

Organization for an International Geographical Indications Network

ORIGIN POSITION PAPER ON DISTINCTIVE GEOGRAPHICAL NAMES IN THE UNITED STATES (US)

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HOW DISTINCTIVE GEOGRAPHICAL NAMES ARE CURRENTLY PROTECTED IN THE US



Geographical names used to identify products whose quality, reputation or other characteristics are essentially attributable to their geographical origin - Geographical Indications (GIs) according to the TRIPs definition - command a price premium as the result of market differentiation. The sharing of a particular market niche by multiple producers is a distinguishing feature of a GI, and the price premium yields a collective value added that producers in a given geographical area can share. As trade in GIs grows, the producers generally seek formal recognition of, and legal protection for, their GIs, and they fight against usurpation of their product names and other forms of unfair competition in their country of origin and abroad.

The US is one of the few countries in the world that does not provide an independent system to recognize and protect Gls. Several schemes are available for that purpose (in some cases they might overlap, as a product's name might benefit from more than one of them):

- Trademarks (including certification and collective marks) available to all kind of products (administered by the US Patent and Trademark Office - PTO);
- American Viticultural Areas (AVAs) available for wines, administered by the Alcohol and Tobacco Tax and Trade Bureau (TTB);
- Political appellations available for wines;
- Geographical names for distinctive types of distilled spirits, available for spirits, administered by the Alcohol and Tobacco Tax and Trade Bureau (TTB);
- Marketing orders available for fruits, vegetables and crops, administered by the Department of Agricultural (USDA).



SHORTFALLS

We believe that the above-mentioned situation does not serve legal certainty and rather raises practical issues for the American private actors relying on geographical names for their business, as well as for consumers, in particular:

- 1. The level of protection of geographical names differs from one scheme to another and cannot be considered always satisfactory. American consumers are often misled by commercial practices consisting in the use of geographical names by non-legitimate producers in combination with expression such as style, kind, etc., which are often accepted.
- 2. With specific reference to certification marks, the costs of maintaining them in the US can be prohibitive. A certification mark owner (which cannot be a structure representing producers, as the owner of the certification mark is prohibited from using it on its certified goods or in advertisements of its certified goods) must





control the mark, protect it from dilution and becoming generic, and prevent its use for purposes other than to certify. Practically, this means that the certification mark owner must be diligent in looking for registrations or uses of potentially confusing marks that include the certification mark. This level of monitoring requires a significant investment of time and money, often necessitating the employment of a watchdog organization. Moreover, historically the USPTO has taken a passive approach to preventing the registration of marks that would be confusingly similar to or even include a prior registered certification mark.

- 3. There is no formal list of GIs in the US, as not all names recognized/protected under the above-mentioned schemes can be deemed GIs. This makes it cumbersome **for US GIs producers** to obtain protection for their names in export markets¹.
- 4. Overall, the full potential of US GIs on the national economy remains untapped, in challenging times when the Federal Government pursues the objectives of promoting rural development in local communities and a change of paradigm towards embracing the economic, social and environmental challenges of sustainability².

An interesting exception to this is the recognition of "Bourbon" and "Tennessee Whiskey" in 44 countries outside the US through the joint efforts by the Office of the United States Trade Representative and the Alcohol and Tobacco Tax and Trade Bureau.

²International Organizations - such as the FAO - consider GIs as an ideal tool for the sustainable rural development of local communities, https://www.fao.org/geographical-indications/en.

SPECIFIC ISSUES CONCERNING GENERICITY

Over the last years, the US authorities have considered that the EU agenda on GIs imposes barriers on market access for US made goods that rely on the use of common names. This assumption seems not to take fully into account that GIs are internationally recognised intellectual property rights. GIs represent a well-established legal concept, defined in multilateral treaties, bilateral agreements and national legislations.

To ensure an equilibrium with public domain interests', "exceptions" to GIs protection, including the one based on genericity, exist in nationa legislations as well as international treaties Whether a name corresponding to a GI has acquired the "generic" threshold must (and it is indeed) evaluated by countries individually, with respect to their jurisdiction.

Considering of free use - in each and every jurisdiction around the world - a hypothetical list of "common food names" is contrary to basic principles upon which the international intellectual property rights system is built. In this respect, over the years, several GIs groups have obtained protection in foreign markets also through trademarks. This was necessary in jurisdictions where no other instrument was available.

The above-mentioned approach would consider generic a number of valid national GIs and trademarks altogether, without any evaluation as to whether the corresponding names became generic in a given jurisdiction.

This would be extreme dangerous not only for GIs, but for the intellectual property rights global system in its entirety (including patents, if such an approach would be extended by analogy to other IP schemes).

OUR PROPOSAL

oriGIn is willing to engage with the US stakeholders (both public authorities and the private sector) to launch a dialogue focused on:

- Adequate instruments for farmers to protect the authenticity of agricultural foodstuff, wines and spirits and add-value to such goods;
- Soundstrategies to promote the sustainable development of rural communities in a post-covid scenario;
- Robust legal schemes to protect consumers against misleading practices and how to ensure the balance between GI protection and the genericity exception on a territorial basis;
- **IV.** Support to US producers to obtain protection of geographical names in foreign markets where independent IP systems for the protection of GIs are available. Such systems are opened by definition.



BOX: oriGIn

oriGIn is the global alliance of GI groups and institutions dedicated to:

- I. Campaigning for robust protection of GIs in national laws and international treaties; and
- II. Promoting a model of managing value chains which is poised to respond to the emerging economic, social and environmental challenges.

oriGIn represents today some 600 GIs groups and institutions in the sectors of agriculture, wines, spirits and craft products, from 40 countries. Join us if you wish to engage in protecting and adding value to, distinctive geographical names as well as responding to the emerging sustainability challenges faced by them.

More information: www.origin-gi.com info@origin-gi.com

