

Working Group on the Development of the Lisbon System (Appellations of Origin)

Second Session

Geneva, August 30 to September 3, 2010

Results of the Survey on the Lisbon System

Document prepared by the Secretariat

1. At its first session, which took place in Geneva from March 17 to 20, 2009, the Working Group on the Development of the Lisbon System (Appellations of Origin) (hereinafter referred to as “the Working Group”) agreed, *inter alia*, that the International Bureau of the World Intellectual Property Organization (WIPO) should conduct a survey with a view to ascertaining how the Lisbon system might be improved, in order that the system would become more attractive for users and prospective new members of the Lisbon Agreement for the Protection of Appellations of Origin and their International Registration while preserving the principles and objectives of the Agreement. At its twenty-fifth (18th extraordinary) session, the Assembly of the Lisbon Union, when renewing the mandate of the Working Group, took note of this initiative, as reflected in document LI/A/25/3.
2. Since the launch of the survey in the autumn of 2009, on the basis of a questionnaire prepared by the International Bureau, which was circulated among Member States of WIPO and observers, and which is available on the WIPO website, 36 contributions were received. Most of these contributions provide responses to the questionnaire made available by the International Bureau. However, some contributions do not contain responses to all questions of the questionnaire or have been prepared on the basis of another format to address questions concerning the Lisbon system.
3. The International Bureau has received 13 contributions from Member States of the Lisbon Agreement (hereinafter referred to as “Lisbon Member States”), 12 contributions from States that are not party to the Lisbon Agreement (hereinafter referred to as

“non-Lisbon States”), one contribution from an intergovernmental organization, five contributions from non-governmental organizations, one contribution from a professional organization, two contributions from academia and two contributions from private enterprises, i.e.:

- (i) the following Lisbon Member States: Bulgaria, Congo, Costa Rica, Czech Republic, France, Hungary, Israel, Italy, Mexico, Peru, Portugal, Republic of Moldova, and Slovakia;
 - (ii) the following non-Lisbon States: Brazil, Greece, Indonesia, Lithuania, Madagascar, Russian Federation, Spain, Switzerland, Syrian Arab Republic, Turkey, Ukraine and the United States of America;
 - (iii) the following intergovernmental organization: European Union (EU);
 - (iv) the following non-governmental organizations: Brazilian Industrial Property Association (ABPI), European Communities Trade Mark Association (ECTA), International Trademark Association (INTA), MARQUES (Association of European Trademark Owners) and the Organization for an International Geographical Indications Network (OriGIN);
 - (v) the following professional organization: *Bureau national interprofessionnel du Cognac* (BNIC);
 - (vi) the following representatives of academia: Prof. Dr. Alberto Ribeiro de Almeida (University of Coimbra) and the Centre for International Intellectual Property Studies (CEIPI);
 - (vii) the following private enterprises: Debreceni Csoport Húsipari Kft. from Hungary and Mizz Mizz Herbal Fashion from Finland.
4. The full text of all these contributions, as received, is available on the WIPO website at <http://www.wipo.int/lisbon/>.
 5. The present document summarizes the various points made in these contributions, with a view to facilitating discussion in the Working Group on the issues raised. This summary, as contained in the Annex to the present document, retains the sequence of the topics addressed in the survey's questionnaire.

6. *The Working Group is invited to:*

(i) *take note of the results of the survey as contained in the Annex to the present document; and*

(ii) *decide on any follow-up action that the Working Group may deem appropriate.*

[Annex follows]

I. THE BASIS FOR PROTECTION IN THE COUNTRY OF ORIGIN

1. This matter was the subject of the first question of the survey's questionnaire. The question read as follows:

Question 1: Should the basis for protection in the country of origin in Article 1(2) of the Agreement and Rule 5(2)(a)(vi) of the Regulations be revised, in view of the different means of protection existing around the world for geographical indications?

Aim of the Question

2. The purpose of the question was to hear views as to whether the phrase "recognized and protected as such" in Article 1(2) of the Lisbon Agreement restricts eligibility for registration and protection under the Agreement to appellations of origin recognized and protected in the country of origin under *sui generis* legislation for the protection of appellations of origin. In particular, the words "as such" have been interpreted in that sense. However, as indicated by the International Bureau in the questionnaire, the phrase in question does not necessarily impose a specific means by which an appellation of origin should be protected in the country of origin, nor does it prescribe the specific legal form of protection. The relevant issue would appear to be whether a geographical denomination meets the definition of Article 2(1) of the Lisbon Agreement. Rule 5(2)(a)(vi) of the Regulations under the Lisbon Agreement, accordingly, broadly refers to protection in the country of origin by virtue of legislative provisions, administrative provisions, judicial decisions or registration.

Text of the Provisions in Question

3. The text of Article 1 of the Lisbon Agreement currently reads as follows:

"Article 1

"[Establishment of a Special Union; Protection of Appellations of Origin Registered at the International Bureau]¹

"(1) The countries to which this Agreement applies constitute a Special Union within the framework of the Union for the Protection of Industrial Property.

"(2) They undertake to protect on their territories, in accordance with the terms of this Agreement, the appellations of origin of products of the other countries of the Special Union, recognized and protected as such in the country of origin and registered at the International Bureau of Intellectual Property (hereinafter designated as 'the International Bureau' or 'the Bureau') referred to in the Convention establishing the World Intellectual Property Organization (hereinafter designated as 'the Organization')."

¹ Articles have been given titles to facilitate their identification. There are no titles in the signed French text.

“Rule 5
“Requirements Concerning the International Application

[...]

“(2) [Mandatory Contents of International Applications] (a) The international application shall indicate:

[...]

“(vi) the title and date of the legislative or administrative provisions, the judicial decisions or the date and number of the registration by virtue of which the appellation of origin is protected in the country of origin.”

[...]

4. The various views expressed in the contributions received are summarized in the following paragraphs. They focus on the parts of the provisions in question underlined in the paragraphs above.

Main Conclusions

5. The various contributions received in the context of the survey would appear to confirm that the condition that an appellation of origin must be recognized and protected as such in the country of origin means that the appellation of origin must be constituted by a geographical denomination that is recognized in the country of origin as the denomination of a geographical area serving to designate a product that originates therein and meets certain qualifications (in accordance with Article 2 of the Lisbon Agreement) and that is protected against unauthorized use (in accordance with Article 3 of the Lisbon Agreement). The legal means by which such recognition and protection takes place in the country of origin are determined by legislation meeting the requirements of Articles 2 and 3 of the Lisbon Agreement. Such means could be *sui generis* legislation or other legislation and, as stipulated in Rule 5(2)(a)(vi) of the Regulations under the Lisbon Agreement, formalization of the protection under such legislation may have occurred by virtue of legislative provisions, administrative provisions, judicial decisions or registration.
6. However, as expressed in many contributions to the survey, it would be useful to formalize this flexible interpretation of the provisions of Article 1(2) of the Lisbon Agreement and Rule 5(2)(a)(vi) of the Regulations under the Lisbon Agreement and amend the provisions in question by additional language specifying their application with regard to the various means by which Articles 1(2), 2 and 3 of the Agreement can be implemented and clarifying whether the listing in Rule 5(2)(a)(vi) is exhaustive or merely indicative. Some contributions indicate that the words “as such” should be deleted from Article 1(2), to the extent that they could put a flexible interpretation in doubt. Some other contributions are suggesting that a model law might be developed focusing on the various means for recognition and protection existing in the world.
7. Many contributions to the survey indicate that, if Article 2 of the Lisbon Agreement would be amended by the addition of a definition for geographical indications along the lines of Article 22.1 of the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS), as many have suggested in response to question 2 of the survey’s questionnaire, a corresponding amendment of Article 1(2) of the Lisbon Agreement might be appropriate. In this regard, the issue would appear to be that such an amendment of Article 1(2) should take into account that some domestic laws may have one

definition – for geographical indications – and other domestic laws two definitions – one for geographical indications and another for appellations of origin. Recognition and protection in a country of origin on the basis of a single definition, as contained in a domestic law of the first mentioned type, may not necessarily provide sufficient information for determining on the basis of domestic laws that contain two definitions, whether both these definitions are met or just one of them. This issue is, of course, of particular importance if the scope of protection for an appellation of origin under domestic law is broader than for a geographical indication. These contributions also point out that the issue is all the more relevant if the recognition and protection under domestic law take place on the basis of a collective, certification or guarantee mark, or on the basis of an unfair competition law or a consumer protection law. Another contribution advances the view that, if these various titles of protection can all be the basis of a Lisbon registration, their scope of protection should be brought in line with each other.

8. Thus, clarification would appear to be required in Articles 1, 2 and 3 of the Lisbon Agreement as to their application with respect to the various means for recognition and protection, as may exist at the domestic level, i.e.: (a) the titles of protection available for appellations of origin and/or geographical indications, as defined under the Agreement; (b) the definitions of the object of protection on the basis of which titles of protection are granted; (c) the scope of protection under these titles of protection for appellations of origin and geographical indications; (d) the criteria to be applied for determining whether protection under one of these titles in the country of origin can be acceptable for protection under another of these titles in another Member State, notably if the recognition criteria or the scope of protection differ from each other; and (e) to what extent protection by virtue of more than one title can be allowed, if at all.

Substantive Examination

9. Some contributions indicate that, whatever means of protection apply in the country of origin, the filing of an international application needs to be preceded in that country by a substantive examination, in order to validate that the denomination in question meets the definition applicable under the Lisbon Agreement. Another contribution indicates that protection in the country of origin should remain a pre-requisite for international registrations under the Agreement.

II. TERMINOLOGY AND DEFINITIONS

10. This matter was the subject of question 2 of the survey's questionnaire, which read as follows:

Question 2: Should the definition provisions of Article 2 of the Lisbon Agreement be amended?

Aim of the Question

11. The aim of this question was to explore whether an amendment of Article 2 of the Lisbon Agreement is necessary or desirable, to improve the Lisbon system. The reason for exploring this was explained in the questionnaire, as follows. While a number of domestic laws exist that make protection available for "appellations of origin" on the basis of a definition that corresponds to the definition of Article 2(1) of the Lisbon Agreement, other laws provide protection for "geographical indications" on the basis of the definition

of Article 22.1 of the TRIPS Agreement. Some laws provide both a definition for “appellations of origin” and a definition for “geographical indications” (or variations of those terms). Moreover, some laws deal with the same subject matter without defining the term “appellation of origin” or the term “geographical indication”.

Text of the Provisions in Question

12. Article 2 of the Lisbon Agreement currently reads as follows:

“Article 2

“[Definition of Notions of Appellation of Origin and Country of Origin]

“(1) In this Agreement, ‘appellation of origin’ means the geographical denomination of a country, region, or locality, which serves to designate a product originating therein, the quality or characteristics of which are due exclusively or essentially to the geographical environment, including natural and human factors.

“(2) The country of origin is the country whose name, or the country in which is situated the region or locality whose name, constitutes the appellation of origin which has given the product its reputation.”

13. Article 22.1 of the TRIPS Agreement reads as follows:

“Article 22: Protection of Geographical Indications

“1. Geographical indications are, for the purposes of this Agreement, indications which identify a good as originating in the territory of a Member, or a region or locality in that territory, where a given quality, reputation or other characteristic of the good is essentially attributable to its geographical origin.”

[...]

Main Conclusion

14. The main conclusion from the various contributions received in the context of the survey is that Article 2 of the Lisbon Agreement should cover both appellations of origin and geographical indications, even though not all contributions seem to share this view. However, different views have been expressed as to how to achieve this. These views have focused on the elements of the provisions in question, as underlined in the paragraphs above, and are summarized in the following paragraphs.

Appellations of Origin and/or Geographical Indications?

15. The basic proposition in contributions from Lisbon Member States to cover both appellations of origin and geographical indications under the Agreement is to introduce a definition for geographical indications into Article 2 of the Lisbon Agreement. The majority view of these Member States would appear to be that the definition for appellations of origin in Article 2 should be maintained but that a second definition might be added in order to cover geographical indications. As a model for such a second definition, reference has been made to Article 22.1 of the TRIPS Agreement, but also to

Article 2 of the Council Regulation (EC) No. 510/2006 of 20 March 2006 on the Protection of Geographical Indications and Designations of Origin for Agricultural Products and Foodstuffs. Some of the contributions referred to above also suggest that, in the long run, a convergence, or even unification, of the definitions would be desirable.

16. The contributions received from non-Lisbon States, in majority, also suggest that a definition as stipulated in Article 22.1 of the TRIPS Agreement be introduced into the Lisbon Agreement. Also among these countries, the majority view would appear to be that the definition for appellations of origin in Article 2 of the Lisbon Agreement should be maintained but that a second definition might be added in order to cover geographical indications.
17. The intergovernmental organization that contributed to the survey has expressed the view that the Lisbon Agreement should provide the possibility to protect all those indications that meet the TRIPS definition in Article 22.1, and that it might even be appropriate to adopt a common terminology, by replacing the term “appellation of origin” with the term “geographical indication” and its TRIPS definition.
18. Among the non-governmental organizations that contributed to the survey, one view expressed was that Article 2 of the Lisbon Agreement should be amended, in order to replace the term “appellation of origin” by the wider notion of “geographical indication”, for purposes of further harmonization with the definitions provided under the European Union Regulations and the TRIPS Agreement. In another opinion, the concept of appellation of origin, which is well-established (requirement of a link between the geographical environment and the quality or characteristics of the product) and has been consolidating over the years, should be preserved. In this regard, two views were advanced, namely: (1) that Article 2 should be amended in order to add a paragraph indicating that geographical indications falling under the definition of the TRIPS Agreement would also be protected as geographical indications under the Lisbon Agreement; and (2) that Article 2 should not be weakened by a broader definition. In this context, it was also suggested that the term “appellation of origin” be replaced by “international appellation of origin” in the Lisbon definition, to avoid any confusion between appellations of origin protected under the Lisbon system and those protected under the European Union Regulations.
19. Both contributions received from academic circles call for the inclusion in the Lisbon Agreement of the definition for geographical indications of the TRIPS Agreement but to maintain the distinction between appellations of origin and geographical indications (as to the applicable quality connection). One of these contributions, in addition, suggests that the definitions should allow geographical indications and appellations of origin to be available in respect of goods or services. The other contribution suggests that a protocol to the Lisbon Agreement might be considered: while the strict notion of appellation of origin would be preserved in the Lisbon Agreement, such a protocol could adopt the more consensual and flexible notion of geographical indication, as defined under the TRIPS Agreement. In respect of geographical denominations registered as an appellation of origin under the Lisbon Agreement and also as a geographical indication under a suggested protocol, the Lisbon Agreement would continue to apply normally between its Contracting Parties, or between Contracting Parties to both the Lisbon Agreement and such a protocol, and the protocol would apply in those situations in which one of the Contracting Parties would be a party to the protocol, but not to the Lisbon Agreement.

20. The professional association that contributed to the survey expressed the view that it would be useful to align the definition of appellation of origin under the Lisbon Agreement with the one provided for geographical indications under the TRIPS Agreement, so that Article 2 of the Lisbon Agreement would henceforth lay down “Definitions of Notions of Appellations of Origin/Geographical Indications and Country of Origin” or “Definitions of Notions of Geographical Indications and Country of Origin”, for example.

Coverage of the Term “Geographical Denomination”²

21. Several contributions from Lisbon Member States indicate that Article 2 of the Lisbon Agreement should be amended so as to include traditional geographical and non-geographical denominations. According to another view expressed, such an amendment is not necessary, as a broad interpretation of the notion of “geographical denomination” (or even “geographical name”) would include all sorts of signs that could serve to designate a product originating in a given territory. A suggestion was also advanced that “geographical name” might be replaced by “indication used to identify a product as originating in...”, in order to encompass also traditional denominations with a geographical connotation.
22. Several other contributions to the survey also expressed the view that the notion of appellation of origin should be extended so as to include also traditional denominations (i.e., appellations of origin that do not have a geographical name but that are nonetheless perceived as having a specific geographical origin), including those of some non-Lisbon States, a non-governmental organization and both contributions from academia.

Trans-Border Areas; Notion of “Country of Origin”

23. Several contributions suggest that the definition of “country of origin” in Article 2(2) of the Lisbon Agreement should be refined, so as to accommodate (1) the possible accession by intergovernmental organizations and (2) the registration of appellations of origin concerning products from trans-border areas. The contribution from one of the academic institutions suggests that Article 2(2) be deleted.
24. As regards item (1) in the previous paragraph, the contributions from two Lisbon Member States, one non-governmental organization, as well as the intergovernmental organization that answered the questionnaire and one of the contributions from academia are of the view that the Lisbon Agreement should be amended to allow the accession of intergovernmental or regional organizations and, thus, make the Lisbon system more attractive, thereby enhancing the chances of further ratifications.
25. As regards item (2), the contribution from a Lisbon Member State suggests that the Lisbon Regulations could expressly provide for the possibility of trans-border applications, to be lodged jointly by producer groups from a trans-border geographical area, as nothing

² After consultation with the Member States of the Lisbon Agreement, in accordance with its Article 17(1)(b), the Director General has established corrected English and Spanish versions of the Lisbon Agreement. One of the corrections in the English version concerns the term “geographical name” in the old version, which has been corrected into “geographical denomination”, as this is a more faithful translation of the term “*dénomination géographique*” in the text in the French language, in which the Agreement was signed (see Article 17(1)(a) of the Agreement).

in the Lisbon Agreement itself would justify the assumption that an appellation of origin can only be applied for by a single country of origin. A non-Lisbon State shares the view that, in view of the fact that the geographical environment that gives the product, to which an appellation of origin relates certain qualities or characteristics, could be common to various countries (trans-border areas), provision should be made for such an appellation of origin to be registered, either individually or collectively, by the interested countries. The view is also shared by the intergovernmental organization that contributed to the survey.

Quality, Reputation, Characteristics and the Link to the Geographical Environment³

26. A Lisbon Member State has advanced that, in view of the wording of Article 22 of the TRIPS Agreement, the notion of “reputation” should be included in the definition of Article 2(1) of the Lisbon Agreement, thus achieving a higher level of convergence at the international level. Another such Member State expressed the view that the definition for appellations of origin corresponds to an established practice and a concrete reality of products with characteristics derived from a given natural environment and know how of the people in the production area. The qualifying criteria for their protection should not be altered. The contribution from one of the academic institutions expresses a preference for maintenance of the requirement concerning a strong connection to the geographical environment, but suggests that this link may be based on “natural or human factors” and not on “natural and human factors”, as is currently the case.
27. A non-Lisbon State has expressed the view that it would not be desirable if the definition for appellations of origin under Article 2(1) of the Lisbon Agreement would include the notion of “reputation”. For an appellation of origin, it should remain obligatory to show a link between the quality or characteristics of the product and its geographical environment (including natural and human factors). Reputation alone cannot be a criterion on the basis of which such a link could be established for an appellation of origin. This is different for geographical indications under Article 22.1 of the TRIPS Agreement. Neither can reputation be an obligatory criterion for appellations of origin. The contribution from one of the academic institutions expresses a supportive view in this respect. Another non-Lisbon State has advanced that the definition of Article 2 of the Lisbon Agreement could be improved by the inclusion of the possibility of registering a geographical indication serving to designate a product, the reputation of which is due to the geographical environment.

III. SCOPE OF PROTECTION

28. This matter was the subject of questions 3 and 4 of the survey’s questionnaire, which read as follows:

Question 3: Should Article 3 of the Lisbon Agreement be amended so as to address the protection of appellations of origin against use on products that are not of the same kind and, if so, on the basis of what criteria?

³ See footnote 1, above. One of the corrections in the English version concerns the term “quality and characteristics” in the old version, which has been corrected into “quality or characteristics”, so as to bring it in line with the term “*la qualité ou les caractères*” in the French text.

Question 4: What amendments would be necessary to Article 3 in connection with the answer to questions 1 and 2 above?

Aim of the Questions

29. Question 3 had three purposes. In the first place, the question aimed to explore whether the scope of protection under Article 3 of the Lisbon Agreement was generally understood in the same way as explained in the questionnaire, i.e., that, although the Lisbon Agreement does not define the terms “usurpation” and “imitation”, as contained in its Article 3, its negotiating history would appear to show that these terms are aimed to prevent use of an internationally registered appellation of origin on a product of the same kind not originating from the area to which the appellation of origin refers or a product of the same kind that, while originating in that area, does not meet the quality or characteristics on which protection for the appellation of origin is based. The question's second aim was to seek feedback as to whether protection on the basis of these terms was considered sufficient. The third purpose of question 3 was to explore whether its scope should be extended so as to provide also protection against use on products that are not of the same kind as those to which the internationally registered appellation of origin relates.
30. In this connection, the purpose of question 4 was to explore what changes might be required in Article 3 as a result of any changes to Articles 1 and 2 suggested in response to questions 1 and 2, respectively.

Text of the Provisions in Question

31. Article 3 of the Lisbon Agreement currently reads as follows:

“Article 3
“[Content of Protection]

“Protection shall be ensured against any usurpation or imitation, even if the true origin of the product is indicated or if the appellation is used in translated form or accompanied by terms such as “kind,” “type,” “make,” “imitation”, or the like.”

Main Conclusions

32. While contributions from Lisbon Member States generally confirm an understanding of the terms “usurpation and imitation” corresponding to the description mentioned above, contributions from non-Lisbon States are generally calling for clarification of these terms.
33. Although some Lisbon Member States would appear to be of the view that the scope of protection under Article 3 is sufficient, several other Lisbon Member States indicated that Article 3 needs to be amended so as to cover certain kinds of use not covered by the terms “usurpation and imitation”, both in respect of use of the appellation of origin on products of the same kind and in respect of products that are not of the same kind. Several other contributions also made suggestions in this respect.
34. In view of the responses received in regard to questions 1 and 2 of the questionnaire, clarification would appear to be required in Article 3 of the Lisbon Agreement as indicated in paragraphs 7 and 8 above.

Scope of the Current Provisions of Article 3

35. Some contributions specify that protection under the provisions of Article 3 should be available against any direct or indirect use on identical or comparable goods or services. However, it has also been advanced that appellations should not only be protected in case of use in respect of “comparable” products, as a restriction to “comparable” products would not seem *prima facie* justified. Another contribution indicates that such protection should remain limited to use in respect of identical or similar goods or services. However, the view has also been expressed that these trademark-based criteria do not necessarily match with the criteria on the basis of which appellations of origin are protected. Another view expressed calls for an extension of the protection to related or linked products.
36. A number of contributions suggest that other criteria should be applied than “usurpation or imitation”. Some advance that, instead, criteria should be applied focusing on use that may cause confusion. According to another view expressed in one of these contributions, the concepts of “usurpation and imitation” should be brought in line with the standards of likelihood of confusion or dilution of/free-riding on the reputation under trademark law. However, a contrary view has also been expressed, i.e., that criteria linked to a risk of confusion between products should be discarded, as appellations of origin are protected on the basis of their inherent quality or characteristics and not on the basis of their distinctive character among other products. Another suggestion made is to replace the terms “usurpation or imitation” by a prohibition of the use of rectifying terms such as “type”, “species”, “kind”, “system”, “similar”, “substitute”, “identical”, or the like, on a product, container, casing, belt, label, invoice, flyer, poster or any other means of disclosure or advertisement, without clearly stating the actual provenance of the product.
37. The suggestion has also been made to clarify that usurpation and imitation not only cover situations where the product/good does not have the true origin indicated by the appellation, but also where the product/good does not meet the requirements associated with the appellation of origin.

Use on Products that are not of the Same Kind

38. Some Lisbon Member States indicated that Article 3 should not be amended so as to provide protection against any use of the appellation of origin in respect of products that are not of the same kind. Some non-Lisbon States share this view.
39. A number of contributions express the view that, where it is not clear what is covered by the terms “usurpation or imitation”, it is not clear either whether its scope is limited to products of the same kind or also extends to products that are not of the same kind. Among these contributions, one from a Lisbon Member State indicates that its law prohibits the misuse of an appellation of origin and that, although the law does not specify what constitutes misuse, it is less likely that misuse should occur on products which are not of the same kind. Another of these contributions, from a non-governmental organization, suggests an amendment of Article 3 consisting of the addition of a second sentence reading: “The protection ensured by this Article also applies to the unlawful use of the appellation of origin on products that are not of the same kind”.

40. A number of other contributions suggest an amendment of Article 3 so as to stipulate other criteria on the basis of which appellations of origin would be protected against use on products that are not of the same kind. Different criteria have been proposed, which can be categorized as follows:
- (i) Criteria focusing on use that would take unfair advantage of, or be detrimental to, the repute of the appellation of origin.
 - (ii) Criteria focusing on use or evocation of the appellation, in the designation or presentation of a product, where such use or evocation is of such a nature as to mislead the public as to the geographical origin of the product concerned, as to the composition of the products, or use which exploits or weakens the reputation of the appellation of origin.
 - (iii) Criteria focusing on false or misleading use as to the products, their origin, or their manufacturer.
 - (iv) Criteria focusing on any use, depending on the type or kind of products, their origin and whether the use falls within the ambit of authorized use as granted by the competent authority.
 - (v) Criteria focusing on acts of unfair competition, notably parasitism.
 - (vi) Criteria focusing on use that may cause confusion.
41. As regards the criteria referred to in the previous paragraph under (i), (iii) and (v), some contributions specify that, in addition, the use in question should have taken place in bad faith.
42. As regards the criteria referred to in paragraph 40 under (ii), several contributions indicate that “evocation” refers to situations where the term used to designate a product incorporates part of a protected denomination/indication, so that when the consumer is confronted with the name of the product, the image triggered in his mind is that of the product whose denomination/indication is protected.
43. As regards the criteria referred to in paragraph 40 under (v), it has been advanced that this type of violations essentially concerns appellations with a high degree of reputation and that, for determining whether an appellation has a sufficient degree of reputation, various criteria could be applied: length of use, scope of commercial use, knowledge of the appellation among a significant part of the relevant public (as could be substantiated with reference to surveys, publications, promotional activities, etc.). These criteria are to be applied in the country where the claimed protection should have effect.
44. As regards the criteria referred to in paragraph 40 under (vi), a contrary view has also been expressed, i.e., that criteria linked to a risk of confusion between products should be discarded, as appellations of origin are protected on the basis of their inherent quality or characteristics and not on the basis of their distinctive character among other products.

New Forms of Usurpation

45. The view has been expressed that the development of new technologies has led to new forms of usurpation, notably through the use of geographical denominations protected by appellations of origin in domain names. Although the international registration of an appellation of origin under the Lisbon Agreement leads to an international title of protection that encompasses protection against such practices, its effectiveness could be improved, notably if the appellation of origin could benefit from provisions laying down dispute settlement procedures.

Relationship Between Geographical Indications and Trademarks

46. Suggestions have been made to add provisions in the Agreement dealing with the relationship between trademarks and geographical indications or appellations of origin. Such provisions should protect geographical indications and appellations of origin against the registration of a trademark containing or consisting of a geographical indication or appellation of origin, if its use would involve one of the situations covered by Article 3. However, provisions should also be established to safeguard prior trademark rights acquired in good faith prior to the date on which the geographical indication or appellation of origin became protected. Furthermore, provisions should be established to protect well-known marks against the registration of a geographical indication or appellation of origin, if this could mislead the consumer as to the true identity of the product.
47. Another view has been advanced in the contribution from one of the non-governmental organizations, namely that the relationship between trademarks and appellations of origin/geographical indications is governed by the principles of priority, exclusivity and territoriality, based on which the protection of an appellation of origin/geographical indication must be refused or cancelled where it conflicts with prior trademark rights, with priority being determined from the perspective of the country in which protection is sought. Under no circumstances may the protection of an appellation of origin/geographical indication be used as a basis for a claim to enjoin the use of a trademark with an earlier priority than the appellation of origin/geographical indication.

IV. APPLICATION AND REGISTRATION PROCEDURES

48. This matter was the subject of question 5 of the survey's questionnaire, which read as follows:

Question 5: Are there elements in the application and registration procedures requiring improvement and, if so, which are these elements?

Aim of the Question

49. In its introduction of questions 5 to 8 of the questionnaire, the International Bureau had explained that the negotiating history of the Lisbon Agreement showed that the Lisbon system was meant to: (a) require a country of origin to provide information in international applications allowing the other member countries proper examination as to whether they can protect the internationally registered appellations of origin concerned; (b) require these other countries to take position within a period of one year from receipt of the notification of an international registration and, in case they submit a declaration of

refusal, to specify the grounds for such refusal; and (c) shield such an appellation of origin against becoming a generic denomination. In this context, the aim of question 5 was to explore whether the current requirements for international applications were sufficient to allow a proper examination by other Lisbon Member States.

Text of the Provisions in Question

“Article 5

“[International Registration; [...]]

“(1) The registration of appellations of origin shall be effected with the International Bureau, at the request of the Authorities of the countries of the Special Union, in the name of any natural persons or legal entities, public or private, having, according to their national legislation, the right to use such appellations.

“(2) The International Bureau shall, without delay, notify the Authorities of the various countries of the Special Union of such registrations, and shall publish them in a periodical.”

“Rule 5

“Requirements Concerning the International Application

“(1) *[Presentation]* An international application shall be filed with the International Bureau by the competent authority of the country of origin on the official form provided to that end and shall be signed by that authority.

“(2) *[Mandatory Contents of International Applications]* (a) The international application shall indicate:

“(i) the country of origin;

“(ii) the holder or holders of the right to use the appellation of origin, designated collectively or, where collective designation is not possible, by name;

“(iii) the appellation of origin for which registration is sought, in the official language of the country of origin or, where the country of origin has more than one official language, in one or more of those official languages;

“(iv) the product to which the appellation applies;

“(v) the area of production of the product;

“(vi) the title and date of the legislative or administrative provisions, the judicial decisions or the date and number of the registration by virtue of which the appellation of origin is protected in the country of origin.

“(b) Where the names of the holder or holders of the right to use the appellation of origin or the area of production are in characters other than Latin characters, they must be indicated in the form of a transliteration into Latin characters; the transliteration shall use the phonetics of the language of the international application.

“(c) Where the appellation of origin is in characters other than Latin characters, the indication referred to in subparagraph (a)(iii) must be accompanied by a transliteration into Latin characters; the transliteration shall use the phonetics of the language of the international application.

“(d) The international application shall be accompanied by a registration fee the amount of which is specified in Rule 23.

“(3) *[Optional Contents of the International Application]* The international application may indicate or contain:

- “(i) the addresses of the holders of the right to use the appellation of origin;
- “(ii) one or more translations of the appellation of origin, in as many languages as the competent authority of the country of origin wishes;
- “(iii) a statement to the effect that protection is not claimed for certain elements of the appellation of origin;
- “(iv) a declaration that protection is renounced in one or more contracting countries, designated by name;
- “(v) a copy in the original language of the provisions, decisions or registration referred to in paragraph (2)(a)(vi).”

“Rule 6
“Irregular Applications

“(1) *[Examination of the Application and Correction of Irregularities]* (a) Subject to paragraph (2), if the International Bureau finds that an international application does not satisfy the conditions set out in Rule 3(1) or Rule 5(1) and (2), it shall defer registration and invite the competent authority to remedy the irregularity found within a period of three months from the date of such invitation.

“(b) If the competent authority has not corrected the irregularity found within two months of the date of the invitation referred to in subparagraph (a), the International Bureau shall address to that authority a reminder of its invitation. The sending of such a reminder shall have no effect on the three-month period referred to in subparagraph (a).

“(c) If the correction of the irregularity is not received by the International Bureau within the three-month period referred to in subparagraph (a), the international application shall be rejected by the International Bureau which shall inform the competent authority of the country of origin thereof.

“(d) Where, in accordance with subparagraph (c), the international application is rejected, the International Bureau shall refund the fees paid in respect of the application, after deduction of an amount corresponding to half the registration fee referred to in Rule 23.

“(2) *[International Applications Not Considered as Such]* If the international application is not filed with the International Bureau by the competent authority of the country of origin, it shall not be considered as such by the International Bureau and shall be returned to the sender.”

“Rule 7
“Entry of the Appellation of Origin in the International Register

“(1) *[Registration, Certificate and Notification]* Where the International Bureau finds that an international application satisfies the conditions set out in Rules 3(1) and 5, it shall enter the appellation of origin in the International Register, shall send a certificate of international registration to the authority that requested the registration and shall notify the international registration to the competent authority of those other contracting countries in respect of which protection has not been renounced.

“(2) *[Contents of the Registration]* An international registration shall contain or indicate:

- “(i) all the particulars given in the international application;
- “(ii) the language in which the International Bureau received the international application;
- “(iii) the number of the international registration;
- “(iv) the date of the international registration.”

“*Rule 8*

“*Date of the International Registration and of its Effects*

“(1) *[Irregularities Affecting the Date of the International Registration]* Where an international application does not contain all the following particulars:

- “(i) the country of origin,
- “(ii) the holders of the right to use the appellation of origin,
- “(iii) the appellation of origin for which registration is sought,
- “(iv) the product to which the appellation applies,
- “(v) the international registration shall bear the date on which the last of the missing particulars is received by the International Bureau.

“(2) *[Date of the International Registration in All Other Cases]* In all other cases, the international registration shall bear the date on which the international application was received by the International Bureau.

“(3) *[Date of Effect of International Registration]* (a) An appellation of origin that is the subject of an international registration shall, in each contracting country that has not declared in accordance with Article 5(3) that it cannot ensure the protection of the appellation, or that has sent to the International Bureau a statement of grant of protection in accordance with Rule 11 *bis*, be protected from the date of the international registration or, where a contracting country has made a declaration in accordance with subparagraph (b), from the date mentioned in that declaration.

“(b) A contracting country may, in a declaration, notify the Director General that, in accordance with the law of that country, an appellation of origin that is the subject of an international registration is protected from a date that is mentioned in the declaration, which date shall however not be later than the date of expiry of the period of one year referred to in Article 5(3) of the Agreement.”

Main Conclusions

50. The contributions from a large number of Lisbon Member States indicate that the application and registration procedures would not require any particular improvement. According to these contributions, the current requirements for applications are sufficient. This opinion is shared by two non-Lisbon States, two non-governmental organizations, and one of the academic institutions. One of the Lisbon Member States has, however, indicated that it is important to ensure that Member States treat all international applications without discrimination.
51. Contributions from non-Lisbon States generally reflect the view that this particular question would essentially concern Lisbon Member States and would be difficult to answer without experience with the Lisbon application and registration procedures.
52. Nevertheless, some suggestions have been made for certain modifications in the procedures, as reflected in the following paragraphs.

Information in the International Application and Access to such Information

53. Some contributions, from both Lisbon Member States and non-Lisbon States, indicate that the information, as provided in international applications, might be improved and suggest that the country of origin should be required to mention explicitly in the international application either the elements on the basis of which the appellation of origin is protected, notably the elements showing that the definition requirements under Article 2 of the Lisbon Agreement have been met, including those concerning the relation between the product and the area of production (in particular, the quality, characteristic, or reputation of the product essentially attributable to the geographical origin), or how access to such information can be easily obtained. This would help the other Member States in conducting their independent analysis on whether the protection requirements are fulfilled and whether protection can be granted; and allow the public and possibly affected traders and trademark owners to be informed properly. The contribution from one of the private enterprises suggests that there should be more flexibility as to the translation of names to other languages, as literal translations do not always work.

Requirements Concerning the International Application

54. Some other contributions go a step further and suggest an amendment of Rule 5(2)(a). Thus, it has been advanced that a requirement should be added to mention in the international application the elements showing the relation between the product and the area of production (in particular, the quality, characteristic, or reputation of the product essentially attributable to the geographical origin). It has also been suggested to require international applications to reflect the product specifications, as well as the identity and tasks of bodies verifying compliance.
55. The suggestion has been made that the list of requirements in Rule 5(2)(a) could be simplified, as the area of production, for example, should already be covered as an element of the provision, decision or registration by virtue of which the appellation of origin is protected in the country of origin. However, according to another suggestion, the country of origin should be required to define clearly the boundaries of each appellation of origin, i.e., the limits of the particular geographical locality, region or territory in respect of which the appellation of origin has been granted, as well as the connection between the qualities/characteristics of the product and the geographical environment of the production area.
56. It has also been advanced that, if Articles 1 and 2 of the Agreement would be modified, as has been suggested in various contributions, corresponding amendments of the international application and registration procedures might be necessary. According to a more specific suggestion, provision should be made in the application and registration procedures for appellations of origin/geographical indications consisting of designs or images.
57. Other specific suggestions made call for amendments of Rule 5 of the Regulations under the Lisbon Agreement to the effect that, in order to facilitate notifications to right holders, the specific legal or natural persons must be identified in the international application as well as their addresses.

V. DECLARATIONS OF REFUSAL

58. This matter was the subject of question 6 of the survey's questionnaire, which read as follows:

Question 6: Are there elements in the procedures for the notification of refusals, withdrawals of refusals and statements of grant of protection requiring improvement and, if so, which are these elements?

Aim of the Question

59. In its introduction of questions 5 to 8 of the questionnaire, the International Bureau had explained that the negotiating history of the Lisbon Agreement showed that the Lisbon system was meant to: (a) require a country of origin to provide information in international applications allowing the other member countries proper examination as to whether they can protect the internationally registered appellation of origin concerned; (b) require these other countries to take position within a period of one year from receipt of the notification of an international registration and, in case they submit a declaration of refusal, to specify the grounds for such refusal; and (c) shield such an appellation of origin against becoming a generic denomination. In this context, the aim of question 6 was to explore whether the provisions of the Lisbon Agreement and the Regulations under the Agreement concerning declarations of refusal, withdrawals of such declarations and the issuance of statements of grant of protection satisfactorily dealt with the matter.
60. Further explaining the provisions in question, in the light of the negotiating history of the Lisbon Agreement, the International Bureau had indicated, in the general overview of the Lisbon Agreement that was made available together with the survey's questionnaire, that declarations of refusal have to meet two requirements:
- (a) The first is a time requirement: the refusal has to be notified to the International Bureau within a period of *one year* from the date of receipt by the competent authority of the contracting country concerned of the notice of registration.
 - (b) The second is a requirement regarding content: the declaration of refusal has to specify the grounds for refusal.
61. As the negotiating history shows, refusal can be based on any situation of fact or law. For instance, the competent authority of a contracting country may base its refusal on the ground that the appellation has already acquired, in its territory, a generic character in relation to the product or service to which it refers, or on the ground that the geographical denomination does not conform to the definition of an appellation of origin in the Lisbon Agreement, or on the ground that the appellation would conflict with a trademark or other right already protected in the country concerned. In practice, various grounds have been employed in declarations of refusal, as the statistics published by the International Bureau in the official Bulletin *Appellations of Origin* show⁴.

⁴ See, in particular, the most recent Issue of the Bulletin (No. 38) which is available in PDF format on the Lisbon pages of the WIPO website, as are also all previous Issues of the Bulletin.

62. However, the grounds on the basis of which the country decides not to grant protection constitute a possible basis for discussion for the purpose of reaching an understanding⁵. Such an understanding may result in the withdrawal of a refusal, in whole or in part. Under Rule 11 of the Regulations, a procedure is available for the notification of such withdrawals and their recording in the International Register.
63. Following receipt of a declaration of refusal from a competent authority, within the prescribed period, the International Bureau notifies it to the competent authority of the country of origin, enters it in the International Register and publishes it in the Bulletin⁶. The competent authority of the country of origin communicates it in turn to the parties concerned, who may avail themselves of the same administrative and legal remedies against the refusal as nationals of the country that pronounced it⁷.

Text of the Provisions in Question

“Article 5

“[[...]; Refusal and Opposition to Refusal; Notifications; [...]]

[...]

“(3) The Authority of any country may declare that it cannot ensure the protection of an appellation of origin whose registration has been notified to it, but only in so far as its declaration is notified to the International Bureau, together with an indication of the grounds therefor, within a period of one year from the receipt of the notification of registration, and provided that such declaration is not detrimental, in the country concerned, to the other forms of protection of the appellation which the owner thereof may be entitled to claim under Article 4, above.

“(4) Such declaration may not be opposed by the Authorities of the countries of the Union after the expiration of the period of one year provided for in the foregoing paragraph.

“(5) The International Bureau shall, as soon as possible, notify the Authority of the country of origin of any declaration made under the terms of paragraph (3) by the Authority of another country. The interested party, when informed by his national Authority of the declaration made by another country, may resort, in that other country, to all the judicial and administrative remedies open to the nationals of that country.”

[...]

⁵ Acts of the Lisbon Conference, p. 817: “The procedure envisaged provides countries, which receive the notification of an appellation of origin via the International Bureau, with the possibility to oppose any situation that exists *de facto* or *de jure* that would prevent protection being granted on all or part of the territory of the restricted Union. The period of one year from the time the notification is received is easily sufficient to allow such opposition. A refusal must be accompanied by the grounds on which the country decides not to grant protection. These grounds constitute a possible basis for discussion for the purpose of reaching an understanding.” (Unofficial translation from the official French text.)

⁶ Articles 5 and 14(2)(c) of the Lisbon Agreement and Rules 9 and 10 of the Lisbon Regulations.

⁷ Article 5(5) of the Lisbon Agreement.

“Article 14

“[Ratification and Accession; Entry into Force; [...]]

“(2) [...]

“(b) Notification of accession shall, of itself, ensure, in the territory of the acceding country, the benefits of the foregoing provisions to appellations of origin which, at the time of accession, are the subject of international registration.

“(c) However, any country acceding to this Agreement may, within a period of one year, declare in regard to which appellations of origin, already registered at the International Bureau, it wishes to exercise the right provided for in Article 5(3).”

[...]

“Rule 9

“Declaration of Refusal

“(1) *[Notification to the International Bureau]* A declaration of refusal shall be notified to the International Bureau by the competent authority of the contracting country for which the refusal is issued and shall be signed by that authority.

“(2) *[Contents of a Declaration of Refusal]* A declaration of refusal shall relate to a single international registration and shall indicate or contain:

“(i) the number of the international registration concerned, preferably accompanied by further information enabling the identity of the international registration to be confirmed, such as the name of the appellation of origin;

“(ii) the grounds on which the refusal is based;

“(iii) where the refusal is based on the existence of a prior right, the essential particulars of that prior right and, in particular, if it is constituted by a national, regional or international trademark application or registration, the date and filing number, the priority date (where appropriate), the date and registration number (if available), the name and address of the holder, a reproduction of the trademark, together with the list of relevant goods and services given in the trademark application or registration, it being understood that the list may be submitted in the language of the said application or registration;

“(iv) where the refusal concerns only certain elements of the appellation of origin, those elements that it concerns;

“(v) the judicial or administrative remedies that may be exercised against the refusal together with the applicable time limits.”

[...]

“Rule 10

“Irregular Declaration of Refusal

“(1) *[Declaration of Refusal Not Considered as Such]* (a) A declaration of refusal shall not be considered as such by the International Bureau:

“(i) if it does not indicate the number of the international registration concerned, unless other information given in the declaration enables the registration to be identified without ambiguity;

“(ii) if it does not indicate any grounds for refusal;

“(iii) if it is sent to the International Bureau after the expiry of the one-year period referred to in Article 5(3) of the Agreement;
“(iv) if it is not notified to the International Bureau by the competent authority.

“(b) Where subparagraph (a) applies, the International Bureau shall, unless it is unable to identify the international registration concerned, notify a copy of the declaration of refusal to the competent authority of the country of origin and shall inform the authority that notified the declaration of refusal that the latter is not considered as such by the International Bureau and that the refusal has not been entered in the International Register, and shall state the reasons therefor.

“(2) *[Irregular Declaration]* If the declaration of refusal contains an irregularity other than those referred to in paragraph (1), the International Bureau shall nevertheless enter the refusal in the International Register and shall notify a copy of the declaration of refusal to the competent authority of the country of origin. At the request of that authority, the International Bureau shall invite the authority that notified the declaration of refusal to regularize its declaration without delay.”

“Rule 11

“*Withdrawal of a Declaration of Refusal*”

“(1) *[Notification to the International Bureau]* Any declaration of refusal may be withdrawn, in part or in whole, at any time by the authority that notified it. The withdrawal of a declaration of refusal shall be notified to the International Bureau by the competent authority and shall be signed by such authority.

“(2) *[Contents of the Notification]* The notification of withdrawal of a declaration of refusal shall indicate:

“(i) the number of the international registration concerned, preferably accompanied by other information enabling the identity of the international registration to be confirmed, such as the name of the appellation of origin;
“(ii) the date on which the declaration of refusal was withdrawn.

“(3) *[Entry in the International Register and Notification to the Competent Authority of the Country of Origin]* The International Bureau shall enter in the International Register any withdrawal referred to in paragraph (1) and shall notify a copy of the notification of withdrawal to the competent authority of the country of origin.”

“Rule 11bis

“*Optional Statements of Grant of Protection*”

“(1) *[Statement of Grant of Protection Where No Declaration of Refusal Has Been Notified]* (a) The competent authority of a contracting country which has not notified a declaration of refusal to the International Bureau may, within the one-year period referred to in Article 5(3) of the Agreement, send to the International Bureau a statement to the effect that protection is granted to the appellation of origin that is the subject of an international registration in the contracting country concerned.

“(b) The statement shall indicate:

“(i) the competent authority of the contracting country making the statement,

“(ii) the number of the international registration concerned, preferably accompanied by other information enabling the identity of the international registration to be confirmed, such as the name of the appellation of origin, and

“(iii) the date of the statement.

“(2) *[Statement of Grant of Protection Following a Refusal]* (a) The competent authority of a contracting country which has notified a declaration of refusal to the International Bureau may, instead of notifying a withdrawal of refusal in accordance with Rule 11(1), send to the International Bureau a statement to the effect that protection is granted to the appellation of origin that is the subject of an international registration in the contracting country concerned.

“(b) The statement shall indicate:

“(i) the competent authority of the contracting country making the statement,

“(ii) the number of the international registration concerned, preferably accompanied by other information enabling the identity of the international registration to be confirmed, such as the name of the appellation of origin, and

“(iii) the date on which protection was granted.

“(3) *[Entry in the International Register and Notification to the Competent Authority of the Country of Origin]* The International Bureau shall enter in the International Register any statement referred to in paragraphs (1) or (2) and notify such statement to the competent authority of the country of origin.”

“Rule 21

“*Date of Dispatch of Various Communications*”

“Where the declarations referred to in Rules 9(1) and 17(3) or where the notice referred to in Rule 12(1) are communicated through a postal service, the date of dispatch shall be determined by the postmark. If the postmark is illegible or missing, the International Bureau shall treat the communication concerned as if it had been sent 20 days before the date on which it was received. Where such declarations or such notice are sent through a mail delivery service, the date of dispatch shall be determined by the information provided by such delivery service on the basis of the details of the mailing as recorded by it.”

“Rule 22

“*Modes of Notification by the International Bureau*”

“(1) *[Notification of the International Registration]* The notification of the international registration, referred to in Rule 7(1), shall be addressed by the International Bureau to the competent authority of each contracting country by registered mail with acknowledgement of receipt or by any other means enabling the International Bureau to establish the date on which notification was received, as provided for in the Administrative Instructions.

“(2) *[Other Notifications]* Any other notification by the International Bureau referred to in these Regulations shall be addressed to the competent authorities by registered post or by any other means enabling the International Bureau to establish that the notification has been received.”

*“Section 8: Notifications Communicated
by the International Bureau*

“(a) The date of the receipt of a notification by the International Bureau to a competent authority, as referred to in Rule 22(1), shall, when communicated through a postal service or a delivery service, be determined by the information provided by such postal service or delivery service on the basis of the details of the mailing as recorded by it. When such a notification has been communicated by facsimile or by electronic means and, because of the time difference between the place from where the communication is sent and the place where it is received, the date on which the transmittal started is different from the date of receipt of the transmittal, the later of the two dates shall be considered as the date of receipt.

“(b) The International Bureau shall send confirmation of the date so determined to the competent authority concerned and inform the competent authority of the country of origin.”

*“Section 9: Notifications Communicated
by a Competent Authority*

“(a) The International Bureau shall, upon receipt of a declaration as referred to in Rule 21, acknowledge receipt to the competent authority that communicated the declaration.

“(b) When a declaration as referred to in Rule 21 has been communicated by facsimile or by electronic means and, because of the time difference between the place from where the communication is sent and the place where it is received, the date on which the transmittal started is different from the date of receipt of the transmittal, the earlier of the two dates shall be considered as the date of dispatch.”

Main Conclusions

64. The contributions from many Lisbon Member States indicate that it is not necessary to amend the current legal framework. Some of these contributions refer to the recent amendments to the Regulations in this regard, indicating that “statements of grant of protection” under new Rule 11 *bis* will allow for greater legal certainty within a reduced time frame or explaining how the use of e-communications under the recently established Administrative Instructions will allow for the establishment of a more reliable system for the communication of applications and notifications. This opinion is shared by two non-Lisbon States, one of the non-governmental organizations, one of the academic institutions and the professional organization that contributed to the survey.
65. On the other hand, several contributions have expressed views calling for certain modifications, as reflected in the following paragraphs concerning elements of the provisions in question, as underlined in the paragraphs above.

Extension of the one-year Period for the Notification of Declarations of Refusal

66. The contributions from some non-Lisbon States suggest an extension of the one-year period for the notification of declarations of refusal. One of these contributions more specifically suggests expanding the refusal period, for example to 18 months, but in combination with a provision in the Agreement allowing an internationally registered appellation of origin/geographical indication to be cancelled/invalidated on the basis of a prior right, lack of distinctiveness or genericness, or public order or deception. Another non-Lisbon State has indicated that the one-year time-limit under Article 5(3) can be retained, but that the same time-limit under Article 14(2)(c) for newly acceding countries in respect of the existing stock of internationally registered appellations of origin/geographical indications should be extended to two years. The contribution from one of the non-governmental organizations indicates that, in any event, the one-year period should not be shortened.
67. A Lisbon Member State has indicated in its contribution that Article 5(5) of the Agreement lays down that refusals can be contested under the law of the country that has issued the refusal and has suggested that, as such recourse would not seem to exclude the country of origin and the refusing country to enter into discussions for the purpose of reaching an understanding, it might be envisaged to provide for the possible issuance of provisional refusals and an extension of the one-year period before a refusal would become final. The contribution from a non-Lisbon State suggests the introduction of procedures for negotiations between the country of origin and the refusing country aimed to seek mutual agreement.

Establishment of an Exhaustive List of Admitted Grounds for Refusal

68. Some non Lisbon Member States expressed the view in their contributions that declarations of refusal should be addressed in a more detailed manner in the Lisbon Regulations, in particular by specifying the possible grounds for refusal and defining the criteria for each ground for refusal. This opinion is shared by the intergovernmental organization that contributed to the survey, which indicated that the absence of any guidance as regards the grounds for refusal resulted in legal uncertainty and suggested that this might be resolved by: (i) defining grounds for refusal in the Lisbon Agreement itself; (ii) providing that the refusal of a notified appellation of origin should be based on a ground for refusal that was enshrined in the domestic law of the refusing country; and (iii) providing explicitly that a declaration of refusal shall be substantiated.
69. The contribution from a non-Lisbon State indicates that the relationship between geographical indications/appellations of origin and prior rights should be defined in greater detail (for example, as to the date of priority of each right, the order of precedence, the validity of rights or for the evaluation of whether an application was filed in good faith). One of the academic institutions that contributed to the survey has indicated that the question whether precise substantive rules should be introduced as to the conditions for determining whether an appellation of origin/geographical indication registered under the Agreement can be refused or invalidated, requires a nuanced response. Although it might be useful to list such grounds, it is equally important to ensure flexibility in their implementation, so as to allow the different national legal systems and practices and cultures to find their place within the Lisbon system. It is well known that the problem of the grounds for the refusal of protection and invalidation are the subject of huge differences on the global scene. As such, a consensus on the matter may appear illusory, specifically on the question of the definition of the generic character of a denomination or indication and perhaps even more on that of the relationship

between appellations of origin/geographical indications and prior rights. On the latter issue, certain national systems deny protection of a denomination or indication if it interferes with third parties' prior trademark rights in the country where protection for it is sought, while other domestic systems do not necessarily deny protection of an appellation of origin/geographical indication in such situations. In this connection, the contribution specifically refers to the domestic law of the European Union, under which registration is refused if this would conflict with prior rights to a famous trademark, but under which, in respect of prior trademarks that do not have a particular reputation, a conditional coexistence mechanism has been created. The contribution, therefore, suggests a balanced approach that could consist of laying down a general exhaustive list of the criteria on which invalidation or refusal of protection could be based and encouraging Member States to implement administrative and judicial procedures capable of guaranteeing that account is taken of the different interests at stake (notably the legitimate interests of holders of prior rights), while still leaving Member States a certain flexibility in the implementation of the criteria in question, within the spirit of the relevant provisions of the TRIPS Agreement.

70. Two of the non-governmental organizations also indicated in their contributions that, for better clarity and legal certainty, the possibility to issue refusals should be regulated and not be left at the complete discretion of Member States. Consequently, they also suggest listing the grounds for refusal explicitly in Article 5 of the Lisbon Agreement.
71. Specific grounds on the basis of which protection could be refused that have been mentioned in contributions include: (i) absolute grounds of refusal, such as "the denomination/indication does not meet the definition", the denomination/indication is "generic" or the denomination/indication lacks distinctiveness; (ii) relative grounds for refusal, such as "the denomination/indication conflicts with a trademark or other prior right"; (iii) other grounds for refusal, such as "the denomination/indication has a deceptive character" or "the denomination/indication breaches public order". The contribution from a non-Lisbon State indicates that, whenever a refusal is based on the generic nature of a denomination/indication, the burden of proving this generic nature in the course of proceedings initiated by an interested party in the Member State in question should be on the Member State or other party invoking it. This opinion is shared by one of the non-governmental organizations that contributed to the survey. The same non-governmental organization also indicated, that, in order to regulate refusals based on prior rights (prior registered trademarks), a grandfather clause should be introduced as well as the criterion of good faith. In this context, the contribution from a Lisbon Member State raises the issue of systematic declarations of refusal for political reasons.

Notification Dates

72. Some Lisbon Member States indicate in their contributions that application of the procedures under Rules 21 and 22 (see above) does not always allow the notification dates in question to be determined with the utmost accuracy. The contribution from a non-Lisbon State indicates more generally that the mechanism and timelines for the notifications in question require clarification.

Partial Grants and Partial Refusals

73. One Lisbon Member State requests in its contribution clarification of the system of partial grants and partial refusals, in particular as to the legal and commercial consequences of the implementation of such partial grants/partial refusals.

Procedural Requirements for Judicial or Administrative Remedies in Contracting Countries

74. A Lisbon Member State has suggested in its contribution that Article 5(5) of the Lisbon Agreement might be amended by the introduction of a minimum time-limit for interested parties to resort to judicial or administrative remedies, as time-limits under certain national laws are so short that recourse to the remedies is virtually impossible.
75. The contribution from another Lisbon Member State suggests that the attractiveness and reliability of the Lisbon system could be improved, if the avenues available for initiating opposition procedures or other legal challenges in respect of new registrations would be better publicized and explained.
76. According to the contribution from one of the non-governmental organizations, while declarations of refusal often specify that the refusal can be challenged by the right holders of the appellation of origin within a certain period of time, information as to whether this has actually taken place is not publicly available. A possible solution to this issue could be to establish that refusal notices will be deemed to have been notified to all affected parties at the latest as from their publication in the official Bulletin *Appellations of Origin*.
77. The same non-governmental organization has also suggested that, in respect of refusal notices that had been based on a domestic objection/opposition procedure, Member States should establish appropriate domestic procedures to ensure that third parties who had participated in the objection/opposition procedure be given advance notice if the country in question intends to withdraw the refusal: the withdrawal should only be effected if it has been established through a final and binding decision that protection has been granted.

VI. GENERIC APPELLATIONS

78. This matter was the subject of question 7 of the survey's questionnaire, which read as follows:

Question 7: Would there be a need to amend Article 6 of the Lisbon Agreement, in order to allow for certain exceptions, or does the phrase "cannot, in that country, be deemed to have become generic" provide sufficient leeway in that respect?

Aim of the Question

79. In its introduction of questions 5 to 8 of the questionnaire, the International Bureau had explained that the negotiating history of the Lisbon Agreement showed that the Lisbon system was meant to: (a) require a country of origin to provide information in international applications allowing the other member countries proper examination as to whether they can protect the internationally registered appellations of origin concerned; (b) require these other countries to take position within a period of one year from receipt of the notification of an international registration and, in case they submit a declaration of refusal, to specify the grounds for such refusal; and (c) shield such an appellation of origin against becoming a generic denomination. In this context, the aim of question 7 was to explore whether the provisions of the Lisbon Agreement dealt satisfactorily with the issue of generic appellations.

80. More specifically, the question calls for feedback as to whether Article 6 of the Lisbon Agreement, as it reads, allows for exceptions and, if not, whether it should be amended.

Text of the Provisions in Question

81. Article 6 of the Lisbon Agreement currently reads as follows:

“Article 6
“[Generic Appellations]

“An appellation which has been granted protection in one of the countries of the Special Union pursuant to the procedure under Article 5 cannot, in that country, be deemed to have become generic, as long as it is protected as an appellation of origin in the country of origin.”

Conclusions

82. A large number of contributions express the view that Article 6 should not be amended. As specified in one of these contributions, if a Member State of the Lisbon Agreement considers an appellation of origin, registered and notified to it under Article 5 of the Agreement, to be the generic denomination of the product or service to which it refers in its territory, it can notify a refusal under Article 5(3) of the Agreement. A Member State that does not notify such a refusal, or withdraws the refusal, will henceforth be barred from considering the appellation generic, except when the appellation becomes generic in its country of origin. Another contribution specifies that any exception to the rule laid down by Article 6 would undermine the international protection of appellations of origin.
83. Several other contributions express the view that there is no need to amend Article 6 while indicating that its wording seems flexible enough or provides sufficient leeway. Among these contributions, one from a Lisbon Member State, referring to the law of its country, indicates that, while the registration of an appellation of origin implies that the appellation of origin is not generic, anybody is entitled to file a motion for the registration to be invalidated, if the appellation has become generic.
84. A number of contributions indicate that Article 6 is satisfactory and should therefore not be amended, but do not express a clear view as to whether or not the provisions in question allow for exceptions.
85. The contribution from a non-Lisbon State suggests that Article 6 should be amended to explicitly allow for exceptions based on the use by third parties prior to the international registration of the appellation of origin. The same contribution also suggests replacement of the word “cannot” in Article 6 by “shall not”. The contribution from another non-Lisbon State questions the appropriateness of the phrase “as long as the appellation of origin is protected in the country of origin” in Article 6.
86. The contribution from a non-Lisbon State indicates that Article 6 should be deleted, as it is difficult to understand how a country can shield a protected appellation of origin from becoming generic. Under other intellectual property systems, it is the rights holder who is responsible for controlling use of its mark so that unauthorized use does not result in the term becoming generic. A private intellectual property right must be enforced or it is lost. In parallel, there should also be a requirement of use of the protected term. If such appellation is never used in the receiving territory and the local authorities do not provide

ex officio enforcement of the appellation, or if the notifying owner of the appellation never does anything to enforce it, while the local industry begins using the protected term, it would seem abusive to allow the original owner to complain about the generic uses, for example, only 20 years after the beginning of such unauthorized uses. Some may find it questionable to allow Article 6 to preserve the registered term for the foreign owner at the expense of the local industry. In some countries, the principle of acquiescence (or “latches”) would not allow such late claims. The contribution from one of the non-governmental organizations indicates that restricting the availability of a term in circumstances where it is perceived as generic by the public in a given country raises concerns from the perspective of fundamental rights, in particular, free speech. Perpetuating protection despite a change in consumer perception in the absence of action by the right holders would also run counter to the general principle that the defense and enforcement of intellectual property rights is the responsibility of the right holders.

VII. INVALIDATION

87. This matter was the subject of question 8 of the survey’s questionnaire, which read as follows:

Question 8: Are there elements in the procedures of Rule 16 of the Regulations under the Lisbon Agreement concerning the notification by a member country of an invalidation of the effects of an international registration and its recording in the International Register requiring amendment and, if so, which are these elements?

Aim of the Question

88. In its introduction of questions 5 to 8 of the questionnaire, the International Bureau had explained that the negotiating history of the Lisbon Agreement showed that the Lisbon system was meant to: (a) require a country of origin to provide information in international applications allowing the other member countries proper examination as to whether they can protect the internationally registered appellations of origin concerned; (b) require these other countries to take position within a period of one year from receipt of the notification of an international registration and, in case they submit a declaration of refusal, to specify the grounds for such refusal; and (c) shield such an appellation of origin against becoming a generic denomination. In this context, the aim of question 8 was to explore whether the procedures for the notification of invalidations were functioning satisfactorily.
89. Newly introduced into the Regulations in 2002, invalidations have been recorded in the International Register in respect of the appellations of origin registered internationally under Nos. 49, 50, 51, 52 and 598. These include invalidations, as notified by Hungary, Italy and Portugal in respect of Nos. 50, 51 and 598; and invalidations, as notified by Italy and Portugal, in respect of Nos. 49 and 52. The grounds advanced in respect of these invalidations included both grounds relating to the definition of Article 2 of the Agreement and grounds relating to an earlier right.

Text of the Provisions in Question

90. Rule 16 of the Lisbon Regulations currently reads as follows:

*“Rule 16
“Invalidation*

“(1) *[Notification of Invalidation to the International Bureau]* Where the effects of an international registration are invalidated in a contracting country and the invalidation is no longer subject to appeal, the invalidation shall be notified to the International Bureau by the competent authority of that contracting country. The notification shall indicate or contain:

“(i) the number of the international registration concerned, preferably accompanied by other information enabling the identity of the international registration to be confirmed, such as the name of the appellation of origin;

“(ii) the authority that pronounced the invalidation;

“(iii) the date on which the invalidation was pronounced;

“(iv) where the invalidation concerns certain elements only of the appellation of origin, the elements concerned;

“(v) a copy of the decision that invalidated the effects of the international registration.

“(2) *[Entry in the International Register and Notification to the Competent Authority of the Country of Origin]* The International Bureau shall enter the invalidation in the International Register together with the particulars, referred to in items (i) to (iv) of paragraph (1), which are given in the notification of invalidation, and shall notify a copy of the notification to the competent authority of the country of origin.”

Main Conclusion

91. A large number of contributions indicate that no particular amendments to Rule 16 are necessary.

92. On the other hand, some contributions comment on the scope and legal basis of the provisions in question. In addition, some modifications to these provisions have been suggested relating to the elements underlined in the text of the provisions mentioned above. These comments and suggestions are reflected in the following paragraphs.

Scope and Legal Basis

93. A number of contributions raise questions about the precise scope of Rule 16 and, in that connection, also about its legal basis in the Lisbon Agreement. One of these contributions suggests the introduction into the Lisbon Agreement itself of provisions concerning the issue of invalidations, for greater legal certainty regarding the legal basis and scope of Rule 16. Another contribution expresses the view that invalidations of the effects of an international registration should be limited to cases concerning the infringement of third party rights, notably previously registered trademarks. A third contribution indicates that the invalidation of the effects of an international registration of a geographical indication or appellation of origin should only take place if that invalidation was declared (by a Court of Justice, for example) in the country of origin and not in another Member State.

Grounds for Invalidation

94. Some contributions suggest the introduction of provisions requiring the grounds for invalidation to be specified in notifications of invalidations and to be published by the International Bureau following their recording in the International Register. One of these contributions, in addition, indicates that it might be appropriate to introduce into the Agreement precise substantive rules as to the conditions under which appellations of origin registered under the Agreement can be refused or invalidated.

Notification Requirements

95. Some contributions indicate that Rule 16(1) should require the notification to indicate or contain both the international registration number and the name of the appellation of origin in question. One of these contributions, more specifically, suggests an amendment of Rule 16(1)(i) as follows: "(i) the number of the international registration concerned, accompanied by other information enabling the identity of the international registration to be confirmed, namely the name of the appellation of origin, the name of the legal entity entitled to use the appellation of origin (if applicable according to the legislation of the country of origin), the products to which it is applied and any other information which may be useful in this respect".
96. Some contributions question the limitation of the notification obligation under Rule 16(1) to invalidations that are no longer subject to appeal. One of these contributions indicates that the International Bureau should be notified under Rule 16(1) whenever proceedings for invalidation have been initiated.
97. Other suggestions that have been raised in respect of Rule 16(1) concern the definition of the terms "competent authority" in the chapeau of Rule 16(1) and "elements" in Rule 16(1)(iv).

Rules and Procedures at the Domestic Level

98. The suggestion has been made that the Agreement should be amended so as to require Member States to establish appropriate rules and procedures in their domestic law allowing for invalidation of the effects of an international registration in their territory, in particular, when such effects would conflict with prior rights or the requirements for protection are not fulfilled.

VIII. PRIOR USERS

99. This matter was the subject of question 9 of the survey's questionnaire, which read as follows:

Question 9: Would there be a need to amend Article 5(6) of the Lisbon Agreement, or does the fact that Article 5(6) of the Lisbon Agreement and Rule 12 of the Regulations under the Agreement only apply in case a member country does not notify a declaration of refusal provide sufficient leeway in this respect?

Aim of the Question

100. Article 5(6) of the Lisbon Agreement provides for a phasing-out period of two years that can be granted, by the competent authority of a Lisbon Member State, in respect of use by third parties in that Member State of an appellation prior to its registration under the Agreement. In this regard, the purpose of the question was to explore what the precise scope of Article 5(6) would be and whether the fact that such prior use could also serve as a ground for refusal under Article 5(3) would provide a sufficient safeguard in respect of prior use that a competent authority would not want to be phased out within the period of two years stipulated in Article 5(6).

Text of the Provisions in Question

101. Article 5(6) of the Lisbon Agreement currently reads as follows:

“Article 5

“[[...]; Use Tolerated for a Fixed Period]

[...]

“(6) If an appellation which has been granted protection in a given country pursuant to notification of its international registration has already been used by third parties in that country from a date prior to such notification, the competent Authority of the said country shall have the right to grant to such third parties a period not exceeding two years to terminate such use, on condition that it advise the International Bureau accordingly during the three months following the expiration of the period of one year provided for in paragraph (3), above.”

“Rule 12

“Period Granted to Third Parties

“(1) *[Notification to the International Bureau]* Where the competent authority of a contracting country gives notice to the International Bureau that a period has been granted to third parties in that country to terminate the use of an appellation of origin in that country in accordance with Article 5(6) of the Agreement, such notice shall be signed by that authority and shall indicate:

“(i) the number of the international registration concerned, preferably accompanied by other information enabling the identity of the international registration to be confirmed, such as the name of the appellation of origin;

“(ii) the identity of the third parties concerned;

“(iii) the period granted to the third parties;

“(iv) the date from which the time limit begins, it being understood that this date may not be later than the date on which the three-month period referred to in Article 5(6) of the Agreement expires.

“(2) *[Entry in the International Register and Notification to the Competent Authority of the Country of Origin]* Subject to the notice referred to in paragraph (1) being sent by the competent authority to the International Bureau within three months from expiry of the period of one year laid down in Article 5(3) of the Agreement, the International Bureau shall enter such notice in the International Register together with the particulars shown therein and shall notify a copy of the notice to the competent authority of the country of origin.”

Main Conclusions

102. While a large number of contributions indicate that the Lisbon Agreement provides sufficient leeway in respect of prior use, so that Article 5(6) should not be modified, an equally large number of contributions are, on the contrary, calling for amendment of Article 5(6), as its provisions insufficiently take into account that prior use may be based on a legitimate right, notably a trademark or other intellectual property right. Some other contributions express the view that a review of Article 5(6) should take place for the purpose of determining any need for its amendment.
103. The various arguments advanced in respect of these views are reflected in the following paragraphs.

The Objective of Article 5(6)

104. Views supporting the retention of Article 5(6) are contained in contributions from a considerable number of Lisbon Member States as well as several non-Lisbon States, one of the non-governmental organizations, one of the academic institutions and the professional organization that contributed to the survey. As indicated in the contribution from a Lisbon Member State, no amendments are necessary since a 15-month period (one year plus three months) to notify that an additional period not exceeding two years has been granted to third parties provides sufficient leeway. Moreover, Article 5(6) only provides an alternative in case of prior use that the competent authority in question has decided not to use as a basis for notifying a declaration of refusal under Article 5(3). In this regard, the contribution from a non-Lisbon State is calling for a clarification in Article 5(6) that the provision only applies when a declaration of refusal has not been notified. However, the contributions from two Lisbon Member States are, on the other hand, calling for an amendment clarifying that Article 5(6) would also apply in respect of cases in which protection has been granted following the withdrawal of a refusal. The contribution from the non-governmental organization referred to above suggested restricting the application of Article 5(6) to prior use in good faith.
105. A number of contributions, including some Lisbon Member States, the intergovernmental organization that contributed to the survey and one of the non-governmental organizations, while supporting the objective of Article 5(6), nevertheless suggest that its provisions should be amended so as to allow for exceptions to their application in respect of prior use based on a legitimate right, notably a trademark or other intellectual property right. One of these contributions also suggests an amendment of Article 5(6) specifying that its provisions not only apply following a new registration under the Agreement, but also following the accession of a new Member State.

Extension of the Period of two years Under Article 5(6)

106. Some of the contributions referred to in the previous paragraph express the view that, in respect of prior use that is not based on a trademark or other right protected by intellectual property law, Article 5(6) should define a more appropriate period that could be granted to third parties for terminating their prior use, i.e., the current two-year period should be longer. One of these contributions suggests a period of five years, at a maximum, adding that such an extended period should only be applicable in case a country has notified a refusal under Article 5(3) or Article 14(2)(c) and that the length of the period should be the result of negotiations by the country of origin for the withdrawal of the refusal by the other member country.

107. Some other contributions referred to under the previous section suggest an extension of the period of two years under Article 5(6), for example five years, without specifying exceptions. One of these contributions, from a Lisbon Member State, indicates, however, that the notification requirements under Rule 12 should be strictly applied.

Prior use Based on a Trademark or other Intellectual Property Right

108. Apart from those contributions already referred to above, a considerable number of other contributions also address the issue of prior use based on a trademark or other intellectual property right in the context of Article 5(6). The contributions in question include Lisbon Member States, non-Lisbon States, the intergovernmental organization that contributed to the survey, non-governmental organizations and one of the academic institutions. All these contributions would appear to indicate that Article 5(6) and Article 3 of the Lisbon Agreement are problematic in that they affect the rights of holders of prior and valid trademarks, but different suggestions are presented for dealing with the problem, as reflected in the following paragraphs.
109. Some contributions indicate that the rights of holders of prior and valid trademarks must not be affected. One of these contributions expresses the view that coexistence of prior trademarks and later in time appellations of origin/geographical indications is inconsistent with Article 16 of the TRIPS Agreement. Another contribution advances that any interpretation of Article 5(6) suggesting that it establishes a phase-out period for prior trademark holders would be incompatible with the TRIPS Agreement and the fundamental property right character of trademarks. According to the same contribution, trademarks that were registered in breach of a prohibition to register geographically descriptive signs as trademarks may, however, be invalidated.
110. The other contributions indicate that Article 5(6) should be amended so as to allow for the coexistence of prior rights and appellations of origin/geographical indications, by safeguarding intellectual property rights established in a given country in good faith, as well as their associated use, from an earlier date than such an appellation of origin/geographical indication. One of these contributions would appear to indicate that coexistence should apply in respect of any right established under national law. Another contribution expresses the view that, in view of the mandatory provisions of Article 24.5 and 24.8 of the TRIPS Agreement, Lisbon Member States bound by these provisions cannot invoke Article 5(6) in respect of prior use based on trademark rights acquired in good faith or rights to use, in the course of trade and without misleading the public, a person's name; in case of the existence of such prior use, they should notify a declaration of refusal under Article 5(3) of the Lisbon Agreement or cater for some sort of coexistence between the appellation of origin and the earlier right. Some other contributions indicate that, although its Article 5(3) allows competent authorities to notify a declaration of refusal, the Lisbon Agreement does not protect prior trademark rights in the event that a Member State omits, for whatever reason, to submit such a notification within the time-limit specified in Article 5(3). The contribution from one of the academic institutions expresses the view that the compatibility of Article 5(6) with the rules of the TRIPS Agreement is at least subject to caution, in that its provisions seem to go beyond the scope of limited exceptions that take account of the legitimate interests of trademark holders, as authorized by Article 17 of the TRIPS Agreement.

IX. OTHER ISSUES

111. A final question was added to the survey's questionnaire aimed to allow respondents to bring any other matter to the attention of the Working Group on the Development of the Lisbon System. The question read as follows:

Question 10: What other issues concerning law or practice directly or indirectly related to the functioning of the Lisbon system do you consider require amendment or modification of the existing Lisbon Agreement and would you like to bring to the attention of the Working Group on the Development of the Lisbon System?

112. In response to this question, several issues were raised in the various contributions. Where these issues related to questions addressed in previous sections of the present document, they are reflected in those sections. The other issues are reflected in the following paragraphs.

Application of the Lisbon System in the European Union

113. Several contributions underline the need for the Working Group to consider how the Lisbon system applies in the context of the European Union system for the protection of geographical indications. In this connection, it is recalled that a study on the relationship between regional systems for the protection of geographical indications and the Lisbon system, and on the conditions for, and the possibility of, future accession to the Lisbon Agreement by competent intergovernmental organizations, as requested by the Working Group and conducted by the International Bureau, will be available in document LI/WG/2/DEV/3.

Article 4 of the Lisbon Agreement

114. The contribution from a Lisbon Member State suggests that the full potential of Article 4 of the Lisbon Agreement should be explored, as its provisions may have interesting implications for the way in which the exceptions under Article 24 of the TRIPS Agreement could be applied within the Lisbon system. The contribution from a non-Lisbon State calls for a revision and redefinition of Article 4. In this connection, one of the non-governmental organizations has requested clarification of the term "detrimental" in Article 5(3) of the Lisbon Agreement, as included in the reference to Article 4 in that provision.

Dispute Settlement

115. Several contributions suggest that the Working Group should consider the possible introduction of a mechanism for the settlement of disputes concerning issues related to the Lisbon system.
116. The contribution from a Lisbon Member State indicates that the ground on which a declaration of refusal is based may be a piece of legislation or an administrative decree of normative character. The same is true for the international registration itself, which may also be based on legislative or administrative provisions. As a result, a country notifying a declaration of refusal can easily find itself in an inter-State conflict with the country

of origin over the protection of the appellation of origin in question. It is therefore suggested that a means for efficiently settling such disputes might be developed. Another Lisbon Member State suggests that disputes arising from the implementation of the Lisbon Agreement could be settled via the WIPO Arbitration and Mediation Center.

117. The intergovernmental organization that answered the survey's questionnaire also suggests consideration by the Working Group of the need for an efficient way of settling disputes between Contracting Parties of the Lisbon system, for example through the WIPO Arbitration and Mediation Center. This view is shared by one of the non-governmental organizations that contributed to the survey.
118. The contribution from one of the academic institutions suggests that WIPO could be an international basis for the resolution of conflicts between appellations of origin or geographical indications and prior users of those names. One of the non-governmental organizations is also of the opinion that the possibility should be given to interested private parties to refer any dispute related to the application of the Agreement to mediation and/or arbitration (via the WIPO Arbitration and Mediation Center).

Territorial Effect of Refusals

119. A Lisbon Member State indicates in its contribution that, if a contracting country finds that an international registration that is notified to it conflicts with an appellation of origin from its own territory, it can only notify a declaration of refusal with respect to its own territory; declarations of refusal do not have effect in other Member States. In respect of those other Member States, the only option that remains open is invalidation of the effects of the international registration in each of the other Member States separately and only to the extent that the law of such other Member State would provide for invalidation in the given circumstances.

Homonymous Appellations of Origin

120. The contribution from one of the non-governmental organizations expresses the view that the Working Group should examine the issue of homonymous appellations of origin while suggesting the establishment of a procedure for negotiating the possible registration of such appellations between interested parties.

Facilitating Application of the Procedures

121. The contribution from a Lisbon Member State suggests that the Lisbon system might be more attractive for producers of products protected by an appellation of origin, if the language regime of the Lisbon system would be extended.
122. Another Lisbon Member State has indicated in its contribution that all Member States should make available their examination guidelines in English, so as to allow any interested party to become familiar with the procedures and practice for the grant of an appellation of origin in each national Office.
123. One of the non-governmental organizations has suggested in its contribution that the Working Group might examine the possibility for producers' associations to apply directly for an international registration, in particular in countries where it is not legally possible for the State to do so, or when the State is not willing to do so.

Studies to Assess the Benefits of Appellation of Origin Protection

124. The contribution from a Lisbon Member State is calling for economic impact studies to gather empirical evidence and understand the economic impact of appellation of origin protection as well as its contribution to socio-economic and cultural development at both regional and national level.

Lisbon Website, Information Products and Customer Service

125. Some contributions are calling for further improvements to the look and content of the Lisbon pages on the WIPO website, thus maximizing transparency concerning the functioning of the Lisbon system. Some of these contributions suggest that the *Lisbon Express* database should indicate grounds for refusal and any other information concerning the legal status of international registrations in contracting countries. One of the private enterprises that contributed to the survey, moreover, indicated that the services rendered should be entrepreneur supportive and less costly.

Monitoring, Enforcement, Renewal

126. The contribution from one of the academic institutions suggests that the Working Group should also consider issues concerning the monitoring of the use of appellations of origin and geographical indications by national control authorities; issues concerning the enforcement of appellations of origin and geographical indications; as well as issues concerning renewals of registrations. One of the non-governmental organizations suggests that the Working Group might examine questions concerning the use/advertising of appellations of origin or geographical indications in processed products/prepared foods. One of the private enterprises that contributed to the survey suggests that the Lisbon Agreement should provide adequate protection against counterfeiting, including through registered trademarks or domain names.

Nature of the Rights

127. One of the academic institutions and one of the private enterprises that contributed to the survey suggest that the Working Group should also consider issues concerning the distinction between owners of the communal property rights for appellations of origin or geographical indications and users of those rights. In this connection, the contribution from a non-Lisbon State indicates that the reference to "private legal entities" in Article 5(1) of the Lisbon Agreement should be deleted.

[End of Annex and of document]