102, at 1262.

126. Lisbon Agreement, *supra* note 4, art. 2(2); TRIPS Agreement, *supra* note 11, art. 22.1.

especially a foreign one, if it is to be protected under a trademark system in a territory, must then not clash with a pre-existing trademark.<sup>127</sup> A geographic term that is generic in that territory cannot acquire trademark status.<sup>128</sup> A term that is merely descriptive can be protected as a mark once it acquires secondary meaning.<sup>129</sup> While those rules apply to all marks, this section of the Article focuses on the most common type of mark used to protect geographic terms under the U.S. trademark system, namely geographic certification marks.<sup>130</sup>

In the case of a geographic certification mark, there is a collective goodwill linked to a region or locality. This notion of collective goodwill did not emerge first in U.S. law. One of the central findings of the U.K. “drinks” cases was that trademarks could reflect goodwill shared by a group of producers—that is, collective goodwill—and that any affected producer may file a claim in the civil courts without having to show control over or agreement of the collective.<sup>131</sup>

United States courts have generally taken a less liberal approach on the right of action by individual users, and thus given the holder of the certification mark more control. For example, in *State of Idaho Potato Comm’n v. G & T Terminal Packaging, Inc.*, the Ninth Circuit found that selling genuine Idaho potatoes using the name IDAHO constituted counterfeiting of the certification mark IDAHO for potatoes because the mark owner had not had the opportunity to exercise quality control.<sup>132</sup>

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127. See MCCARTHY, *supra* note 14, § 16:1.

128. See *id.* § 14:18.

129. See *id.* § 11:25.

130. Geographic certification marks do not require evidence under section 2(f) of the Lanham Act to be registered. In other words, there is no requirement of showing a reputation/distinctiveness to register, merely the exercise of legitimate control over the use of the term. Normal marks and collective marks require 2(f) evidence, which means that showing distinctiveness and “exclusive and continuous use” are required. 15 U.S.C. § 1052(e), (f) (2012).

131. *Vine Prods. Ltd. v. Mackenzie & Co Ltd.* [1969] RPC 1 (Ch.) at 4 (Eng.) (citing *Bollinger v. Costa Brava Wine Coy. Ltd.* [1960] RPC 16 (Ch.) (Eng.); *Bollinger v. Costa Brava Wine Coy. Ltd.* [1961] RPC 116 (Ch.) (Eng.)). The cases have a progeny in the UK. *Vine Prods. Ltd. v. Mackenzie & Co Ltd.* [1969] RPC 1 (Ch.) (Eng.); *John Walker & Sons Ltd. v. Henry Ost & Co Ltd.* [1970] RPC 151 (Ch.) (Eng.); *HP Bulmer Ltd. v. Bollinger S.A.* [1978] RPC 79 (C.A.) (Eng.); *Erven Warnink Besloten Vennootschap v. J Townend & Sons (Hull) Ltd.* [1979] AC 731 (HL) (Eng.). The same happened in other common law jurisdictions. Canada: *Institut National des Appellations d’Origine des Vins et Eaux-de-Vie v. Andre Wines Ltd.* (1990) 30 C.P.R. 3d 279 (Can. Ont. C.A.); *Dairy Bureau of Canada v. Annable Foods Ltd.* (1993) 46 C.P.R. 3d 289, 309 (Can. B.C. Sup. Ct.). New Zealand: *Comite Interprofessionel du Vin de Champagne v. Wineworths Group, Ltd.* [1991] 2 NZLR 432 (HC).

132. *State of Idaho Potato Comm’n v. G & T Terminal Packaging, Inc.*, 425 F.3d 708, 721–22 (9th Cir. 2005).

The owner of the mark “acts as the representative of the mark users . . . .”<sup>133</sup> Hence, as a matter of trademark law, the owner of a certification mark—not the State—controls the certification standards.<sup>134</sup> Examples of U.S. geographic certification marks include FAMOUS IDAHO POTATOES, FAMOUS POTATOES GROWN IN IDAHO, GROWN IN IDAHO IDAHO POTATOES, and PREMIUM PACKED IDAHO POTATOES for (unsurprisingly) Idaho potatoes, PARMIGIANO-REGGIANO, ROQUEFORT, STILTON, and REAL CALIFORNIA for cheese, PARMA for ham, DARJEELING for tea, WASHINGTON for apples, and THE FLORIDA SUNSHINE TREE for citrus.<sup>135</sup>

Certification marks have also been used in a more typical “Lisbon” context: booze.

The three “Cognac” cases serve as milestones on the road to GI protection via trademark law. The first case dates back to 1944.<sup>136</sup> The case involved applications for the trademarks COGNAC and CALOGNAC for brandy and oppositions to those applications by a “genuine” Cognac maker.<sup>137</sup> The oppositions were not made on the basis of pre-existing registrations for other marks (such as COGNAC). Instead they were made under the terms of the statute in force at the time, which allowed certain parties (this would emerge in the case, as we shall see) to oppose the use of descriptors as marks if those descriptors would confuse or mislead the consumer.<sup>138</sup> Reversing

133. 3 MCCARTHY, *supra* note 14, § 19:92.50, at 19-305.

134. 15 U.S.C. § 1064(5)(A) (2012).

135. FAMOUS IDAHO POTATOES FAMOUS POTATOES GROWN IN IDAHO, Registration No. 2,403,069; GROWN IN IDAHO IDAHO POTATOES, Registration No. 1,735,559; PREMIUM PACKED IDAHO POTATOES, Registration No. 943,815; PARMIGIANO-REGGIANO, Registration No. 1,896,683; ROQUEFORT, Registration No. 571,798; STILTON, Registration No. 1,959,589; REAL CALIFORNIA CHEESE, Registration No. 1,285,675; PARMA HAM, Registration No. 2,014,628; DARJEELING, Registration No. 1,632,726; WASHINGTON, Registration No. 1,528,514; THE FLORIDA SUNSHINE TREE, Registration No. 932,033. The vast majority of certification marks in the United States are not for geographic origin. This majority includes marks registered by unions and various standardization bodies, such as Underwriters’ Laboratories. See JEFFREY BELSON, SPECIAL REPORT: CERTIFICATION MARKS 26–28 (2002).

136. The date matters because, although the case is silent on that point, sympathy for France may have been a factor at that particular juncture in U.S. history.

137. *Otard, Inc., v. Italian Swiss Colony*, 141 F.2d 706 (C.C.P.A. 1944).

138. The statute was Section 5 of the Trade-Mark Act of 1905. *Id.* at 709. The relevant portion read as follows:

[T]rade marks which are identical with a registered or known trade mark owned and in use by another and appropriated to merchandise of the same descriptive properties, or which so nearly resemble a registered or known trade mark owned and in use by another and appropriated to merchandise of the same descriptive properties as to be likely to cause confusion or

both the Examiner of Trade-Mark Interferences—who had not even recognized the opposers’ right to oppose the applications—and the Commissioner of Trademarks, the Court of Customs and Patent Appeals confirmed the opposers’ standing and agreed with the opposers.<sup>139</sup> The Court stated the following in a passage that has the unmistakable aroma of an “Old World” GI perspective:

Cognac is a name applied to a type of brandy distilled from wines made from grapes grown in a limited territorial region of France, often referred to as the Cognac district, the boundaries of which are defined by French law. . . . [T]here is a certain quality in the soil of the region which gives to the grapes there grown a particular character or flavor, which enters into the brandy made from them, and that that quality of soil is not found elsewhere in France, nor, it is claimed, in any other part of the world. It is recognized as a superior brandy . . . .<sup>140</sup>

The second case, four decades later, dealt with applications for two similar derivatives of Cognac, namely COLOGNAC and CALOGNAC.<sup>141</sup> The case evidently bears strong resemblance to the previous one, but here the opposer was not a producer of Cognac, but rather an entity responsible under French law for defending the word Cognac.<sup>142</sup> Congress had adopted the 1946 Trademark (Lanham) Act, with its specific provision for certification marks, before the application at issue.<sup>143</sup> Indeed, one of the Board’s first steps in the case was to note that the statute now defined certification marks and included marks used to denote a regional origin.<sup>144</sup> The statute also contained the now familiar prohibition of the registration of a mark that, “when applied to the goods of the applicant, is primarily geographically

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*mistake in the mind of the public or to deceive purchasers shall not be registered.*

15 U.S.C.A. § 85 (repealed 1946) (emphasis added).

139. *Otard*, 141 F.2d at 709–11.

140. *Id.* at 708.

141. *Bureau Nat’l Interprofessionnel du Cognac v. Int’l Better Drinks Corp.*, 6 U.S.P.Q.2d 1610, 1615 (T.T.A.B. 1988). The application was filed in 1984. *Id.* at 1610.

142. *Id.* at 1610–11.

143. Trademark Act, 15 U.S.C. §§ 1052(d), (e), 1054 (1946).

144. *Bureau Nat’l Interprofessionnel du Cognac*, 6 U.S.P.Q.2d at 1614. The terminology was new, but not the notion of a collectively owned mark. Section 62 of the Trade Marks Act of 1905 referred to standardization marks. Trade Marks Act 1905, 9 Edw. 7 c. 15, § 62 (Eng.). The statute was amended in 1936 and again in 1938 to provide for registration of collective marks owned by foreign associations. *See* S. REP. NO. 1770 (1938). Some of these marks were used to denote a form of certification by the foreign association. *Id.*

descriptive or deceptively misdescriptive of them.”<sup>145</sup> The Board’s approach is consonant with trademark law principles, putting the focus squarely on consumer deception:

[I]f a mark is the name of a place known generally to the public, purchasers who encounter goods bearing the mark would think that the goods originate in that place [i.e., purchasers would make a ‘goods-place association’ . . . ], the goods do not come from the named place, and the deception is material to the purchasing decision, the mark is deceptive under Section 2(a); if the deception is not material to the purchasing decision, the mark is primarily geographically deceptively misdescriptive under Section 2(e)(2) of the Act.<sup>146</sup>

In the third and final case, decided a decade later, the opposer, *Institut National des Appellations d’Origine*, was also a “GI defending entity” responsible for defending several protected wine and spirit appellations of origin in France.<sup>147</sup> The Board applied section 2(d), which deals with likelihood of confusion with a preexisting mark and decided that the test was the same as for other marks:

There is nothing in the language of Section 2(d) which mandates or warrants application of one level of likelihood of confusion analysis . . . in cases where the plaintiff’s mark is a trademark or service mark, but a different and more limited likelihood of confusion analysis in cases where the plaintiff’s mark is a certification mark.<sup>148</sup>

In other words, deception (or a higher level of evidence) was unnecessary. Certification marks should be treated, for purposes of an infringement analysis, in the same way as ordinary trademarks. While the opinion parallels the previous case, it is worth noting that the Board recognized protection of the COGNAC mark under *labeling regulations*.<sup>149</sup> Overall, however, the picture that emerges from the Cognac cases and others shows a willingness to recognize collective goodwill in the form of (common law) certification marks.<sup>150</sup>

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145. Trademark Act, 15 U.S.C. § 1052(e)(2) (1982).

146. *Bureau Nat’l Interprofessionnel du Cognac*, 6 U.S.P.Q.2d at 1615.

147. *Institut Nat’l des Appellations d’Origine v. Brown-Forman Corp.*, 47 U.S.P.Q.2d 1875, 1877 (T.T.A.B. 1998). Apparently, the applicant’s concoction actually contained some French brandy. *Id.* at 1880.

148. *Id.* at 1890.

149. *Id.* at 1878, 1885–96. The regulation is 27 C.F.R. § 5.22(d)(2) (2014) (recognizing French governmental authority to designate and regulate Cognac grape brandy distilled in the Cognac region of France).

150. This actually started with *Pillsbury-Washburn Flour Mills Co. v. Eagle*, 86 F. 608 (7th Cir. 1898). The court enjoined a Chicago company from using “Minnesota” on flour produced in Milwaukee, Wisconsin but advertised as made in Minneapolis. *Id.* at 629–30.

The application of trademark law by U.S. courts and other authorities suggests that common law can protect symbols of geographic origin used in trade beyond the *sui generis* mechanism used for alcohol labels.<sup>151</sup> Unfortunately for the future of the Lisbon system, using trademark law to protect GIs implies the ability to remove a mark not used by its owner.<sup>152</sup> More generally, trademark law implies (1) a requirement of use to register; (2) the payment of renewal or maintenance fees; and (3) a level of protection tied to the existence of a likelihood of confusion except for famous or well-known marks.<sup>153</sup> None of these are allowed, at least explicitly, under the Geneva Act even though they were raised on several occasions by the United States and other delegations at the Diplomatic Conference.<sup>154</sup> The Geneva Act does allow member countries to impose examination and use fees, however, as well as declaration of intention to use a GI.<sup>155</sup>

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The court accepted that there was deception because Minnesota producers had high standards and frequent inspections, which apparently was not the case in Wisconsin. *Id.* at 613. For a fuller discussion of this topic (from which this part of the Article is derived), see Daniel Gervais, *A Cognac After Spanish Champagne? Geographical Indications as Certification Marks*, in *INTELLECTUAL PROPERTY AT THE EDGE* (Rochelle Cooper Dreyfuss & Jane C. Ginsburg eds., 2014) 130, 135–36.

151. See *supra* note 53 and accompanying text.

152. The Patent Cooperation Treaty, June 19, 1970, 28 U.S.T. 7645, 1160 U.N.T.S. 231 (Jan. 24, 1978), provides a system to apply for patents internationally. The Madrid system (based on the Madrid Agreement Concerning the International Registration of Marks, Apr. 14, 1891, 828 U.N.T.S. 389 and the Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks, June 27, 1989) provides a system to register trademarks internationally. As of October 2015, they had 148 and 96 Member States, respectively. See *PCT—The International Patent System*, WORLD INTEL. PROP. ORG., <http://www.wipo.int/pct/en/> (last visited Nov. 20, 2015); *WIPO-Administered Treaties: WIPO Bodies > Assembly (Madrid Union (Marks)) > 96*, WORLD INTEL. PROP. ORG., [http://www.wipo.int/treaties/en/ShowResults.jsp?lang=en&search\\_what=B&bo\\_id=20](http://www.wipo.int/treaties/en/ShowResults.jsp?lang=en&search_what=B&bo_id=20) (last visited Nov. 20, 2015). Neither one of those instruments contain substantive rules concerning trademarks and patents. By contrast, Lisbon does and this is likely to reduce the attractiveness of the Agreement because countries adhering to Lisbon not only agree to partake of an international registration system, they must also accept to adapt their national level of protection to match Lisbon requirements.

153. See *supra* note 64 and accompanying text on the issue of use. On the protection of well-known marks, the TRIPS Agreement requires WTO Members to take account “of the knowledge of the trademark in the relevant sector of the public, including knowledge in the Member concerned which has been obtained as a result of the promotion of the trademark.” TRIPS Agreement, *supra* note 11, art. 16.2.

154. This is based on the Author’s personal knowledge. Examples of delegates raising these issues can be found in World Intellectual Prop. Org. [WIPO], *Compilation of Proposals by WIPO Member States for Amendments to the Basic Proposal for the New Act of the Lisbon Agreement on Appellations of Origin and Geographical Indications*, WIPO Doc. LI/DC/7 (Mar. 3, 2015).

155. Geneva Act, *supra* note 6, art. 7(4); *id.* rule 5(4)(b).

C. *As with Berne, so with Lisbon?*

As of the date of the Diplomatic Conference that adopted the Geneva Act of the Lisbon Agreement in May 2015, the so-called Special Union (of Lisbon Members) had 28 Member States.<sup>156</sup> Many of the members will now join the Geneva Act, which is also open to intergovernmental organizations such as the European Union and *Organisation Africaine de la Propriété Intellectuelle* (OAPI).<sup>157</sup> In the Author's opinion, several OAPI Members are likely to join Lisbon, though how much they will use it (that is, how many GIs they will actually register) is unclear. Indeed some OAPI Members are already members of the "old" Agreement.<sup>158</sup> North African countries such as Morocco and Tunisia might, together with Algeria, which is already party to the "old" (1958/1967) Act, join the Geneva Act membership. A few Latin American countries might do so as well, adding to the existing five members of the old Agreement (Costa Rica, Cuba, Mexico, Nicaragua and Peru).<sup>159</sup> More importantly, European membership will broaden to include most or all EU Members (including Germany, who is not currently a Lisbon Member) and probably Moldova and Russia, among others. This means a potential of approximately 55 Member States. If the European Union were to join backed by all its member states, it would thus potentially have a majority vote in the Special Union (which it could exercise as a single vote on behalf of all 28 EU Members).<sup>160</sup>

The denouement of the story may be complicated, however. A number of delegations at the May 2015 Diplomatic Conference suggested informally to the Author that the European Union

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156. See *supra* notes 4, 32; see also World Intellectual Prop. Org. [WIPO], *Contracting Parties or Signatories of Treaties Administered by WIPO: Lisbon Agreement for the Protection of Appellations of Origin and Their International Registration*, <http://www.wipo.int/export/sites/www/treaties/en/documents/pdf/lisbon.pdf> (last visited Nov. 20, 2015). The term "Special Union" (that is, the group of parties to the Lisbon Agreement) is used in the Lisbon Agreement (1958), *supra* note 4, art. 1, and in the Geneva Act, *supra* note 6, art. 21.

157. Geneva Act, *supra* note 6, art. 22(2). The OAPI has 17 members, most of which are French-speaking, sub-Saharan African countries. *Etats Membres*, ORGANISATION AFRICAINE DE LA PROPRIÉTÉ INTELLECTUELLE, <http://www.oapi.int/index.php/en/aipo/etats-membres> (last visited Nov. 20, 2015).

158. The following countries are members of both agreements: Burkina Faso, Congo, Gabon, and Togo. See *Contracting Parties or Signatories of Treaties Administered by WIPO – Lisbon Agreement for the Protection of Appellations of Origin and Their International Registration*, *supra* note 156; *Etats Membres*, *supra* note 157.

159. Haiti is also a member. See *Contracting Parties or Signatories of Treaties Administered by WIPO – Lisbon Agreement for the Protection of Appellations of Origin and Their International Registration*, *supra* note 156.

160. See Lisbon Agreement, *supra* note 4, art. 22(b)(4)(ii) (allowing any Contracting Party that is an intergovernmental organization to vote in place of its members).

might be able to convince the United States and other common law jurisdictions to join the Geneva Act in trade negotiations—including the Transatlantic Trade and Investment Partnership (TTIP) discussions—by forcing them to modify their trademark law or adopt a *sui generis* GI regime.<sup>161</sup> Given the strength of the opposition manifested at the closing plenary by the United States and other common law jurisdictions, this may rightly strike the reader as highly unlikely.<sup>162</sup> Even if a side letter were signed to commit the European Union not to challenge U.S. law and practice on issues such as acquiescence and abandonment, this letter would not bind other Lisbon Members. Yet the art of trade negotiations is such that anything is possible. Smaller common law jurisdictions might find it harder to resist EU trade pressure. Many nations currently negotiating the Transpacific Partnership (TPP)<sup>163</sup> and others recently introduced *sui generis* GI legislation that may make it easier for them to agree to join Lisbon, for example, as part of trade deals with the EU.<sup>164</sup> That list might include India. U.S. companies would find Lisbon Members in the path of their trade transactions with other nations, which would put pressure on the United States and others to join Lisbon. This is not theoretical. The United States tried to fight the Berne Convention in the field of copyright for decades, even getting a separate treaty—the Universal Copyright Convention—adopted under the aegis not of WIPO but of UNESCO.<sup>165</sup> Nonetheless, the United States eventually relented and joined Berne.<sup>166</sup> Even so, a question that remains is what the European Union will be prepared to concede to get countries to adhere to the Geneva Act.

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161. TTIP negotiations are ongoing as of this writing. For information about the TTIP, see generally *In Focus: The Transatlantic Trade Investment Partnership*, EUR. COMMISSION, <http://ec.europa.eu/trade/policy/in-focus/ttip/> (last visited Nov. 20, 2015).

162. See *Diplomatic Conference for the Adoption of a New Act of the Lisbon Agreement*, *supra* note 78. That the United States would push for a “deal” similar to that reached between Canada and the European Union seems more likely. Professor Irene Calboli explores this idea in another article published in this Issue. Irene Calboli, *Time to Say Local Cheese and Smile at Geographical Indications of Origin? International Trade and Local Development in the United States*, 53 HOUS. L. REV. 373 (2015).

163. The text of the Trans-Pacific Partnership (TPP) was released in the fall of 2015. See *Trans-Pacific Partnership*, Oct. 5, 2015, <https://ustr.gov/tpp/#text>.

164. See, e.g., Geographical Indicators Regulation, Gov. Reg. No. 51 (2007) (Indon.); The Geographical Indications of Goods (Registration and Protection) Act, 1999, No. 48, Acts of Parliament, 1999 (India); Geographical Indications Act 2000 (Act 602), (Malay.).

165. Leonard D. DuBoff et al., *Out of UNESCO and into Berne: Has United States Participation in the Berne Convention for International Copyright Protection Become Essential?*, 4 CARDOZO ARTS & ENT. L.J. 203, 203–06 (1985).

166. See Ruth Okediji, *Toward an International Fair Use Doctrine*, 39 COLUM. J. TRANSNAT'L L. 75, 105, 144–45 (2000) (explaining that Congress reluctantly joined Berne by implementing as few changes to U.S. law as possible).

If the United States does not want to be “Berned” into Lisbon, it could take proactive anti-Lisbon measures, as the bitter discussions on the finances of the Lisbon Union at the Conference<sup>167</sup> may have foreshadowed.<sup>168</sup> More importantly, normative countermeasures, such as definitions of prior rights or genericness standards, might theoretically be adopted in regional or bilateral trade agreements in which the European Union is not a player, as may be the case with the Transpacific Trade Partnership (TPP).<sup>169</sup> More generally, a renewed emphasis on the role of certification marks to protect GIs could surface in various fora. Members of the Association of Southeast Asian Nations (ASEAN),<sup>170</sup> where the cost of protecting foreign GIs (and implementation of the Geneva Act) could be low, may be substantial beneficiaries in trade dealings with the EU.<sup>171</sup>

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167. This issue is not explored in detail here, but it took center-stage during the Diplomatic Conference. See, e.g., Todd Reves, Senior Advisor for Internat'l Affairs, Office of the Intellectual Property Enft Coordinator, Exec. Office of the President, U.S. Closing Statement at WIPO 23rd Program and Budget Committee (Sept. 12, 2015), <https://geneva.usmission.gov/2015/07/17/u-s-closing-statement-at-wipo-23rd-program-and-budget-committee/>; Ambassador Pamela Hamamoto, U.S. Ambassador to the United Nations in Geneva, U.S. Statement on the Adoption of the Geneva Act of the Lisbon Agreement (May 20, 2015), <https://geneva.usmission.gov/2015/05/20/u-s-statement-on-the-adoption-of-the-geneva-act-of-the-lisbon-agreement/>.

168. As the Acts of the Diplomatic Conference will show when available, it was revealed during the Conference that the Lisbon register costs much more than the revenues generated by registration fees. U.S. Statement on the Adoption of the Geneva Act, *supra* note 167. This means that the Lisbon system is subsidized by other funds in WIPO, including funds generated by other registration systems (Madrid, PCT). This subsidy may not be allowed to continue, which will increase costs to participating Member States. This creates an interesting problem from a game theoretic perspective. The first members to join the Geneva Act, once it enters into force, may have to pay the entire costs of operation of the Lisbon system. This creates an incentive to wait, at least until membership is large enough. At the October 2015 WIPO Assemblies, WIPO Member States decided to stop funding the deficit of the Lisbon system as an ongoing expense and to provide instead for a loan to fund the operations of the Lisbon System for 2016/17 that “would be repaid when the Lisbon Union reserves would allow it to do so.” *List of Decision of the Assemblies of the Member States of WIPO*, 9, WIPO Doc. A/55/INF/11 (Oct. 22, 2015), [http://www.wipo.int/edocs/mdocs/govbody/en/a\\_55/a\\_55\\_inf\\_11.pdf](http://www.wipo.int/edocs/mdocs/govbody/en/a_55/a_55_inf_11.pdf).

169. The TPP text available as of November 2015, see *supra* note 163, is not easy to reconcile with Article 12 of the Geneva Act on genericide only in the country of origin of the GI, in that it provides that a GI may become generic in each country that protects it, leading to its potential invalidation in such country. Article 18.32(3) provides “No Party shall preclude the possibility that the protection or recognition of a geographical indication may be cancelled, or otherwise cease, on the basis that the protected or recognised term has ceased meeting the conditions upon which the protection or recognition was originally granted in that Party.” Trans-Pacific Partnership, *supra* note 163, art. 18.32(3).

170. ASEAN member countries are: Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar (Burma), the Philippines, Singapore, Thailand, and Vietnam. For ASEAN membership, see *ASEAN Member States*, ASS'N OF SOUTHEAST ASIAN NATIONS, <http://www.asean.org/asean/asean-member-states> (last visited Nov. 20, 2015).

171. According to an April 2015 press release announcing the restart of EU-ASEAN trade talks, “[t]he EU is ASEAN’s second-largest trading partner with total trade

## IV. CONCLUSION

The adoption of the Geneva Act of the Lisbon Agreement was a clear chance to update Lisbon fully to reconcile it doctrinally with common law and administratively by allowing countries that protect GIs under trademark law (often as certification marks) to continue to do so as Lisbon Members. That did not happen. The absence of consensus—indeed, the deep divide—at the Diplomatic Conference and specifically the stated<sup>172</sup> incompatibility of the Geneva Act with trademark-based GI systems are unlikely to prove productive in the short- to medium-term for GI holders, authorized users of GIs, users of generic denominations, or consumers. The bridge between Lisbon and the common law, if it is ever built, will not be the result of a normative encounter. It will be made of trade bricks.

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amounting to \$248 billion in 2014 and was Southeast Asia's largest source of foreign direct investment in 2014 with \$29.1 billion, or 21.3% of foreign inflows to the region." See *EU and ASEAN to Jumpstart Trade Agreement Talks*, EURACTIVE (Apr. 27, 2015), <http://www.euractiv.com/sections/trade-society/eu-and-asean-kick-start-free-trade-agreement-talks-314100>.

172. Reference is made here again to statements, notably by Australia, Japan, Korea, and the United States, during the closing plenary of the Diplomatic Conference that adopted the Geneva Act (May 20, 2015). *Diplomatic Conference for the Adoption of a New Act of the Lisbon Agreement*, *supra* note 78. The Author was present and took copious notes.