



CO-EXISTENCE OF TRADEMARKS AND GEOGRAPHICAL INDICATIONS IN THE INTERNATIONAL IP SPACE

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ABSTRACT

The WTO Agreement on Trade Related Aspects of Intellectual Property Rights ('TRIPS Agreement') has been the most comprehensive multilateral text to deal with geographical indication as a concept, and can be seen as an important kickoff in this field. In addition to providing for an introduction of geographical indications in an international agreement, the Agreement also allows for the co-existence of trademarks and geographical indications. Nonetheless, concern arises when the two overlap in terms of the same subject matter. The aim of this present article is to study the purpose of trademarks and geographical indicators in terms of indicating the source of a product or brand along with the possible conflicts and synergies between them through many such cases, and to establish how the two regulatory instruments co-exist within the TRIPS Agreement.

Keywords: WTO, TRIPS, Agreement



INTRODUCTION

Scotch Whisky, Adidas, BMW, and Darjeeling Tea are names known to people all over the globe. If we look more closely, we'll see how on the face of it, these names belong to individual categories of source identification, i.e., either trademarks or GIs, but might be perceived to be a result of an overlap of the two by a section of the public. Adidas and BMW, for instance, are trademarks, whereas Darjeeling Tea and Scotch Whiskey are geographic indicators. The question that would arise here is whether Scotch Whiskey and Darjeeling Tea can be characterized as both trademarks and geographical indications, and if so, whether there are any clashes which might follow with respect to legal protection of these names. The reason for this ambiguity is that while both these names are used to indicate the geographical origin of the products being sold under them (i.e. United Kingdom for Scotch Whiskey and Darjeeling for Darjeeling Tea), they are also household names, the implication of which is that a significant section of the public might see these names as brand names or trademarks. On the other hand, a situation might also arise wherein a trademark with a geographical location in its name might collide with a GI in terms of getting monopoly over said name – take for example, the famous Indian case of Tea Board, India v. ITC Limited¹ surrounding the dispute over the name 'Darjeeling' in ITC's trademark 'Darjeeling Lounge'. By studying the various jurisdictional, class and registration related conflicts surrounding Trademarks and GIs globally, this piece will be dissecting these IPRs to understand how IP laws co-exist internationally to ensure that neither of the two is compromised at the cost of the other.

JURISDICTIONAL CONFLICTS

Both, trademarks and geographical indications, are legal instruments for regulating communication of a product to the markets. Trademarks point to the commercial origin of the goods or services, while geographical indications indicate the geographical origin (or origin of appellation) of only goods. The two tools also legally provide exclusive rights to certain uses of a word or symbol. While conventional trademarks are bound by jurisdiction, well-known trademarks convey a part of trademark law that may exceed jurisdictional limits. Apart from a simple registration of a mark in a foreign jurisdiction, the achievement of the reputation of a registered trade mark in one country may also contribute to the registration of a trade mark in another country if the applicant is able to show that the spillover

¹ C.S. 250 of 2010, Calcutta High Court

advertising of the trade mark concerned has led to the acquisition of a 'distinctiveness' of the trade mark, that is, the mark has come to be associated by the public of another country with the owner alone by virtue of its long and extensive usage internationally, and heavy cross-border advertising in many cases.² Trademarks like Whirlpool and Gillette have famously attained monopoly over their marks internationally by virtue of landmark Indian judgements³ which have acknowledged their reputation in jurisdictions like India wherein foreign newspapers and magazines have actively advertised these marks, contributing to a spillover reputation.

Although the subject-matter of trademark law has been extended and the protection of trademarks is much less constrained to jurisdictional boundaries, the same cannot be stated for GIs. Google, Vodafone, Rolex, Kodak etc. are all well-known trademarks are not bound by their place of origin in terms of jurisdiction. Aside from being registered in multiple jurisdictions globally, these names have also created brand value world-wide. No proprietor in any part of the world can use any of these names as their trademark. However, A GI registered in one territory can often times be used as a trademark in another territory. The case of *Anheuser-Busch v Budejovický Budvar*⁴ has been landmark in terms of addressing such a jurisdictional conflict surrounding trademarks and GIs. This dispute concerned the right of Anheuser Busch Inc. (U.S. brewing company) and Budějovický Budvar NP (Budweis company in the Czech Republic) to use the names 'Bud' and 'Budweiser' to sell their beer. According to Budějovický Budvar, 'Budweiser' meant that the beer was brewed in Budweis, in southern Bohemia, while 'Budvar' was the trademark name for 'Budweiser.' It was also claimed by Budějovický Budvar that their beer had been brewed in Budweis since 1265 and that the brewery had been internationally active since its foundation in 1895. However, the American brewer Anheuser-Busch had begun making its beer in 1876, which was called "Budweiser," and was to be sold in the United States and Canada. At first, the two companies existed in harmony on the assumption that their sales would be limited to separate geographical areas, but Anheuser-Busch later began to expand into Europe, resulting in clashes between the two. As a consequence of this, Czech Budweiser is sold in North America under the Czechvar label and American Budweiser is branded as Bud in all markets of the European Union.

² Art. 15(1) *WTO Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS AGREEMENT)*, 15 April 1994

³ *N.R. Dongre and Anr. v. Whirlpool Corporation and Anr.*, AIR 1995 Delhi 300; *Kamal Trading Co. and Ors. v. Gillette U.K. Ltd.*, 1988 (8) PTC 1 (BOM)

⁴ *Anheuser-Busch v Budejovický Budvar*, Case C-245/02

CONFLICT SURROUNDING CLASS OF GOODS/SERVICES

The TRIPS Agreement defines 'geographical indication' as a legal tool that binds a good to the geographical area of its origin within the concerned member State.⁵ The definition also talks about 'reputation' which pertains to the character trait of the good effectively relatable to its geographical origin.⁶ Trademarks can also directly be adopted by businesses, are unique and exist individually. However, the same is not the case for GIs which, where available, must be obtained through a government body that certifies the eligibility of such business to use said mark, and ought to be shared amongst businesses from the same eligible region. Needless to say, conflicts may occur between trademarks and protected GIs for similar or identical products containing the same or a similar mark. The GI 'Darjeeling Tea' being a GI in India cannot be used any other manufacturer of food or beverages within India. However, the same may be possible if the other party deals in a different class of goods or in services rather than goods. In the landmark case of *Tea Board, India v. ITC Limited*⁷, wherein Tea Board of India alleged ITC's mark 'Darjeeling Lounge' to be infringing upon its GI 'Darjeeling Tea', it was held by the Bombay High Court that there was no infringement as Darjeeling Lounge was being used as a mark in respect of services and not goods, and therefore, there was no chance of confusion amongst the public.

CONFLICT SURROUNDING SUBSEQUENT REGISTRATION OF A TM AS GI

The question as to whether the exclusivity of a registered trade mark supersedes the subsequently protected GI is also of major importance. TRIPS handles such conflicts by stipulating that previously registered trademarks which contain a protected GI may, in certain situations, be invalidated when the use of a trade mark "is of such a nature as to mislead the public" as to the origin of the product bearing it.⁸ However, even if it is "identical" or "similar" to the GI, a trademark will prevail if it is registered or applied for in good faith, prior to the date of application of the provisions of the TRIPS Agreement, or when the rights to it have been obtained through prior and continuous use within the territory concerned from before the date of registration of the mark as a GI in that

⁵ Art. 22 (1), *WTO Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS AGREEMENT)*, 15 April 1994

⁶ *Ibid.*

⁷ *Supra*, note 2

⁸ Art. 22 (3), *WTO Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS AGREEMENT)*, 15 April 1994

territory.⁹ For instance, MONT BLANC for pens and AMAZON for an online store are both well-known trademarks, known globally. If at any point in the future, either of these names comes to be associated with the specific geographical areas they have been named after within EU and South America, as GIs, they will still be entitled to their rights as trademarks even within these territories for having gained additional or secondary meanings over time which point to the distinct commercial sources of these marks.

WINES AND SPIRITS

Article 23 of the TRIPS Agreement offers protection to GIs identifying wines and spirits produced within the territory of the registered GI, by preventing producers from using said GI for wines or spirits not originating in the territory concerned and refusing or invalidating the trademark registration of wines or spirits not originating in the concerned territory but containing the registered GI, if the law of that Member State allows for it or if a third party questions or challenges such registration on these grounds. The Australian Trade in Wine Treaty is one such case wherein the State allows for pre-registered wine trademarks to continue using the same trademark even after its subsequent registration as a GI only if 85 per cent of the grapes used in said wine come from the geographical location where the GI is registered.¹⁰ This creates a barrier in trade for producers who use grapes from other regions to make their wine and had adopted the now registered GI as their trademark in good faith earlier. This also results in dilution of their trademark and damages any goodwill they might have acquired over time, consequently having an adverse impact on their business.

SUPPLEMENTING EXISTENCE

Clashes between trademarks and GIs typically result in either notion being prohibited from using the geographical denomination in question. However, there are situations wherein the two systems could form synergies rather than being hostile. Both concepts make it possible for producers to distinguish their products on the market, although GIs are used at a collective rather than individual level. Both the tools may be used by producers as long as they are used legitimately. Producers hereby obtain a double-layer protection; one in their capacity as producers as such, and one for the production of a certain good within a certain geographical area. A system of regional collective marks, for instance,

⁹ Art. 24 (5), *WTO Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS AGREEMENT)*, 15 April 1994

¹⁰ Stephen Stern, 'THE OVERLAP BETWEEN GEOGRAPHICAL INDICATIONS AND TRADEMARKS IN AUSTRALIA', *Melbourne Journal of International Law*, Vol. 2 (1) (2001) pp. 225

allows for registration of names (including the name of a region + name or description of nature of the good) and can be applied for by a collective group of organizations for goods owned by them, having a very close relation with the region concerned and being well-known within said region.¹¹ Few examples of regional collective marks are Imabari Towel and Kobe Beef of Japan.¹² In addition to two-tiered protection, collective marks in general can be used in respect of both, goods and services, and help to distinguish goods or services of the union or association which is the owner of a collective mark from those of other undertakings.¹³ Therefore, when the origin of appellation is combined with trademark law, primarily through the concepts of regional collective marks, there are synergies which exist between them and potential clashes can thus be easily resolved.

CONCLUSION

GIs and trademarks are distinct IPRs and trigger both, synergies and clashes in international trade. The former is based on collective usage, while the latter is adopted at an individual level. However, more importantly, they help accomplish the same goal – to identify the origin of the goods for consumers and to provide exclusivity for producers. By constituting exclusive rights, they prevent producers from unfairly using the GI or the trade mark to the detriment of right-holders. Thus, trademarks and geographical indications are neither “equal” nor “identical” from an industrial perspective. The appellation of origin within a GI of one region can be used as or as part of a trademark outside that jurisdiction by a different producer for any class of goods and services, and a trademark anywhere in the world having the name of a particular region in its name can also subsequently be registered as a GI in the named region. The devices are, therefore, not ‘interchangeable’, and can justifiably co-exist within the TRIPS Agreement.

¹¹ Regional Brands in Japan – Regional Collective Trademarks registered with Japan Patent Office (JPO), pp. 1

¹² Ibid

¹³ Certification and Collective Marks – Paper Prepared by the United Kingdom for the SCT, pp. 1, para 4