CHAPTER 4

National Protection of GIs: An assessment of the Practices prevailing in US, Europe and India.

This chapter addresses the National Protection of GIs and will be covered through the understanding on the need for GIs protection and the importance of such protection. The contrasting views of the United States [US], European Union [EU], will also be detailed which will enable a clear understanding of the legal issues that arise vis-à-vis GI. Thereafter the Indian perspective of GIs will be considered in light of the Indian Law on GI protection.

National protection of Geographical Indications:

The most important element with reference to protection of a geographical indication is the protection against these indications becoming generic expressions. By generic expressions simply means that the word loses its significance and it becomes a general word. The classic example for that is ‘Chai tea’ in the US\(^2\). Today the expression has lost its relation and significance to India. People do not think of its Indian origin. It has just become another form of tea that is made with milk. This slipping of an expression from a geographical indicator to a generic expression results in the loss of distinctiveness. This will

consequently result in the loss of protection. Once a geographical indication becomes a generic term, there can be no protection for it\textsuperscript{202}.

National law normally determines the issue of whether it is still an induction or whether the same is merely a generic expression. It might well be that a geographical name is regarded in one country as a geographical indication and is protected accordingly, whereas it is considered to be a generic or semi-generic term in another country. Notorious examples for such diverging treatment of geographical names are the French names ‘Champagne’ and ‘Chablis’ which, in France, are only allowed to be used for products originating from a certain geographical area and produced according to certain quality standards, whereas, in the United States of America for example, they are regarded as being semi-generic names, and therefore may be also used for wines not originating from the French area of production. This aspect of protection is especially important in the context of international protection of geographical indications and is dealt with, for example, by the Lisbon Agreement for the protection of Appellations of Origin and their International Registration, 1958\textsuperscript{203}.

\textsuperscript{202} See Geographical Indication, UNITED STATES PATENT AND TRADE MARKS OFFICE, available at http://www.uspto.gov/web/offices/dcom/olia/globalip/geographicalindication.htm

\textsuperscript{203} International Bureau of WIPO, protection and Registration of Geographical Indications (including Appellations of Origin) on the National and International Level; The Lisbon Agreement for the protection of Appellation of Origin and their International Registration, OMPI/ACAD/S/94/8
National laws across the world have three forms of protecting geographical indicators. The *first category* comprises all possibilities of protection from the direct application of legislative provisions or principles established by jurisprudence. This is typically done in France, where the first statute was enacted which provided for the protection of geographical indications through a special title of industrial property, namely appellations of origin. The French Law of May 6, 1919 recognized the existence of appellations of origin and laid down conditions for their protection. According to this law, an appellation of origin consists of the name of a country, region or locality that serves to designate a product originating therein. The quality and characteristics of the product are due to the geographical environment in that area. Therefore, only products which originate from a specific area and which owe their specific quality to that place of origin are protected. In order to assess whether products possess the specified qualities, a control mechanism was set up by the competent authorities and quality controls are carried out regularly. These specific qualities typically are taste, or the aroma or even the type of the product. Only products which comply with the quality standards are protected by the enactment as Appellation of Origin.

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205. International Bureau of WIPO, protection and Registration of Geographical Indications (including Appellations of Origin) on the National and International Level; The Lisbon Agreement for the protection of Appellation of Origin and their International Registration, OMPI/ACAD/S/94/8
Initially, appellations of origin only concerned wines and spirits, but later the concept was extended to include other products [such as dairy products, mainly cheese and butter], poultry and plant products. Because of the success of the French Appellation of Origin, the same or a similar system was introduced also in other countries, mainly in the sector of wines and spirits206.

The second category covers the protection of geographical indications through registration of collective marks [including agricultural labels] or certification marks [or guarantee marks]. Depending on the applicable national law, a collective mark or certification mark may serve to indicate, inter alia, the origin of goods or services, and therefore may to some extent be suitable for the protection of a geographical indication207.

A special form of protected geographical indication resembling the concept of collective marks is the French ‘agricultural label’ [in French “label agricole”]. An agricultural label is a collective mark that certifies that a foodstuff or a non-nutritious and non-transformed agricultural product [such as cereal seeds] possesses a combination of specific characteristics and a level of quality which is higher than that of similar products. An agricultural label can be a national label [known as ‘red label’] or a regional label, the latter referring to characteristics

206 International Bureau of WIPO, protection and Registration of Geographical Indications (including Appellations of Origin) on the National and International Level; The Lisbon Agreement for the protection of Appellation of Origin and their International Registration, OMPI/ACAD/S/94/8
207 International Bureau of WIPO, comparative Trademark Law, BTMC/1, BTMC/4 Rev., BTMC/6
which are specific, traditional or representative of a region. Products in respect of which an appellation of origin has been established and some categories of wines [even if not benefiting from an appellation of origin] may not be the subject of protection by way of an agricultural label. The agricultural label is registered in the name of the entity that controls its use. The application of the Decree is not limited to French products, but so far only little use has been made of the possibility of applying the Decree to foreign products. An example of a foreign product is the label for ‘Scottish salmon’.

A certification mark may be used to certify, inter alia, the origin of products or services. The application for the registration of a certification mark has to be accompanied by regulations which govern the use of the certification mark. Regarding the registrability of geographical indications the same principles apply for the registration of collective marks as well as certification marks.

The third category includes indications resulting from a decision made by the competent government authority establishing the protection. This category, in particular, comprises the protection of appellations of origin. For example, in Singapore, protection is limited to geographical indications of a country or territory which is truly entitled to use the geographical indication. An action for

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208 International Bureau of WIPO, Protection and Registration of Geographical Indications [including Appellation of Origin] on the National and International Level; The Lisbon Agreement for the Protection of Appellation of Origin and their International Registration, OMPI/ACAD/S/94/8 [Spanish only]
209 International Bureau of WIPO, comparative Trademark Law, BTMC/1, BTMC/4 Rev., BTMC/6
unfair competition which, depending on the national law, is either based on statutory provisions, as interpreted by court decisions, or on common law can be instituted in order to prevent competitors from resorting, in the course of trade, to such misleading practices.  

Although the conditions for a successful action for unfair competition vary from country to country, the following basic principles appear to be generally recognized. In order to be protectable, a given geographical indication must have acquired a certain reputation or goodwill. In other words, the potential buyers of the product must associate the geographical indication with the place of origin of the goods or services. Such an action further requires that the use of the geographical indication on goods or services not originating from the respective geographical area is misleading, so that consumers are deceived as to the true place of origin of the products or services. Under some national laws, proof of damages or the likelihood of damages caused by such misleading practices is required.

Whereas the principle that misleading use of a geographical indication may give rise to an action for unfair competition is generally recognized, the outcome of such an action is uncertain. In particular, the extent to which the geographical indication

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210 International Bureau of WIPO, protection and Registration of Geographical Indications (including Appellations of Origin) on the National and International Level; The Lisbon Agreement for the protection of Appellation of Origin and their International Registration, OMPI/ACAD/S/94/8
211 International Bureau of WIPO, comparative Trademark Law, BTMC/1, BTMC/4 Rev., BTMC/6
indication in question must have acquired a reputation may vary from country to country. It may be required that the geographical indication must have been used in the course of trade for a certain time and that an association between the geographical indication and the place of origin of the products and services must have been created amongst the relevant circles212.

Legal and economic issues:

The globalization of trade leads to the multiplication of indications of sources, goods coming from more and more geographical areas. But not all products coming from any designated geographical area may benefit from a GI potential value213. Not considering the specific qualities of any product [keeping in mind that any product has specific qualities, in the broadest sense of this notion], the reputation of a product is the basis for a recognition as a GI. But reputation itself is a very problematic concept, which may cover different kinds of reputation [according to different publics, Markets etc.] intensities [in particular, according to the existing substitutes], scales [geographical spread of reputation form the more local to the more global], and historical dimensions. Anyway, GIs are

212 International Bureau of WIPO, protection and Registration of Geographical Indications (including Appellations of Origin) on the National and International Level; The Lisbon Agreement for the protection of Appellation of Origin and their International Registration, OMPI/ACAD/S/94/8

intellectual property rights different from patents and trademarks: reputation is the real ground for the protection\textsuperscript{214}.

The legal protection is granted to the association between a specific product and a geographical name; this association is based on particular links [quality, reputation, characteristics, etc.] between the geographical area and its products. As has been discussed in previous chapters, the international recognition for the use of GIs to differentiate goods dates back to the 19\textsuperscript{th} Century. Since then, their importance has progressively grown. In the last decade and a half, in particular, there has been heightened interest following the inclusion of GIs as protectable subject matter under the TRIPS Agreement\textsuperscript{215}.

The increasing interest and use of GIs, however, also signals their increasing commercial importance, at least for some players, which parallels the increased interest and use of other types of IPR’s. While manufactured or industrial products can also benefit from GI protection, the vast majority of GI protection relates to agricultural products in the foods and beverages category. Given its commercial potential, legal protection of GI assumes enormous significance.

Without protection, competitors not having legitimate right on a GI might attempt to free ride on the reputation acquired by the GI. These unfair business

\textsuperscript{214} Geographical Indications - A way forward for local development; summary of the International Training Module held on May 14\textsuperscript{th} -- 25\textsuperscript{th} 2007, in Prangins (near Geneva), Switzerland available at http://www.intergi.org/Geographical_Indications.pdf

\textsuperscript{215} Professor Michael Blakeney, ‘Geographical Indications and TRIPS at http://www.quno.org/geneva/pdf/economic/Occassional/Geographical_Indications.pdf
practices would result in a massive loss of revenue for the genuine right holders of the GI and also mislead the consumers\textsuperscript{216}. Moreover, the unfair business practices would eventually hamper the goodwill and reputation created over a period of time and associated with the GI. In order to rule out its misuse and to tap the potential economic and socio-economic benefits emanating from this IP, it is essential to ensure an appropriate legal protection for GIs at the national as well as the international level\textsuperscript{217}.

Explicit economic gains are important, but issues of community rights to ownership of traditional knowledge, consumer welfare and global equity are development goals worth pursuing for their own intrinsic merits. GIs have an important bearing on the four dimensions of human development: empowerment, productivity, equity and sustainability. They confer on owners legitimate rights, empowering them; they offer opportunities to make productive use of those rights which, given the characteristics of the assumed owners of these rights [mostly low-income agricultural and artisanal societies], can be expected to contribute to an equitable distribution of benefits\textsuperscript{218}.


\textsuperscript{217} Kasturi D’I select issues and debates around geographical indications with particular reference to India [2008] 42 Journal of World Trade. 463.

The legal economic incentives could then create a virtuous cycle of other incentives to nurture and sustain traditional methods and know-how, which could contribute to intergenerational equity. Like other forms of Intellectual property, GIs arise as a solution to certain failures in markets for information. They are used primarily for products that are known in economics as ‘search goods’ or ‘experience goods’. Simple commodities, such as wheat and sugar, generally do not command GI protection because they can be produced with a reasonable degree of homogeneity in many locations. Accordingly, consumers need not worry too much about searching for specific quality characteristics. However, products which have specific known quality variations do carry significant search costs for consumers. Search costs indicate Costs that are incurred to find the appropriate quality which is generally desired in any product\textsuperscript{219}.

By providing an identification signal to potential buyers, GIs can lower those costs and make markets more efficient. Such a signal can be particularly important in the case of experience goods, such as wine and cheese, where consumers understand the quality from prior consumption but cannot distinguish quality simply by inspecting the product\textsuperscript{220}. The function of giving a signal of sorts through the GIs is essential and therefore valuable not only for


consumers in the domestic economy, but also for those in foreign countries. In fact, this signaling role in international trade may perhaps be greater than what it is likely to be in domestic commerce, because informational problems are likely to be more pronounced when producers and consumers are located in different countries\textsuperscript{221}.

**Need and importance of GI protection**

Intellectual property as well as marketing and brand building issues have to be considered beyond the protection of the geographical name itself. Hence, many aspects in the ways of presenting and promoting the products may be linked to the identity and reputation of the GI product, or may be used by non-legitimate competitors in order to create confusion in the consumers mind\textsuperscript{222}.

Protection of GIs has far reaching implications for both producers and consumers alike. On the one hand it helps consumers and users in distinguishing goods produced in a particular geographical region from goods produced in some other region thereby preventing the consumer from being misled. The idea is to provide protection for GIs, a kind of intellectual property right, which entitles


the enterprises that are located in the designated area to exclude others from using the indication

Moreover, GIs are expected to benefit producers by placing a premium on the product concerned by pushing up its competitiveness and prices. There are currently more than 10,000 protected Geographical Indications or GIs in the world with an estimated trade value of more than US$ 50 billion. Many are well known names such as Darjeeling tea, Bordeaux wine, Parmigiano-Reggiano cheese, and Idaho potatoes. Yet many more are less known and often unprotected.

Geographical Indications are not exclusively commercial or legal instruments they are multifunctional. They exist in a broader context as an integral form of rural development that can powerfully advance commercial and economic interests while fostering local values such as environmental stewardship, culture and tradition.

GIs are the embodiment of local products and services participating in global markets and thereby serving the critical function of supporting and developing

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224 Giovannucci, Daniele; Josling, Timothy; Kerr, Willam; O’Connor, Bernard and Yeung, May T.-Guide to Geographical Indications: Linking Products and Their Origins; Online at http://wwwmpra.ub.uni-muenchen.de/27955/
225 Online at http://wwwmpra.ub.uni-muenchen.de/27955/
local culture and economics. On the development side, some GIs have generated increased and better quality rural employment. The grant and protection of a GI provides the authorized owners and users with the opportunity to derive substantial economic benefits from their protected GI and more importantly with the right to exclude unauthorized users by creating a barrier to entry into a niche market segment. These attributes will, in turn, translate into an equitable distribution of value and benefits to the owners of GIs and their communities. GIs can also provide the structure to affirm and protect the unique intellectual or socio-cultural value embodied in indigenous knowledge or traditional and skills that are valued forms of expression for a particular community.  

Another crucial aspect is that to gain GI status for a product, the local community that produces GI products has to confirm and conform to the procedural requirements of GI law collectively. For instance, the producers of a potential GI product should belong to the mentioned geographical region and should show consistent quality traits in their product. So, producers need to interact closely among themselves in order to pursue their claim for GI on the product. This close interaction increases healthy cooperation and competition among local producers. On the business side, GIs convey several unique characteristics that allow products to distinguish themselves and escape the

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commodity trap of undifferentiated products trading primarily on the basis of price. This differentiation from commodities can offer a valuable competitive advantage that is difficult to erode\textsuperscript{228}.

GIs possess many of the characteristics of an up market brand. They can have an impact on entire supply chains and even other products and services in a region and thereby foster business clustering and rural integration. GIs capture the distinctive aspects that emerge from a territory and its associated traditional methods of production and processing that are often difficult to duplicate in other regions or countries\textsuperscript{229}.

GIs are however not easy to establish. Success on a large scale is often measured in decades and requires patient application and sustained commitment. They can have considerable costs, not just for organizational and institutional structures but also for ongoing operational requirements such as marketing and legal enforcement. GI also enable collective production and marketing that provides the required scale to justify the cost of creating and marketing the differentiated product image. Enabling the achievement of economies of scale is an important

\textsuperscript{229} Giovannucci, Daniele; Josling, Timothy; Kerr, Willam; O’Connor, Bernard and Yeung, May T.-Guide to Geographical Indications: Linking Products and Their Origins; Online at http://wwwmpra.ub.uni-muenchen.de/27955/
dimension, as the majority of GIs are artisanal products which derive from small scale production\textsuperscript{230}.

This is the case with most of the GIs that have been registered where the artisans/producers at times consist of just the small families. Devising a common marketing strategy which allows these producers to reach a scale of production large enough to justify the investment in the differentiated product image, increases these products chances of success\textsuperscript{231}. In some cases, without proper planning and management, developing countries could squander limited resources investing to establish poorly chosen GIs. GIs are not a viable option in many areas also, particularly those whose output lacks distinguishing characteristics\textsuperscript{232}.

Some studies\textsuperscript{233} have indicated that under certain conditions, GIs can even stifle commercial innovation. Some researchers note that using GIs as a means of differentiation can benefit high quality producers but that low-quality or the poorest producers may not benefit. This situation can arise when the small producer is not informed of the availability of GI protection or that the producer

\textsuperscript{230} Giovannucci, Daniele; Josling, Timothy; Kerr, Willam; O’Connor, Bernard and Yeung, May T.-Guide to Geographical Indications: Linking Products and Their Origins; Online at http://wwwmpra.ub.uni-muenchen.de/27955/


\textsuperscript{232} Cerkia Bramley,’A review of the socio-economic impact of geographical indications: considerations for the developing world’ Paper prepared for presentation at the WIPO Worldwide Symposium on Geographical Indications June 22-24, 2011, Lima, Peru

\textsuperscript{233} See Giovannucci, Daniele; Josling, Timothy; Kerr, Willam; O’Connor, Bernard and Yeung, May T.-Guide to Geographical Indications: Linking Products and Their Origins; Online at http://wwwmpra.ub.uni-muenchen.de/27955/
can legitimately be designated as an authorized user of the GI protection granted. Indeed, when poorly structured, GIs can be detrimental to communities, traditions and the environment\textsuperscript{234}.

Various forms of protecting GIs

Thus there are significant divergences, with regard the purpose and the modes of protecting GIs at national level\textsuperscript{235}. These differences in approaches by countries have to do to a large extent with the historical backdrop. As in some countries the reputation of certain products goes back centuries and their continual importance reflects the intertwining of commerce, history, culture and regional or local pride\textsuperscript{236}.

TRIPS do not command WTO members to adopt certain specific mode of protecting GIs. Members determine the appropriate modes for implementing the agreement in their legal frameworks\textsuperscript{237}. TRIPS Council review has noted different ways used by members for protecting GIs. These ways have been


\textsuperscript{235} For instance Kenya protects GIs via trademarks law as collective marks, while the rest of the EAC members have no legal mechanism for protection apart from passing off.

\textsuperscript{236} The World Trade Report: ‘exploring the linkage between the domestic policy environment and international trade’ (2004) pg. 72

\textsuperscript{237} Kasturi. D, International protection of India’s GIs with special reference to Darjeeling Tea’ [2006] 9 The Journal of World Intellectual property 322

Laws focusing on Business Practices

Under this mode GIs are practically protected by all members via laws focusing on business practices. This category covers laws which, while not specifically providing for the protection of GIs, do prohibit business practices which can involve misuse of GIs. Many of these laws relate to the suppression of unfair competition or the protection of consumers. Either in general terms or specifically regarding matters such as labeling of products, health protection and food safety. ‘Common Law such as ‘passing off’ also applies. In legal proceedings under such laws, the question at stake will normally be whether the practices prescribed by the law have occurred, not whether particular term should be determined to have the status of a protected GI.

Under unfair competition and consumer protection laws an important factor is the extent to which the geographical term in question is known as a GI to the public. If it is not so known or it has become generic term then protection is not granted. Similarly where passing off is applicable, complainants are supposed to

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demonstrate threat [a] there product have acquired good will with the purchasing public [b] misrepresentation by the defendant is likely to lead the public to believe that the products offered are those of the plaintiff and [c] damages or a likelihood of damages resulted from such use’ \(^{242}\).

In the light of the East African Community partner states, horizontal law which has been utilized largely is the action for passing off. It features in Kenya, Uganda and Tanzania due to colonial reason. As these countries at certain point in time were colonized by England. Common law principle of Passing off was imported and later was incorporated into the said partner states’ legal systems after independence. Meanwhile, even if passing off has been utilized in several actions, still claimants were not praying for their rights over geographic names. But rather they used to back up actions brought upon infringement of trademarks\(^ {243}\).

**Protection Under Trademarks Law:**

GIs may be protected within the trademark system as collective, certification or guarantee marks. ‘While these terms are used somewhat differently in different countries, generally speaking, a collective mark protects a specific sign which

\(^{242}\) Hughes, J, *The spirited debate over Geographical Indications* [2003] 20 European Economic Law Journal. pg48

\(^{243}\) For instance in the case of CPC International Inc V. Zainab Grain Millers, Civil Appeal No 49 of 1995 of the Court of Appeal of Tanzania [Unreported] it was observed in part by the Justices of Appeal that: “it is a settled principle that in matters of Passing Off, a prima facie case could well be shown if upon consideration of the close similarity between the trade marks complained of was in balance such as to cause deception or confusion on the part of consumers.
belongs to a group of enterprises and is used by members for their goods or services. A certification or guarantee mark protects a specific sign which belongs to a legal entity supervising or laying down standards for goods or services. Regulation governing the use of such marks must be submitted as part of the registration procedure\textsuperscript{244}.

The regulation for collective marks defines the group of companies eligible to use the mark. In some countries these regulations must include a provision to the effect that they or any person whose goods or services originate in a geographical area concerned and fulfill the conditions set out in the regulations shall be eligible to become a member of the association and shall be admitted to the group of persons having authority to use the mark. In the case of certification or guarantee marks, common characteristics are established that relate to materials production methods, geographic origin and or other criteria.

However, the primary purpose of certification or guarantee mark is to perform a guarantee function or certify certain characteristics. It is normally required that, they be accessible to anyone who meets the conditions for use\textsuperscript{245}. Ugandan trademark law\textsuperscript{246} incorporate certification marks, though is not couched to

\textsuperscript{244} World Trade Report [2004], ‘Exploring the Linkage between the Domestic Policy Environment and International Trade’


\textsuperscript{246} Sec 39 of the Trade Marks Cap.217 of 2000 deals with certification mark [of the laws of Uganda]
accommodate GIs protection as is the case for US’ collective and certification marks. Only Kenya protects well GIs under collective marks.

Special Protection

This category covers those laws specifically dedicated to protect GIs or special protection of GIs contained in other laws such as marketing. Some of these laws provide sui generis protection that relate to products with specifically defined characteristics or methods of production. In general, the protection provided under this category is stronger than that available under other categories. Meanwhile, these different categories of protection do coexist in a single country sometimes.

United States and European Union Perspectives:

The US does not have a Sui Generis system of protection for GIs. The United States GI system uses administrative trademark structures already in place, and provides opportunities for any interested party to oppose or cancel a registered GI if that party believes that it will be damaged by the registration or continued...

247 Sec 40A (5) of the Trade Marks Act Cap 506 (of the laws of Kenya) mention expressly the protection of GIs as collective and or collective marks.
The United States GI system uses administrative trademark structures already in place, and provides opportunities for any interested party to oppose or cancel a registered GI if that party believes that it will be damaged by the registration or continued existence of a registration. The US Patent and Trademark Office [USPTO] processes application for both trademarks and GIs.250 The Lanham Trademark Act 1946 apply to all goods and services.

The United States does not protect geographical terms or signs that are generic for goods/services. A geographic term or sign is considered ‘generic’ when it is so widely used that consumers view it as designating a category of all of the goods/services of the same type, rather than as a geographic origin. As an example, the word ‘apple’ cannot be protected as a trademark for apples because the word ‘apple ‘is the generic name for the fruit. Many countries, such as the United States, do not protect generic indications because they are believed to be incapable of identifying a specific business source [ or a specially defined collective producing source]. Once a geographic designation is generic in the

United States, any producer is free to use the designation for its goods/services\textsuperscript{252}.

The U.S Trademark Act\textsuperscript{253} provides that geographic names or signs which otherwise would be considered primarily geographically descriptive and therefore unregistrable as trademarks or collective marks without a showing of acquired distinctiveness in the United States can be registered as certification marks.

A certification mark is a word, name, symbol, or device used by a party or parties other than the owner of the mark to certify some aspect of the third parties goods/services. There are three types of certification marks used to indicate: [1] regional or there origin; [2] material, mode of manufacture, quality, accuracy or other characteristics of the goods/devices; or [3] that the work or labor on the goods/services was performed by a member of a union or other organization\textsuperscript{254}.

The same mark can be used to certify more than one characteristic of the goods/services in more than one certification category; the mark ROQUEFORT

\textsuperscript{253} The Lanham Act is found in Title 15 of the US Code and contains the federal statutes governing trademark law in the United States. Available at http://www.bitlaw.com/source/15usc/
[US Registration No. 571,798] is used to indicate that the cheese has been manufactured from sheep’s milk and cured in the caves of the Community of Roquefort [France] in accordance with their long established methods and processes.

The US Trademark Act differentiates certification marks from trademarks by two characteristics. First, a very important feature of a certification mark is that its owner does not use it. Second, a certification mark does not indicate commercial source nor distinguish the goods or services of one person from those of another person. This means that any entity, which meets the certifying standards, is entitled to use the certification mark. However, certification marks are source identify in the sense that they identify the nature and quality of the goods and affirm that these goods have met certain defined standards.²⁵⁵

Finally, under the US regime, it is possible to protect geographical indications as trademarks. Pursuant to well established US trademark law, geographic terms or signs are not registrable as trademarks if they are geographically descriptive or geographically misdescriptive of the origin of the goods [or services]. If a sign is misdescriptive for the goods / services, consumers would be misled and / or

deceived by the use of the sign on goods/services that do not come from the place identified.256

However, if a geographic sign is used in such a way as to identify the source of the goods/services and over time, consumers start to recognize it as identifying a particular company or manufacturer or group of producers, the geographic sign no longer describes only where the goods/services come from, it also describes the ‘source’ of the goods/services. At that point, the sign has ‘secondary meaning’ or ‘acquired distinctiveness’. The primary meaning to consumers is the geographic place; the secondary meaning to consumers is the producing or manufacturing source. If a descriptive sign has ‘secondary meaning’ to consumers, the sign has a source-identifying capacity and is protectable as a trademark. Because of this feature of US trademark law, GIs can also be protected as trademarks or collective marks257.

Geographical indications also are protected through common law trademark law without being registered by the USPTO. For example, the Trademark Trial and Appeal Board [TTAB] has held that COGNAC is protected as a common-law [unregistered] certification mark in the United States. Institute National Des Appellations .v. Brown-Forman Corp’,[ ‘Cognac’ is a valid common law regional

certification mark, rather than a generic term, since purchasers in the United States primarily understand the ‘Cognac’ designation to refer to brandy originating in the Cognac region of France, and not to brandy produced elsewhere, and since opposes control and limit use of the designation which meets certain standards of regional origin\textsuperscript{258}.

In the United States non original producers have been allowed to use GIs on certain products as long as the true geographical origin of the products is made clear. This has given rise to so called semi generic expression [such as ‘American made Pecorino cheese’]\textsuperscript{259}.

Although the US Trademark Act permits any word or symbol to be registered as a mark, it does provide for a number of limitations as well. Amongst others the use of geographic marks are one such limitation. Marks which are geographically descriptive are not protectable under the Lanham Act. The USPTO can refuse to register a mark if it is determined to be geographically significant. However, this is not an absolute bar; under the Lanham Act, an applicant may still register a mark if it has acquired a secondary meaning. This means that even if the mark is descriptive of a geographical location, the applicant can still register it if he establishes that consumers identify the descriptive mark with the mark owner.

\textsuperscript{258} See generally Overview of Trademark Law , available at http://www.cyber.law.harvard.edu/metaschool/fisher/domain/tm.htm
\textsuperscript{259} Carsten Fink and Keith Maskus, ‘The Debate on Geographical Indications in the WTO’, at http://www.ppl.nl/bibliographies/wto/files/6531.pdf
Thus, the Lanham Act attempts to balance the interests of protection and access; the Act seeks not only to protect marks that consumers identify with a particular producer, but also to ensure that competitors are able to describe freely, through geographic terms, the origin and qualities of their goods\textsuperscript{260}.

In the US with respect to issues of labeling, even the Bureau of Alcohol, Tobacco, and Firearms [TTB] plays a key role. US Code Title 27 part 4 deals with labeling of wines and with specific regards to what constitutes generic, semi-generic and non-generic designations of geographical significance. The law gives examples and states that while ‘Vermouth’ and Sake’ are considered generic, designations such as ‘Burgundy’, ‘Chablis’, ‘Champagne’ and ‘Port’ amongst others are considered semi-generic\textsuperscript{261}. Therefore producers are free to use the semi-generic names provided the disclosure of the true place of origin of the product is also made\textsuperscript{262}.

In strong contrast to the US position on GI position on GI protection, the European Union [EU] has a stringent outlook to GIs and their protection. In general terms, the United States in its regional/bilateral agreements treats GIs as another form of trademark, thus emphasizing the exceptions clause under Article


\textsuperscript{261} \url{http://www.ttb.gov/labelling/laws.and.regs.shtml}

24.5 of the TRIPS Agreement. The EU, in contrast, seeks to establish, through its regional/bilateral agreements, a sui generis form of GI protection that clearly prevails over conflicting trademarks. Thus, the EU seeks to eliminate the exceptions available under Article 24.5 of the TRIPS Agreement.

Prior to 1992 the EU did not have any common legal framework for the protection of GIs. The judgment in the Cassis de Dijon\textsuperscript{263} case which provided that products legally produced and marketed in one Member state could be marketed in another gave rise to the need for a common legal framework. The first step towards a common legal framework was the adoption of the Council Regulation [EEC] No 2081/92 of 14 July 1992 on the protection of geographical indications and designations of origin for agricultural products and foodstuffs\textsuperscript{264}.

The adoption of the regulation was for the purpose of meeting three primary objectives\textsuperscript{265} namely:

- Answering the growing demand for products with identifiable geographical indication.
- Securing higher incomes for producers and
- Harmonizing the legal practices amongst member states.

\textsuperscript{263} Rewe-zentral AG \textit{v.} Bundesmonopolverwaltung fur Brammtweom available at \url{http://www.dtm.gov.tr/dtinadmin/upload/DTS/ABTeknikMevzuatUyumuDb/3cassosdojon.pdf}
\textsuperscript{264} \url{http://eurlex.europa.eu/smartapi/cgi/sga.doc?smartapi%3asciuld=CELEXnumdoc&numdoc=31992R2081&model=guichett&lg=en}
\textsuperscript{265} Frank Thiedig and Bertil Sylvander, ‘Welcome to the club? – An Economical Approach to Geographical Indications in the European Union’ at \url{http://www.origin.food.orf/pdf/partners/bs7novOO.pdf}
The protected designation of origin is for products closely associated with the area whose name they bear. To be eligible to use a protected designation of origin [PDO], a product must meet two conditions namely:

- The quality or characteristics of the product must be essentially or exclusively due to the particular geographical environment of the place of origin; the geographical environment is taken to include inherent natural and human factors, such as climate, soil quality, and local know-how;

- The production and processing of the raw materials, up to the stage of the finished product, must take place in the defined geographical area whose name the product bears.

There must, therefore, be an objective and very close link between the features of the product and its geographical origin.

The protected geographical indication [PGI] also designates products attached to the region whose name they bear; but the link is of a different nature than that between the product with a PDO and its geographical area or origin. To be eligible to use a protected geographical indication a product must meet two conditions:
• It must have been produced in the geographical area whose name it bears. Unlike the protected designation of origin, it is sufficient that one of the stages of production has taken place in the defined area. For example, the raw materials used in production may have come from another region;

• There must also be a link between the product and the area which gives its name. however, this feature need not be, as in the case of the protected designation of origin, essential or exclusive, but it allows a more flexible objective link. It is sufficient that a specific quality, reputation or other characteristic be attributable to the geographical origin.

To avail protection for GIs in the EU it is essential that the product is first protected nationally i.e. in the country of origin. In the European Community[EU] it is no longer required that a product is endowed with exclusive characteristics by its geographical origin as long as consumers associate the product with a certain geographical origin. This departure from the


In a significant ruling in April 2005 the WTO dispute resolution board [DSB] ruled in favor of the US challenge266 of the Regulation No 2081/92 of 14 July 1992 on the protection of geographical indications and designations of origin for agricultural products and foodstuffs, as amended, on two main grounds:

• Discrimination against foreign nationals and foreign products with respect to geographical indication protection and
• Failure to protect foreign trademarks.

Thereafter in 2006 the Council Regulation No 2081/92 was repealed and the council adopted Regulation 510/2006 on the 20th of March 2006266. The detailed rules regarding the implementation of the Regulation 510/2006 are outlined in Regulation 1898/2006.
traditional protection of GIs is based on the premise that a geographical name extends beyond and exists apart from the product and therefore deserves protection itself.\textsuperscript{267}

In the international arena and specifically with respect to TRIPS, the EU has sought extensive protection vis-à-vis GIs. The primary aspect of what the EU seeks has been termed as the TRIPS-plus protection.\textsuperscript{268} The proposal of the EU amongst other things calls for a multilateral system of registration with respect to GIs. The US has strongly opposed this proposal.\textsuperscript{269}

The EU proposal to expand GI protection through a multilateral registration system can be viewed as value added. A strict proposal like the one proposed by the EU that provides expanded protection for intellectual property rights is more consistent with a TRIPS plus standard than any proposal that has been put forward by the US.\textsuperscript{270}

\textsuperscript{267} See Oskari Rovamo, 'Monopolizing Names? The Protection of Geographical Indication in the European Community


\textsuperscript{270} Stacy D Goldberg, ‘Who will Raise the White Flag? The Battle Between the United States and the European Union over the Protection of Geographical Indications,’ Volume 22, Issue 1 University of Pennsylvania Journal of International Economic Law, [2001]
The EC has constantly argued that GIs are important in the conservation and protection of local culture and cultural diversity which calls for the expansion and strengthening of GI protection. The EU also looks at wider protection for GIs at the International stage. What the EU states is that at stake is an array of words and symbols; champagne, camembert, bud, sherry, Swiss chocolate, bottle shapes, and images of the Eiffel tower that also need to be protected.

One of the proposals made by the EC in the Agricultural Committee of the WTO is something termed as the claw-back list. The list has about 41 GI products mentioned. What the EC essentially seeks is market exclusivity for those GI terms. The EC proposal require that WTO Members accept those terms for protection, without examination and without question, and extinguish all prior valid trademarks that conflict with the terms on the list as well as prohibit the use on labels or advertising of these terms in any way, including as generic terms.

The EU has also adopted regulations aimed specifically at protection of wines and spirits as GIs. Before 2008 there were no EU special legal provisions in

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relation to GIs for wines or spirits and no EU register for wine or spirit GI names. Various national laws regulated that area\textsuperscript{274}.

However, similar to the system of registration and protection of PGIs and PDOs for agricultural products and foodstuffs, specific rules on registration of geographical indications for wines and spirits in the EU were established by council Regulation 479/2008 of 29 April 2008 on the common organization of the market in wine, in particular chapter III, IV, and V on designations of origin, geographical indications and traditional terms and Regulation 110/2008 of the European Parliament and of the Council on the definition, description, presentation, labeling and the protection of geographical indications of spirits drinks\textsuperscript{275}.

The EU seeks to use GI as a tool to consolidate the reputation and market niche of certain agricultural products, and to maintain its level of agricultural exports with regard to both quantity and value. The interests of the US, on the other


hand, relate to increased market access for agricultural products, and GI protection is seen as a potential protectionist barrier to such products.\footnote{See generally Meir Perez Pugatch, ‘A Transatlantic Divide? The US and EU’s Approach to the International Regulation of Intellectual Property Trade-Related Agreements’, ECIPE Working Paper, No.02/2007 at http://www.ecipe.org/publications/ecipe-working-papers/a-transatlantic-divide/pdf}

**Indian Perspective**

India as a signatory to the TRIPS and as a member of the WTO, highlighted to the WTO that there are also products other than wine and spirits that had a market on account of the name of origin of the product and therefore insisted on extending the protection to these as well. In the proposals on Intellectual property rights, submitted to WTO by India on February 18, 1999, the need for a higher level of protection for geographical Indications for goods other than the wines and spirits were highlighted. India also claimed that unless the protection is extended, there is a danger of resulting in an anomaly. It is an anomaly that the higher level of protection is available only for wines and spirits. It is proposed that such higher level of protection should be available for goods other than wines and spirits also. This would be helpful for products of export interest like Basmati Rice, Darjeeling Tea, Alphonso Mangoes, Kohlapuri Slippers in the case of India. It is India’s belief that there are other Members of the WTO who would be interested in higher level of protection to products of export interest to them like Bulgarian Yoghurt, Czech Pilsen beer, many agricultural products of the European Union, Hungarian Szatmar Plums and so on. There is a need to
expedite work already initiated in the TRIPS Council in this regard, under Article 24, so that benefits arising out of the TRIPS Agreement in this area are spread out wider\(^{277}\).

Other countries like Switzerland, the European Union, Czech Republic, Morocco also advocated strongly for strengthening and widening the protection of geographical indications for agricultural products under Article 23. They said that Article 23, which currently applies only to wines and spirits, prevents the use of expressions such as ‘kind’, ‘type’, or ‘imitation’, which could mislead the public as to the geographic origin of the product. Unfortunately, the widening of protection under Article 23 is opposed by the US, Australia and New Zealand-government who generally seek to strengthen intellectual property at WTO and who do not object to the use of geographical indications for wines and spirits\(^{278}\).

It may be noted that properly protected GI will give protection in domestic and international market. Each state shall determine conditions under which geographical indications will be differentiated from each other. Principles of national treatment and fair competition are applicable. TRIPS provide for seizure of goods bearing false indications of GI. TRIPS provide for refusal or invalidation

\(^{277}\) See Nutrition, Agriculture and Biotechnology, available at [http://www.evb.ch/bd/food.htm](http://www.evb.ch/bd/food.htm)

\(^{278}\) See Nutrition, Agriculture and Biotechnology, available at [http://www.evb.ch/bd/food.htm](http://www.evb.ch/bd/food.htm)
of a trademark containing a GI with respect to goods not originating in the territory indicated\textsuperscript{279}.

In line with its TRIPS obligations India enacted The Geographical Indication of Goods [Registration and Protection] Act, 1999\textsuperscript{280} to provide for registration and better protection of geographical indications relating to goods. The Act received the assent of the President of India on the 30\textsuperscript{th} December 1999. This important piece of Legislation provides a legal frame work for protecting names associated with goods of Indian origin as geographical indications\textsuperscript{281}.

Under the provisions of Geographical indications of Goods Legislation, the following were very clear\textsuperscript{282}:

1. That in order to seek a claim over our geographical indicators, it was essential that the indicators were protected in India first.

2. As per the TRIPS Agreement, most of the rights of the members arise from the fact the member has an internal legislation that takes care of such a protection. Hence the need for a separate legislation on this subject becomes very essential.

\textsuperscript{279} Parthapratim Pal, ‘Current WTO Negotiations On Domestic Subsidies In Agriculture: Implications For India’ at \url{http://www.icrier.org/pdf/wp%20177.pdf}

\textsuperscript{280} See GI Act available at \url{http://www.ipindia.nic.in/girindia/GI.Act.pdf}

\textsuperscript{281} See GI Act available at \url{http://www.ipindia.nic.in/girindia/GI.Act.pdf}

\textsuperscript{282} See GI Act available at \url{http://www.ipindia.nic.in/girindia/GI.Act.pdf}
3. India also realized ignoring the need for such a protection on the basis of sovereignty will only result in the loss of intellectual property rights for India in an area which is vital for the export market.

4. As per the Indian estimates, losing the uniqueness of the indication will have effect in the export market as well.

Law relating to Geographical Indication in India

In India, the legal system for GI protection has recently been developed. The Geographical Indications of Goods [Registration and Protection] Act was enacted in 1999 and has come into force in September 2003. Before enactment of the GI Act, there was no separate legislation for GIs specifically. However, there were three alternative ways in which the then existing legal systems of the country could have been preventing the misuse of GIs: [1] Under the consumer protection laws, [2] Through passing off actions in courts or [3] Through certification trademarks.

Among these laws, certification trademarks [CTM] were more focused on recognizing and protecting indication of sources. In the Indian context, the most

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common geographical name protected under the CTM system, prior to the GI Act, was ‘Darjeeling Tea’.

The need for separate legislation for GIs in form of the GI Act was felt in India mainly due to two reasons. First, the controversial patenting of Basmati rice by a US based company, Rice Tec and the widespread report of tea from other countries being passed off as Darjeeling tea. India realized that if it needed to protect its own geographical indications globally, it needed to protect them at the national level to begin with. The second reason is related to institutional commitment. Being a signatory to the TRIPS agreement, India was obliged to set into place national intellectual property laws which also include GI laws.

The salient features of The Geographical Indications of Goods [Registration and Protection] Act 1999 are as follows:

Geographical Indication is defined under section 2(1)[e] of the Act and it states that: “Geographical Indication”, in relation to goods, means an indication which identifies such goods as agricultural goods, natural goods, or manufactured goods as originating or manufactured in the territory of a country, or a region or locality in that territory, where a

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given quality, reputation or other characteristic of such goods is essentially attributable to its geographical origin and in case where such goods are manufactured goods one of the activities of either the production or of processing of the goods concerned takes place in such territory, region or locality, as the case may be.

It is a comprehensive definition. It stipulates that a good seeking GI protection should have an identifiable quality, reputation or other characteristics that can be attributed to its geographical origin. In the case of manufactured goods, the method or processes of production would come a critical parameter for it to qualify as a GI. What it essentially means is that people interested in obtaining GI for the product must establish such features in a distinctive manner which may not be an easy task in many situations and may require technical inputs.

Section 2[1][g] defines ‘indication’ as including any name, geographical or figurative representation or any combination of them conveying or suggesting the geographical origin of goods to which it applies.

As per the Act, a geographical indication need not necessarily be the name of a country or territory or locality. There are two conditions under the Act to qualify an indicator as a geographical indicator. They are,

- It should relate to a specific geographical area
- It should be used upon or in relation to a particular good originating from the geographical area.

- In case of manufactured goods, one of the activities of being production, processing or the preparation of the goods concerned should take place in that geographical location.

The definition ‘of goods’ states that the term refers to agricultural, natural or manufactured goods or any goods of handicrafts or of industry and includes food stuff.

An indicator serves three main purposes under the Act. They are:

- Identifies the nature of the goods
- Identifies the origin of the goods
- Connects some quality or characteristic of the goods to the origin of the goods. However, the test for an indication is very similar to the concept of trademarks. Anything qualifies as an indication so long as it links the goods with the place of origin / country or territory. The term ‘indication’ is defined in a inclusive manner in the Act. Indication includes any name, geographical or figurative representation or any combination of them conveying or suggesting the geographical origin of goods to which it applies. The Act under Section 9 prohibits the registration
Section 9 highlights and lists what cannot be registered as a GI in India. They are:

- The use of which would be likely to deceive or cause confusion;
- The use of which would be contrary to any law for the time being in force;
- Which comprise or contain scandalous or obscene matter;
- Which comprise or contain any matter likely to hurt the religious susceptibilities of any class or section of the citizens of India;
- Which would otherwise be disentitled to protection in a court;
- Which are determined to be generic names or indications of goods and are, therefore, not or ceased to be protected in their country of origin, or which have fallen into disuse in that country;
- Which although literally true as to the territory, region or locality in which the goods originate, but falsely represent to the persons that the goods originate in another territory, region or locality, as the case may be.

The section also clarifies that ‘generic names or indications’ refer to the name of the good which although relates to the place or the region in which the goods were originally produced / manufactured, loses its significance and original meaning and instead serves as the designation for or indication of the kind, nature, type, or other property or characteristic of the goods. The conditions under section 9 [5] and [6] above are a spill out from the TRIPS Agreement, as...
detailed in Article 24. The TRIPS Agreement has made it mandatory for every
country to protect its geographical indicators if such country wants other states
to provide protection.

The following factors shall be taken into account to determine whether the name
is generic:

- Existing situation in the place,
- Place in which the name originates
- Area of consumption of goods and
- Other relevant factors
- As the use of which would be deceptively similar

One example of an indication that has become generic is the term ‘Nilgiris’. Although at the outset, the name could have been an indication of the place, today it is just the reference to the manufacturer. In list it is the trademark and not the geographical indicator. The term ‘deceptive similarity. Has been defined in section: 2[c] of the act. The Act deems an indication to be deceptively similar ‘if it so nearly resembles another geographical indication’ as to be likely to deceive or cause confusion. This concept is very similar to that prevailing under the law of Trade Marks\textsuperscript{290}.

\textsuperscript{290} Under the Trademarks Courts have identified the categories amounting to deceptive similarities for example: Phonetic similarity, visual similarity, similarity of ideas, nature of goods etc.
Under the provision of Section 11 of the Act provides for the procedure for application and stipulates that any association of persons or producers or any organization or authority established by or under any law for the time being in force representing the interest of the producers of the concerned goods can apply for the registration of the geographical indication. Section 17 providers that a person claiming to be a producer of goods registers as GIs can apply to the Registrar to be registered as an authorized user of the GI. Furthermore, Section 22 of the Act provides that an infringement of a registered GI takes place when a person uses:

- Such geographical indication by any means in the designation or presentation of goods that indicates or suggest that such goods originate in a geographical area other than the true place of origin of such goods in a manner which misleads the persons as to the geographical origin of such goods;
- Any geographical indication in such manner that constitutes an act of unfair competition including passing off in respect of registered geographical indication.291

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291 The acts that constitute 'unfair competition' as mentioned above are: All acts that are of such nature as to create confusion by any means whatsoever with the establishment, the goods or the industrial and the commercial process; False allegations in the course of the trade of such a nature as to discredit the establishment, the goods or the industrial or commercial activities, of the competitor; Geographical indications, the use of which in the course of the trade is liable to mislead the persons as to the nature, the manufacturing process, the characteristics, the suitability for their purpose or the quantity of the goods; or Another geographical indication for goods which, although true to the territory from which the goods originate, falsely represents that the goods originate in the territory in respect of which such registered indication relates.
Section 25 of the Act prohibits registration of ‘geographical indication’ as trade
mark or invalidate the registration of a trade mark either *suo moto* or at the
request of an interested party. The basic intention of section 25 is to prevent
appropriation of a public property in the nature of a GI by an individual as a
trade mark leading to confusion in the market.

Registration\textsuperscript{292}: Registration of a geographical indicator is not mandatory but is
very desirable under this Act. Registration under this Act is a *prima facie* evidence
of validity of the indication. An unregistered user has the common law right of
passing off. This again is very similar to the Trademarks Act 1990. However,
under this Act, there are two categories of authorized owners. One is ownership
by registration and the other is an authorized user.

Registration under this Act confers the following benefits: [1] Both the registered
owners and authorized uses have the right of infringement, [2] the authorized
user gets the exclusive right to the use of the geographical indication in relation
to the goods in respect of which the indication is registered.

There are two classes of right over the geographical indicator. These are the
rights of registration and the rights of authorized use. The rights of registration is

\textsuperscript{292} Section : 26 of *The Geographical Indications of Goods [Registration and Protection] Act, 1999*
available to Association of persons, Producers, Organizations and Authorities established by or under the Law representing the interests of Producers. These people can make an application for registration. The Right of authorized user is available to individual producers of goods bearing geographical indicators.

Individual producers of goods, who use a geographical indicator that is already registered [by the association, etc. as above], should apply for ‘authorized user’ in writing to the Registrar. An application has to be made to the registrar detailing the indication, justifying the geographic connection of the indication, geographic map of the territory and such other particulars as may be prescribed. The class under which the indication is sought to be registered should also be detailed in the application. All applications are made to the Registrar of the geographical indication at the Geographical indications Registry. Section 3 of the Act states that the Controller General of Patents, Designs and Trademarks will be the Registrar for the registration of Geographical indications as well.

The Central Government has the power under Section 5[2] to establish the geographical indications registries, identify a head office, define the territorial limits of the offices and facilitate registration by notifying in the Official Gazette. After an application is made, the Registrar has the right to reject the application or accept the same with conditions. However, even after the acceptance of the application the registrar has the power to withdraw the acceptance under certain
circumstances. Once an application is accepted, it is advertised. Any person may, within three months from the date of advertisement oppose the application. The registrar will hear both the parties and take a decision. In case of grievance with respect to the decision of the Registrar, the Act provides for a appeal to the Appellate Body\textsuperscript{293} established under the Act. This has to be filed within three months from the date of decision of the Registrar. However, the jurisdictions of courts are barred for this stage of appeal. The procedure is the same as detailed in the Trademarks Act, 1999. However it should be noted that under the provision of Section 26 of the GI Act protects the trade mark consisting of a geographical indication which has been applied for or registered in good faith before the commencement of the GI Act.

The costs of registering GIs in India are also not high\textsuperscript{294}. For application in each class as envisaged under the Act the cost is a mere Rs.5000/-. Every ten years for the renewal of the GI the cost is Rs.10,000/-. When weighed against the economic benefits that can be derived these costs are negligible.

In order to protect its geographical indication against unauthorized use, the rights holder may send a cease and desist notice after becoming aware of any violation. Thereafter, depending on the response of the infringer, the rights

\textsuperscript{293} Chapter 7, sections: 31-36, The Geographical Indications of Goods [Registration and Protection] Act, 1999
\textsuperscript{294}http://www.indianpatents.org.in/faqgeog.htm
holder has the option of either initiating a civil or criminal litigation against the infringer\textsuperscript{295}. Further, In the complaint, the rights holder is required to demonstrate that;

- The alleged infringing act involves a mark that is identical or similar to the GI of the rights holder
- The infringing representation of a geographical indication is being used in connection with goods and might lead to confusion in public regarding the origin of the infringing goods;
- The unlawful act interfered with the rights holder’s rights of exclusive use and or caused the rights holder economic loss and or resulted in loss of reputation and goodwill.

**Civil Action:**

The rights holder may initiate either infringement and or passing off proceedings against an infringer. The infringement proceedings maybe initiated if the geographical indication has been registered. However in case the geographical indication is not registered, the rights holder still has the option of initiating a passing off action against the infringer.

The relief that the court may grant in the case of infringement and or of passing off includes injunction, and at the option of the rights holder either damages or

\textsuperscript{295} [http://newdelhi.usembasy.gov/iprgeoind.html](http://newdelhi.usembasy.gov/iprgeoind.html)
account of profits, delivery-up of the infringing labels and indication for destruction or erasure.

It should be mentioned that One of the landmark judgment in India regarding the protection of geographical indications Scotch Whisky Association & Ors. V. Golden Bottling Limited. In this case, the Delhi High Court passed an order of permanent injunction retraining the infringer from using the word ‘scot’ as a part of its brand name, as it gives an impression to the unwary consumer of whisky that the product originates in Scotland or that it is Scotch whisky.

Criminal action

Chapter VIII of the Act also provides for offences and penalties in case of violation of geographical inductions. Under the criminal action, if a person is convicted of an offence for applying falls geographical indication or selling goods to which a false geographical indication is applied, the court may direct the defendant to forfeit the goods to the government.

Any person who falsely applies a geographical indication, or sells goods to which false geographical indication are applied, may be punished by imprisonment for a term not less than six months but not exceeding three years with a fine, which shall not be less than fifty thousand rupees but which may extend to two lakh rupees. No prosecution of any offence under this Act shall be

commenced after the expiry of three years next after the commission of the offence charged or two years after the discovery thereof by the prosecutor, whichever expiration happens first.

Police also have the power to suo moto conduct raids and seizure operations. However, before making any search and seizure, the police officer shall obtain the opinion of the Registrar of Geographical Indications on the facts involved in the offence and shall abide by the opinion that has been obtained.

Note on customs measures

Having complied with the TRIPS regime in satisfying the minimum standards of intellectual property protection, India is now looking at ways and means to ensure a full proof enforcement mechanism. With a view to limit the adverse effects of parallel imports, the ‘Government of India has met with its obligations under Article 51-60 of the TRIPS Agreements and issued the Intellectual Property Rights [Imported Goods] Enforcement Rules, 2007 vide Notification No.47/2007-CUSTOMS [N.T]. These rules provide for a registration mechanism with the Customs Authority to legally intercept and restrict the intrusions of parallel imports into the official and authorized channels of trade.

297 For the relevant provisions see http://www.wto.org/eng/docs.e/legal.e/27.trips.05.e.htm
The Customs Authority is empowered and authorized to intercept, seize and confiscate goods found to be or suspected to be infringing intellectual property rights registered and in force in India. Registration of the intellectual property right with the Customs Authority will enable the Customs Authority to store the IPR in their electronic database which will be flashed across all entry points in India.

The Enforcement Rules, which are of recent origin, have been modeled on the lines of the legislation drafted by the Geneva-based World Customs Organization [WCO] and seek to define the role of the Indian Customs in combating IP infringements at the borders. It is noteworthy that while the mandatory obligations under Article 51-60 of the TRIPS dealing with border measures are restricted to Copyright and Trade Marks Infringement only, the Enforcement Rules deal with Patents, Designs and Geographical Indications violations as well, in conformity with the best practices prevailing in certain other countries, most notably within the European Union. India has sought to provide tough measures for the protection of GIs. As has been seen above India is also one of the countries which has been demanding for

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strict protection and enforcement of GIs. In a recent case\textsuperscript{300} pertaining to GI in India, Tea Board, India [registered proprietor of the GI ‘Darjeeling] took ITC Limited to court for the use of the Mark ‘Darjeeling’ for its Lounge at the hotel in Calcutta.

The decision is likely to have interesting ramifications on the GI market place in India, as the Calcutta High Court held that the word ‘Darjeeling’ is not the exclusive right of the Tea Board, and decided the case in favor of the Kolkata hotel ITC Sonar and its Darjeeling Lounge\textsuperscript{301}

Concluding remarks -

We have seen from the above discussion that a geographical indication, the reputation of which is not yet established on the market, may not be protectable against misleading use by competitors through an action for unfair competition. Furthermore, a geographical indication which has not been used for a certain time may lose its reputation and therefore may no longer be protectable by an action for unfair competition. Geographical indications which become generic terms in a particular country lose their distinctive character and are no longer protectable in that country.

\textsuperscript{300} GA No3137 of 2010; CS No.250 of 2010, In The High Court At Calcutta Available at http://judis.nic.in/Judis.Kolkata/detail.aspx
\textsuperscript{301} http://www.spicyipindia.blogspot.com/2011/04/breaking-news-darjeeling-still-lounges.html