



EUIPO Final 25-26/11/2020

BACKGROUND PAPER

PANEL: IP PROTECTION OF GIS – CASE LAW DEVELOPMENTS

This panel will explore the recent case law involving Geographical Indications (GIs) with a view of understanding the inherent specificities of legal protection provided to GIs as well as exploring the possible options to overcome ambiguities arising from the current legislative framework.

1. OBJECTIVES:

GIs are recognised and protected as Intellectual Property Rights.

Protection is granted to GIs in order, inter alia, to protect the **legitimate interests of consumers and producers**. In particular, the specific objectives of protecting designations of origin and geographical indications are to secure a fair return for farmers and producers for the qualities and characteristics of a given product, or of its mode of production, and to provide clear information on products with specific characteristics linked to geographical origin, thereby enabling consumers to make more informed purchasing choices (recital 18 of Regulation (EU) No 1151/2012). Moreover, their protection aims to ensure that they are used fairly and to prevent practices liable to mislead consumers (recital 29 of Regulation (EU) No 1151/2012 and recital 97 of Regulation (EU) No 1308/2013).

CJEU has confirmed the EU's exhaustive and exclusive competence when it comes to GIs in the EU. Hence both producers and consumers, but also the legal practitioners, have to understand the scope of the protection given to GIs.

Currently, GIs across 4 different sector are regulated by 4 different regulations:

- Regulation (EU) No 1308/2013⁽¹⁾ in respect of *wines*;
- Regulation (EU) No 251/2014⁽²⁾ in respect of *aromatised wines*;

⁽¹⁾ Regulation (EU) No 1308/2013 of the European Parliament and of the Council of 17 December 2013 establishing a common organisation of the markets in agricultural products and repealing Council Regulations (EEC) No 922/72, (EEC) No 234/79, (EC) No 1037/2001 and (EC) No 1234/2007.

- Regulation (EU) 2019/787⁽³⁾ in respect of *spirit drinks*;
- Regulation (EU) No 1151/2012⁽⁴⁾ in respect of *agricultural products and foodstuffs*.

The EU regulations refer, *mutatis mutandis*, to different situations of ‘use’ against which GIs are protected:

- (1) any **use** of a GI (direct or indirect):
 - (a) in respect of products not complying with the product specification of a GI; or
 - (b) insofar as such use exploits the **reputation** of a GI;
- (2) any misuse, imitation or **evocation**;
- (3) any other false or **misleading** indications or practices.

As IPRs that identify a specific product with inherent qualities due to its geographical origin, they often interplay with other IPRs, such as trade marks that identify a commercial origin. Used side by side they make a powerful tool of recognition on the market.

2. CHALLENGES AND LEADING CASES

- The EU rules concerning protection of GIs mention **comparable/same type goods** as well as the use of GIs as **ingredients**. What role and how important the impact of goods should be on the assessment of whether or not there is a prohibited use bearing in mind that, intrinsically, GIs are names consisting of geographical terms (*Champanillo case*⁵ to be discussed);
- The EU rules further indicate the ‘**exploitation of reputation**’. Is reputation an easily understandable legal term? Is it equivalent to a trade mark reputation? Is it link to the inherent characteristics of the product? Can it be both? (*Champagner Sorbet*⁶ case to be discussed)
- Finally, the EU rules indicate, inter alia, ‘**evocation**’. How important is the test by which the average consumer must establish a clear and direct link with the GI

⁽²⁾ Regulation (EU) No 251/2014 of the European Parliament and of the Council of 26 February 2014 on the definition, description, presentation, labelling and the protection of geographical indications of aromatised wine products and repealing Council Regulation (EEC) No 1601/91.

⁽³⁾ Regulation (EU) 2019/787 of the European Parliament and of the Council of 17 April 2019 on the definition, description, presentation and labelling of spirit drinks, the use of the names of spirit drinks in the presentation and labelling of other foodstuffs, the protection of geographical indications for spirit drinks, the use of ethyl alcohol and distillates of agricultural origin in alcoholic beverages, and repealing Regulation (EC) No 110/2008.

⁽⁴⁾ Regulation (EU) No 1151/2012 of the European Parliament and of the Council of 21 November 2012 on quality schemes for agricultural products and foodstuffs. It replaced and repealed Regulation (EC) No 510/2006.

⁵ C-783/19, Champanillo (pending)

⁶ 20/12/2017, C-393/16, Champagner Sorbet, ECLI:EU:C:2017:991

protected? And who is the average consumer who understand and presumably knows all protected GIs? Where is the limit between the link to a region and the more precise link to a GIs, if a GI is equivalent to the name of the region? Is there a limit? Or once protected, a geographical term cannot be used by anyone on any goods except the GI producer himself? (*Scotch whisky*⁷ and *Queso Manchego*⁸ cases to be discussed, interplay in finding the right balance with respect to goods – *Port Charlotte case*⁹ to be discussed);

- The GIs are **used as part of trade marks**. To which extent is this desirable? What is or should be their relation to **individual, collective or certification marks**? The recent CJEU case law indicated that not even collective marks should be simply descriptive under the geographical exemption provided for in the EUTMR. Is this a clear indication that GIs and collective trade marks should be clearly delimited? (*Halloumi trade mark case*¹⁰ to be discussed)

3. QUESTIONS

- (4) Is there a need to gather all the rules on GIs in a single piece of legislation for all GI sectors (food, wine and spirit drinks)? Should new rules be created/added? What could be the advantages/disadvantages of such solution? Would new rules bring in more strength to IPR protection of GIs?

- (5) *Champanillo case, Port Charlotte case, Champagner Sorbet*

Is there a need to clarify the scope of protection given to GIs in reference to goods (or services)? And the use of GIs as an ingredient?

- (6) *Champagner Sorbet, Scotch whisky case, Queso Manchego case, Port Charlotte case*

Should terminology be clarified, i.e. ‘reputation’, ‘evocation’, ‘comparable goods’? Is there a benefit to bringing those terms closer to trade mark interpretation? Is it even possible to apply trade mark approach in solving conflicts on the market? What should be the level of distinctiveness of GI names compared to those of fanciful trade marks?

- (7) *Halloumi trade mark case*

Is there a need to revise the interaction between GIs and trade marks to provide for a clear distinction between the two systems which would be in line with their different essential functions? What should be the level of distinctiveness of GI names compared to those of fanciful trade marks?

⁷ 07/06/2018, C-44/17, SCOTCH WHISKY, EU:C:2018:415

⁸ 02/05/2019, C-614/17, Queso Manchego, ECLI:EU:C:2019:344

⁹ 14/09/2017, C-56/16 P, PORT CHARLOTTE, EU:C:2017:693

¹⁰ 05/03/2020, C-766/18 P, Halloumi, ECLI:EU:C:2020:170