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GEOGRAPHICAL INDICATIONS AND TRADE MARKS:
CONFLICTS AND POSSIBLE RESOLUTIONS

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Introduction

1. To expect trade marks to live comfortably with geographical indications is a little like trying to mix wine and water: the two do not co-exist comfortably. They are, in many ways, very different types of rights. The problems caused by the need for trade marks and geographical indications to co-exist is exacerbated when, in new world countries in particular, the legal mechanisms for protecting geographical indications are relatively recent creations, whereas trade marks, and the protection of reputations, have formed part of the established jurisprudence for hundreds of years. In addition, the implementation of systems for the protection of geographical indications is often not the result of any development in the countries' jurisprudence, but is rather the result of realpolitik, namely bilateral or multilateral international trade negotiations that have resulted in treaties such as the Agreement between Australia and the European Community on Trade in Wine, and Protocol ("the EC/Australia Wine Treaty") and the TRIPS Agreement itself.

2. For many lawyers, the co-existence issue can be solved by the application of the maxim "first in time, first in right". Indeed, some of the world's leading intellectual property organisations promote the application of this principle as an answer to the co-existence issue. It is, however, my thesis that this approach is too simplistic. In my view, the problems caused by the necessary co-existence of geographical indications and trade marks requires a more sophisticated approach, even if the "first in time, first in right" maxim is the central element or core of the resolution.

(One) Genesis of the Problem

3. One of the reasons why there is conflict between trade marks and geographical indications in any one jurisdiction can often be traced back to the way in which the two different types of rights were established.

4. The protection of a geographical indication, protected in one country, in another country, often without any reputation in the second country, is often a result of realpolitik. The finer points of intellectual property law are rarely taken into account when trade negotiations are being undertaken internationally. The matters that are at stake are trade and commerce, barriers to entry into one market of another country's products.

5. By way of example, when the EC/Australia Wine Treaty was signed in January 1994, Australia gained a lowering of the non-tariff barriers to the entry of Australian wines into the EC. In exchange¹, the goal that was achieved by the EC was that several thousand European geographical indications were automatically entitled to protection in Australia. This was in spite of the fact that the overwhelming majority of them had never been used in trade in Australia, had never even been heard of in Australia and certainly had no reputation in Australia. Whether there had been any exposure, let alone "use" of any of these geographical indications in Australia was not considered. This is a classic case of the creation of intellectual property rights in one country as a result of trade negotiations with another

¹ Although I have referred to an "exchange", the Treaty gives each of Australia and the EC entirely mutual rights. Thus Australia may not impose specified non-tariff barriers to entry of European wines into Australia and the EC must protect Australian wine geographical indications in the EC. However, it is clear that true goals of each party at the negotiating table were as described in the body of the paper above.

country (or group of countries). One of the direct outcomes of the registration of these European geographical indications in Australia was a conflict between geographical indications and trade marks.

6. I can illustrate the implications of this problem by referring again to the effect of the EC/Australia Wine Treaty. When this Treaty was being negotiated, it became apparent that there was at least one very famous Australian trade mark which would be put at risk if European geographical indications were given carte blanche protection in Australia, simply by virtue of the fact that they were protected in Europe. The initial intentions of those negotiating the Treaty would almost certainly have led to the result that the Australian owner of the trade mark would have been prevented from its continued use of its trade mark, because the rights accorded to EC geographical indications under the EC/Australia Wine Treaty would have given them precedence over Australian trade marks which included the same, or very similar, words. This was the case even if the trade marks had been in use in Australia for many years and even if the trade marks were registered. The “first in time, first in right” principle was therefore clearly not uppermost in the minds of those negotiating the EC/Australia Wine Treaty.

7. As a result of the concern over the Australian trade mark “Kaiser Stuhl”, owned by Southcorp Wines, there was an exchange of letters between Australia and the EC. The result was that there was agreement that Southcorp Wines could continue to use the “Kaiser Stuhl” trade mark in spite of the geographical indication significance of “Kaiserpfalz”, “Kaiserberg”, “Kaiser Karl ” and “Kaisergarten” in Germany.

8. The issues relating to this trade mark were resolved but there have been a number of other disputes, where the ramifications of the EC/Australia Wine Treaty have meant that European geographical indications, newly protected in Australia, have come into conflict with existing rights to trade marks that are substantially identical to the geographical indications.²

9. Yet another difficulty caused by the co-existence of geographical indications and trade marks is the fact that they have some superficial similarities which lure one into the thinking that one is comparing apples with apples. The reality is very different. Although geographical indications and trade marks are, ultimately, both built on existing reputation, there are significant distinctions between them. Some simple examples demonstrate this fact.

10. Geographical indications cannot be created by an “intent to use” or by the mere lodgement of an application with a registration system, whereas trade marks can. Trade marks are personal property. Geographical indications, whilst clearly a collective right of some kind, are not capable of ownership by any individual but rather are a fixture to the region or locality which they represent.

11. Trade marks can be licensed to third parties whereas geographical indications cannot. Geographical indications and trade marks are therefore clearly different types of rights. One should therefore not be misled by any superficial similarity between them into believing that

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As an aside, the Australian legislation that protects geographical indications, namely the *Australian Wine and Brandy Corporation Act 1980*, makes no allowance whatsoever for trade mark rights, but merely gives geographical indications supremacy. To an intellectual property lawyer, that is anathema.

potential conflicts between them can be resolved by the application of a principle used generally in the field of intellectual property, namely the “first in time” rule.

“First in time, first in right”

12. When two parties claim competing rights to a trade mark, or other form of intellectual property, there are well-established processes which are used to test the validity of each party’s claim in order to determine the true owner. The “first in time, first in right” maxim is one such mechanism which is widely used.

13. When the question of conflict between geographical indications and trade marks has been considered by some of the world’s most eminent intellectual property and other organisations, each has passed resolutions to the effect that the resolution of such conflicts should be resolved by an application of the principle “first in time, first in right”.

14. The International Office of Wine and Vine (“the OIV”) is an inter-governmental organisation operating in the field of wine and its derived products.⁴ Forty-five countries are currently members of the OIV. In 1995 the OIV passed a resolution to the effect that geographical indications and trade marks deserve equal protection, according to the principle that the first party in time to use a name, whether as a trade mark or as a geographical indication, should have priority.⁵

15. At the AIPPI⁶ meeting in Rio de Janeiro in May 1998, the AIPPI adopted the following position on the conflict between trade marks and geographical indications:

“The AIPPI considers the protection afforded to geographical indications in relation to wines contained in Article 40 of EC Regulation 2392/89 to be excessive in so far as it provides that a geographical indication prevails over an earlier filed or used trade mark.

The AIPPI takes note of the principle of ‘first in time, first in right’ and considers that it could be a guiding principle for the resolution of conflicts between geographical indications and trade marks; the AIPPI therefore recommends that at least the principle of coexistence expressed in Article 5.3 of the Copenhagen Resolution should be applied:

To settle such conflicts AIPPI recommends in principle coexistence, unless the mark has acquired reputation or renown prior to the date the indication or source or appellation of origin has been established or recognised as such. In this case, protection of the indication or appellation should be denied, and registration refused or cancelled. This, however, does not preclude the use of the indication or

³ The OIV was established pursuant to the *Agreement for the Creation of an ‘office international du vin’ in Paris*, 29 November 1924.

⁴ OIV Resolution BCO 3/94

⁵ The International Association for the Protection of Intellectual Property.

appellation to identify the geographical origin of the goods or services under the conditions specified in Paragraph 31 of this Resolution.⁷”

16. The International Trademarks Association (“INTA”) has also passed its own resolution in this area, equally calling for conflicts between geographical indications and trade marks to be resolved by reference to the “first in time” principle.

17. Bear in mind, however, that not all organisations view the conflict in the same even-handed manner. Whilst the three above-mentioned organisations each supports the “first in time” principle, none has law-making powers⁸. On the other hand, two of the world’s more powerful lawmakers/rulemakers, namely the European Commission and the US Bureau of Alcohol Tobacco and Firearms, each support and promote a legal system where geographical indications are accorded superior rights, even over prior trade marks used and registered in good faith.⁹

18. As an intellectual property practitioner first but one who has also been long involved in the fight to protect appellations of origin against any usurpation, I cannot accept the suggestion that one form of intellectual property is, by definition, clearly superior to another. Indeed, one has only to turn to the provisions of the TRIPS Agreement itself to see that in Article 22(3), Members are required to refuse or invalidate registrations of trade marks which contain or consist of a geographical indication (for products other than wines and spirits) with respect to goods not originating in the territory indicated, “*if use of the indication in the trade mark for such goods in that Member is of such nature as to mislead the public as to the true place of origin*” (emphasis added). In other words, even TRIPS does not in every case give precedence to geographical indications.

19. Furthermore, TRIPS also includes a grandfather-type provision in Article 24(5). This provides that implementation of the protection for geographical indications pursuant to TRIPS shall not prejudice the eligibility for or the validity of the registration of or the right to use a trade mark which is identical with or similar to a geographical indication if the trade mark has been used in good faith either:

- before the date of the application of the relevant TRIPS provisions in that Member; or
- before the geographical indication is protected in its country of origin.

⁶ AIPPI Rio de Janeiro Resolution 1998 on Question 134.

⁷ Even though the OIV, by virtue of the inter-governmental agreement or treaty that established it, comes close.

⁸ It should naturally be noted that the US laws dealing with this issue do provide for a grandfather provision, protecting trade marks registered before 1 July 1986. However, even that provision is coming under attack, even if obliquely, in the litigation between the Napa Valley Vintners Association and Bronco Wines, over the latter’s use of the trade mark “Napa Ridge” in respect of wines not otherwise entitled to use the “Napa” appellation.

20. Whilst I describe below my reservations with the effect of Article 24(5), I endorse the fact that TRIPS gives the appearance of and indeed goes some way to implementing the well-accepted intellectual property principle of “first in time, first in right”.

The uncertainties of the “first in time” principle

21. It has, however, becoming increasingly difficult to apply this principle because of serious uncertainty as to what constitutes “first in time”. In some countries, it has customarily been a requirement that to establish a right by use, a party must actually have a business or trade in the country in question. This is a straightforward test and an easily measurable standard. However, in other countries, Australia included, a right to ownership may be established even if the person claiming the right has no business in the country. The application of the trade mark abroad, with the export of goods bearing the mark to a second country can constitute sufficient use in that second country to found an ownership claim. Even correspondence between people in different countries, which shows commercial use of the trade mark, may be sufficient to create rights to the trade mark.

22. In some extreme cases the law has gone even further and has allowed reliance on what is known as “slop-over” reputation as the basis for a claim to ownership of the trade mark.

23. “Slop-over” reputation is a reputation that exists in one country, such as Australia, but is derived from business activities in another country, such as New Zealand. Where a name or mark has such a strong reputation in the country where it is used that its reputation extends across international boundaries into Australia, Australian courts have been willing to protect the owner’s rights.¹⁰ In such “slop-over” cases it may be difficult to pin-point with any precision the time when the trade mark was first used in a particular country and yet that time may be critical in the application of the first in time principle.

24. Similarly, if a person has used a trade mark in one country, and then wishes to prevent the registration or use of the trade mark in another country where there has been no commercial use of the mark, it may be possible to achieve that outcome on the basis of the reputation that the trade mark has acquired through a variety of means, including:

- the publication of advertisements using the trade mark in journals or magazines circulating internationally including the second country;
- the publication of articles using the trade mark in journals or magazines circulating internationally including the second country;
- the use of the trade mark on the website of the party claiming ownership and, in particular, any emails or other internet-based contacts from traders, customers or potential customers in the second country; and
- proven exposure of the mark to Australians who have travelled to the country or countries in which the trade mark is used.

25. In the context of the protection of a geographical indication of one country in a second country, where there have either been no sales, or few sales, of products bearing that geographical indication the same philosophical questions arise as those which underlie the protection of trade marks in the examples given above. Should the producers of, for example,

⁹ See Fletcher Challenge Ltd –v- Fletcher Challenge Pty Ltd [1981] NSWLR 196.

the Irouléguay geographical indication¹¹ be able to protect that geographical indication in a second country where there have not been any sales of wine bearing that geographical indication? And should they be able to prevent a third party from adopting and using the identical name as a trade mark for wines produced in the second country? Leaving aside, for a moment, the provisions of the TRIPS Agreement, if the “first in time” principle is applied, what would that mean? Does it mean that:

- the Irouléguay producers must merely show that their region’s name was recognised and protected as a geographical indication in the first country (France); or
- the Irouléguay producers must show that their region’s name had been used in the second country, whether in press articles or advertisements, on the internet or by some other communication form; or
- the Irouléguay producers must show that their region’s name had been used on products sold into the second country or had in some other manner entered into trade as a geographical indication for the products of that region in the second country

before the third party adopted or started using the same name as a trade mark in the second country?

26. Only two or so decades ago, one could look at each market place the subject of a dispute, as a discrete problem and determine which party had prior rights in that jurisdiction. However, with the increase in international trade and, without doubt, since the advent and every day household usage around the world of the internet, determining which party is “first in time” in any particular jurisdiction is becoming a far more complex undertaking. As the above example shows, there are numerous possible dates of “first use”. In the case of a geographical indication, these could be:

- the date of the first recognition of the geographical indication in its country of origin;
- the date when the geographical indication was first protected in its country of origin;
- the date when the geographical indication was first published, in any sense, in the second country where the dispute takes place;
- the date when products sold under or by reference to the geographical indication where offered for sale or sold in the second country.

27. If a person uses a trade mark that also happens to be a geographical indication in some far flung country, and faces a challenge by the producers from the region which is entitled to use the geographical indication, to which of these dates must the person look as for an answer?

28. The fact that the world has become one small market place, where trade for so many products has become internationalised, means that virtually as soon as they are “recognised” in the country of origin a geographical indication will be published, in some manner or other, even if only through the internet, in every country of the world.

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Irouléguay is a French wine controlled appellation of origin.

A “first in time” case study – why the principle isn’t always appropriate

29. The application of rules or maxims, whilst seemingly attractive, can work serious injustice. A case in point is the current dispute in Australia between those persons who wish to register “Great Western” as a geographical indication and Southcorp Wines which is using that name as a trade mark.¹² If the maxim “first in time” were to be applied as the ultimate test, then the history books make it clear that the name should be registered as a geographical indication: its use as a geographical indication predates adoption of name as a trade mark by at least five years.

30. However, I think that it is critical to bear in mind the fact that those five years occurred between 1855 and 1860 (or thereabouts) and the name “Great Western” has coexisted as an (unregistered) geographical indication and as an (unregistered) trade mark for the last 143 years. It would make little sense on an equitable basis to allow the region to be registered as a geographical indication if the result was that it could then not be used by Southcorp Wines as a trade mark.¹³ The so-called “simple” answer of applying the “first in time” principle does not always produce equity and would not do so in this case.

31. When geographical indications and trade marks come into conflict, whether as a result of circumstances such as those described in relation to the “Great Western” situation, or as a result of the creation of rights flowing from trade (or other international) negotiations, how should one resolve these issues? To simply ignore the problem, as presently appears to be the case with Australian legislation protecting wine geographical indications, may create serious injustice. Similarly, the rigid application of any rule, whether it be the “first in time” principle or the straight favouritism of geographical indications over trade marks, may equally create serious injustice.

Another possibility for resolving conflicts: a formulaic response?

32. Interestingly, there has been a proposal in Australia for adopting a completely different approach to the problem of resolving the conflict between geographical indications and trade marks. The proposal was formulated in meetings between the members of the Australian Geographical Indications Committee (“the GIC”)¹⁴, and members of a subcommittee of the Australasian Chapter of the AIDV.

33. Shortly after its creation, the GIC reviewed the problem of the overlap between geographical indications and trade marks. Although it had not at that time been faced with the need to address the issue of the conflict between geographical indications and trade marks, it held a number of meetings with the AIDV subcommittee with a view to determining how to resolve such potential conflicts.

¹¹ I must declare my interest in this matter as acting for vignerons who wish to register the name as a geographical indication.

¹² Save where its wines bearing the trade mark had at least 85 percent of the grapes in them from the region of that name.

¹³ The GIC which was established pursuant to provisions of the *Australian Wine & Brandy Corporation Act* 1980 to consider applications to register Australian wine regions as geographical indications.

34. Working with the AIDV, the GIC prepared a draft regulation which would codify the criteria to be taken into account and which are directed to factual issues such as:

- (a) the reputation of the region;
- (b) the reputation of the trade mark;
- (c) the length of time that the name has been used to indicate the region and the extent of such usage;
- (d) the length of time that the trade mark has been used and the extent of such usage;
- (e) whether, and to what extent, the reputation of the trade mark assisted in the development of the reputation of the region as encapsulated in the name;
- (f) whether, and to what extent, the reputation of the region as encapsulated in the name assisted in the development of the reputation of the trade mark;
- (g) the value of the trade mark;
- (h) whether, and to what extent, the trade mark holder is likely to be prejudiced if the name becomes a registered geographical indication; and
- (i) whether, and to what extent, persons other than the trade mark holder are likely to be prejudiced if the name does not become a registered geographical indication.

35. The draft regulation has not been promulgated, let alone implemented. Australia's wine law regulator, and the courts, still have no basis for deciding whether an application to register a name as a geographical indication should be accepted where the name is already in use as a trade mark. The key issue is, of course, that there is no mechanism for determining whether trade mark rights or geographical indications should prevail. Certainly, there is no rule of Australian law, in either the *Trade Marks Act* or in the *Australian Wine & Brandy Corporation Act*, which gives priority to the first user. Indeed, as indicated above, the Australian legislation dealing with the protection of wine geographical indications presently does not take any account of trade mark rights.

36. The attempts of the GIC and the AIDV to devise a mechanism for judging each case on its merits, were not based on the concept of priority based on "first in time". Certainly priority in time is one issue, but it is only given brief consideration in the draft regulation. If the draft regulation was to be adopted, this would put Australia out of step with other countries, where there is no such complicated formula for determining the outcome of conflict between trade marks and geographical indications.

37. It should also be borne in mind that providing a formula to be applied when faced with the problem between a trade mark which is competing with a geographical indication, could be a useful, if novel, way of resolving such conflicts. However, merely setting out a series of indicators that must be taken into account, without giving any guidance as to the weighting of any of the factors, gives very little guidance, let alone any certainty, to persons whom may need to look to the regulations for a resolution of their problem.

38. Indeed, another set of Australian regulations in the wine industry that attempt to direct how a particular issue must be dealt with by providing an all-encompassing set of factors to be taken into account, has already been a spectacular disaster. Regulations made pursuant to Australia's wine legislation, the *Australian Wine and Brandy Corporation Act 1980*, detail how the GIC must fix Australia's wine regions as geographical indications. These regulations also set out a series of factors for the GIC to take into account, but provide no guidance as to the manner of their application or the comparative weighting of the various factors. These regulations were at the heart of the dispute concerning the fixing of the Coonawarra boundary and were the key regulations that the GIC and then the Federal Administrative Appeals Tribunal and then the Full Federal Court of Australia had to consider. The dispute and eventual litigation lasted for eight years and cost millions of dollars. The parties to the dispute were not assisted at all by the regulations which, like the AIDV subcommittee's attempt, merely recite every matter that could possibly be of relevance to the matter at issue.

39. Thus, in my view, merely setting out an all-embracing set of factors to be taken into account in a conflict between a trade mark and a geographical indication provides no certainty whatsoever, and makes such an approach unacceptable.

40. For these reasons, whilst I was a member of the subcommittee that prepared the draft regulation in 1996, I no longer support it.

Proposed Qualified "First in Time" Principle

41. Whilst the "first in time, first in right" principle has been endorsed by many organisations, I would not endorse the blanket application of that principle. As an intellectual property lawyer, the principle is certainly attractive and it is one which, in my view, should be the starting point for resolving disputes between geographical indications and trade marks. However, the principle needs clarification and I set out below a proposed qualification to the rule. I also advocate a modified application such as would allow, amongst other things, the coexistence of identical trade marks and geographical indications in appropriate cases, such as in the Great Western situation in Australia. Certainly where there is co-existence, there is a risk of dilution of the trade mark proprietor's rights, but I suggest that in many of the situations where co-existence is the outcome, the trade mark and the geographical indication will have lived with each other in any event for a considerable period. Co-existence in such scenarios will merely be formalising the already subsisting facts.

42. In seeking to resolve conflicts, on a jurisdiction by jurisdiction basis, between trade marks and geographical indications, there are (at least) four paths that can be followed in determining which has priority. Priority could be determined accordingly to:

- pre-determined rules, giving priority as a matter of right either to geographical indications or to trade marks, depending on your position;
- priority in time, with the first in time having precedence (as suggested by the AIPPI, INTA and the OIV);
- a formula taking into account a wide range of factors, as suggested by the Australian GIC working with the AIDV Australasian Chapter subcommittee; or

- allowing both to be registered in the appropriate circumstances subject to the implementation of safeguards regulating the use of each so as to avoid consumer deception.

43. As an intellectual property lawyer, my natural tendency is to prefer the second possibility, namely, in the case of a dispute, to favour the first in time. However, as indicated above, such a principle requires some clarification, and, as I suggest below, a qualification.

What does “first in time” mean?

44. Although I acknowledge that I am clearly out of step with TRIPS Agreement, I do not favour resolving conflicts between geographical indications and trade marks in the manner proposed by Article 24(5) of the TRIPS Agreement. I see it as inequitable and contrary to every intellectual property principle to require a person who is the first user of a trade mark in their jurisdiction, to be forced to give up that trade mark right in the event of a dispute, simply because the geographical indication in question has been first recognised in its own country before the date of first adoption of the trade mark in another country.

45. The test must, I suggest, be more stringent than that set out in Article 24(5). Irrespective of the omnipresence of the internet, the ease with which one engages in international trade, and the fact that doing business around the world has never been easier, the simple fact is that we do not have a single international legal system that regulates rights around the world.

46. In spite of the multiplicity of international treaties in the intellectual property sphere, each country has its own legal system. Even the existence of the European Union has not, several decades after its foundation, done away with the independent legal systems of the member countries. In each country, the rights of each party are dealt with under the local laws. Whilst some legislation, such as the patents legislation of many countries, impose tests in some areas of universal novelty or obviousness and other legislation, such as copyright legislation, accords protection to works irrespective of where they were created, we are not yet in a perfect world. Certainly trade mark rights and laws protecting geographical indications are generally local laws, dependant on local fact. Article 24(5) of TRIPS, when seen in such light, is an aberration, in that it ignores the naturally parochial nature of each country's legal system.

47. Thus, I would suggest the following two key qualifications to the “first in time, first in right” principle.

48. In order for a party to be “the first”, there must not simply have been some protection acquired for the trade mark or geographical indication in their own, or some other country. Rather, priority must be determined according to the jurisdiction where the dispute is taking place.

49. Use in that jurisdiction cannot simply be use by virtue of publicity broadcast to the world at large through such means as the internet, or internationally circulating magazines or journals. If there is no focus on, or targeting of, a particular market by advertising or marketing material, articles or other supposed uses of the trade mark or geographical indication in question, then such material should not be considered to be a “use” of the trade mark or geographical indication in that particular jurisdiction. The mere fact that the material has found its way into that jurisdiction should not be sufficient. In my view, first use of a

trade mark or geographical indication should not be established merely by such unfocused or untargeted usage. On the other hand, I am not advocating that it should be imperative to have a business, or commercial dealings in, or even sales to, a particular jurisdiction. Rather, if it can be established that a trade mark or geographical indication has acquired a reputation (to any extent other than a *de minimus* reputation) in a particular jurisdiction, as a result of some focussed or targeted advertising or marketing or other activity, then that should be considered to be capable of constituting a first use.

Is Registration Crucial for Recognition?

50. The next question relates to whether one must recognise both registered and unregistered trade mark rights and registered and unregistered geographical indications. Whilst one might believe that, from an equitable perspective, either both rights must be registered or both might be unregistered, I don't accept that this must be the case. The issue is one of certainty.

51. In this regard, an unregistered (or common law) trade mark right can be readily identified at law. The products or services in respect of which it has a reputation, and its user or owner are all capable of ready identification by reference to past conduct.

52. However, that is not the case with geographical indications. To say that one should recognise unregistered geographical indications provided that they are protected by law in their own country does not suffice. One is quite capable of saying that a geographical indication is "protected" by consumer protection laws that stops third parties from misrepresenting their products as emanating from a particular geographical indication. That is not, in my view, the same as suggesting that a geographical indication is "protected". If it is unregistered, then there is a serious issue as to the extent in area of the geographical indication, the entitlement to use it and, as an extension of the first point, the people who are entitled to take the benefit of, and use, the geographical indication in respect of their products. If the legal system of the geographical indication in question has not determined its boundaries, then who is entitled to assert that they have rights as part of a collective right, and who can protect that geographical indication, are entirely uncertain.

53. Accordingly, I believe that there is a much greater need for geographical indications to be registered than there is for trade marks. In other words, the trade mark right, whether or not registered, should always defeat a right based on an unregistered geographical indication.

Literal Co-existence

54. As a final qualification to the "first in time" rule, I would also suggest that there may be situations, such as the Great Western conflict I have described above, where both a trade mark and a geographical indication of the same name should be allowed to co-exist. Again, having regard to well-established intellectual property concepts, honest concurrent use of both the trade mark and the geographical indication by each party or group of users, should be a prerequisite for the two rights to be allowed to co-exist.

55. Whilst some advocate that TRIPS Article 16 guarantees a trade mark owner exclusive use of their trade mark, arguing that co-existence is antithetical to such exclusive property rights, this fails to take into account the fact that honest concurrent use is accepted by many jurisdictions as a clear exception to the principle of exclusivity of ownership. There is no

logical reason why the same principle should not apply merely because the two competing rights are not both trade marks rights, but rather a trade mark as opposed to a geographical indication.

56. However, where a legal system accepts the right of owners of an identical trade mark and geographical indication to exist side by side, each right should, in my view, be coupled with an obligation to mark each usage of the name with a sign indicating that it is being used either as a trade mark or as a geographical indication. Otherwise, the mutual protection of both could only serve to create or further consumer deception or confusion.

Conclusion

57. The resolution of the conflict between geographical indications and trade marks is often not easy, especially where, as is so often the case, geographical indications from one country or group of countries are suddenly imposed on the legal system of another country due to trade negotiations or the like. Where those negotiating the treaties don't make decisions as to how conflicts between geographical indications and trade marks should be resolved, I would advocate a modified first in time principle as described above.

58. In conclusion, let me stress that, unlike many, I am not taking sides and advocating trade mark rights over geographical indication rights, nor vice versa. Rather, I am championing intellectual property principles, whatever the outcome may be in any particular case.

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