

## **Submission of the United States of America on SCT/35/4 to the Standing Committee on Trademarks, Industrial Designs and Geographical Indications**

The United States of America offers the following comments and observations on WIPO document SCT/35/4, Possible Areas of Convergence No. 1 (Notion of Country Name), No. 2 (Non-registrable if Considered Descriptive), No. 5 (Invalidation and Opposition Procedures) and No. 6 (Use as a Mark) in response to the invitation at the 36th Session of the Standing Committee on Trademarks, Industrial Designs and Geographical Indications.<sup>1</sup>

### **Possible Area of Convergence No. 1, Notion of Country Name**

While one would like to think that all country names are known to all of the consumers of the world, it is not a certainty. Moreover, the farther away one moves from the name of the country to the variations of the country name listed in Possible Area of Convergence No. 1, the less likely the terms will be known to the local consumer, particularly translation or transliteration. As such, this list of identifiers in No. 1 that could be used to presume equivalency with a country name is much too broad. If there is any suggestion that use of these identifiers in a trademark application should be considered *per se* deceptive or otherwise shift the burden of proof that use is not deceptive, we observe that such a presumption would be completely false in those instances where the name is unknown to the local consumer. The United States proposes to narrow this possible area of convergence to a formulation that is more likely to be true, that is, where it could be said that a country name is known to the local consumer<sup>2</sup> and perceived as actually referencing the country.<sup>3</sup>

**Possible Area of Convergence No. 1 Notion of Country Name** At least for the purposes of examination of marks, and unless the applicable law specifies otherwise, a country name may cover: the official or formal name of the State, and the name that is in common use, ~~translation and transliteration of that name, the short name of the State, as well as use of the name in abbreviated form and as an adjective.~~

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<sup>1</sup> See Draft Report of the Thirty-Sixth Session of the Standing Committee on the Law of Trademarks, Industrial Designs and Geographical Indications, SCT/36/6 Prov. Paragraph 120 (October 17-19, 2016).

<sup>2</sup> See, for example, USPTO's Trademark Manual of Examining Procedure (TMEP) Section 1210.04(c): "Geographic matter may be so obscure or remote that it would not be recognized as an indication of the geographic source of the goods or services. In such a case, the mark is treated as an arbitrary designation because its geographic meaning is likely to be lost on consumers. Thus, consumers will not perceive the geographic significance of the term as its primary significance and will not make a goods/place or services/place association...." [citations omitted]. Available at <https://tmep.uspto.gov/RDMS/TMEP/current#/current/TMEP-1200d1e9034.html>

<sup>3</sup> See, for example, TMEP Section 1010.02(b): "To support a refusal to register geographic matter, the Trademark Act requires that the mark be primarily geographic, that is, that its primary significance to the relevant consumers in the United States be that of a geographic location." Available at <https://tmep.uspto.gov/RDMS/TMEP/current#/current/TMEP-1200d1e8506.html>. See also, for example, TMEP 1210.02(b)(iii): "Geographic matter may serve to designate a kind or type of goods or services, or to indicate a style or design that is a feature of the goods or services, rather than to indicate their geographic origin." Available at <https://tmep.uspto.gov/RDMS/TMEP/current#/current/TMEP-1200d1e8618.html>

## **Possible Area of Convergence No. 2, Non-registrable if Considered Descriptive**

In the typical case of a trademark consisting solely of the country name, we can see how Possible Area of Convergence No. 2 superficially appears to reflect convergence in national systems: most trademark laws provide that a mark should be refused when it is descriptive of the origin of the goods or services.<sup>4</sup> However, there are exceptions to the rule that geographically descriptive matter is non-registrable, and the exceptions are significant.

Under US law, a geographically descriptive mark may acquire distinctiveness and therefore, would be eligible for registration. Of course, in the case of a country name, acquiring such distinctiveness would be difficult because a showing of acquired distinctiveness requires continuous and exclusive use of the matter for the goods or services. Country names are considered to be in the public domain so it would be a rare circumstance that a trademark applicant could legitimately claim that it has acquired distinctiveness for a mark consisting solely of a country name for the particular goods or services in a jurisdiction, although not impossible. That said, considering the variations of the country name as included in Possible Area of Convergence No. 1, a successful showing of acquired distinctiveness becomes increasingly possible.

There is yet another exception to the principle that geographically descriptive marks should be refused: under trademark systems used for the protection of geographical indications, geographically descriptive matter is registrable under certain circumstances. Possible Area of Convergence No. 2 suggests that delegations agree that there should be a prohibition of registration of country names or any variations as certification marks of regional origin, or collective marks or trademarks that function as geographical indications owned by the country itself or a certifying authority for the country. That could be an unintended consequence but nonetheless, it is one that undermines trademark systems for the protection of geographical indications. The United States proposes to narrow possible Area of Convergence No. 2 to ensure that when a geographic term including a country name is distinctive, it is registrable.

**Possible Area of Convergence No. 2 Non-registrable if Considered Descriptive[Non-Distinctive]** At least for the purposes of examination, trademarks consisting solely of a country name should be refused where the use of that name is descriptive of the place of origin [considered to be incapable of identifying the source] of the goods or services[or otherwise non-distinctive].

## **Possible Area of Convergence No. 5 Invalidation and Opposition Procedures**

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<sup>4</sup> See, for example, TMEP Section 1210.02(b)(iv): If "AMERICA" or "AMERICAN" is used in a way that primarily denotes the United States origin of the goods or services, then the term is primarily geographically descriptive....[However, i]f a composite mark does not primarily convey geographic significance overall, or if "AMERICA" or "AMERICAN" is used in a nebulous or suggestive manner, then it is inappropriate to treat "AMERICA" or "AMERICAN" as primarily geographically descriptive.

Available at <https://tmep.uspto.gov/RDMS/TMEP/current#/current/TMEP-1200d1e8657.html>

In principle, the United States agrees that the grounds of refusal in examination should be the same as those grounds for opposition or invalidation.

### **Possible Area of Convergence No. 6 Use as a Mark**

The scope of the text of “Possible Area of Convergence No. 6 Use as a Mark” is significantly broader than its title suggests. The text clearly imputes obligations from Paris Convention Articles 9 and 10 (seizure upon importation of goods bearing false indications of source), and Article 10bis (unfair competition) to WIPO members’ handling of country names in trademarks with some serious implications.

First, the inclusion of concepts of unfair competition--making actionable the use of a country name that deceives as to the “nature or quality” of the goods or services—starts with the assumption that country names are capable of source identification beyond geographic origin. Paris Article 10bis provisions requires WIPO members to make actionable acts of unfair competition between competitors where allegations in the course of trade are used that create confusion or mislead consumers; this is not limited to false allegations of geographic origin but includes concepts like misappropriation or passing off.

As noted above, it would be a rare circumstance that a trademark consisting solely of a country name would be capable of identifying source other than geographic origin. Yet the text gives the impression that country names are *per se* source identifiers, beyond geography, to the country of origin’s government. In other words, this convergence suggests that misuse of a country name, beyond deception as to geographic origin of the goods or services, is an act of unfair competition perpetuated against the country’s government. This area of convergence could be read to mean that governments are interested parties under Article 10bis in claims of unfair competition related to use or misuse of country names in trademarks. Moreover, the language referenced in the convergence is drawn from Article 10bis (3)(iii) which refers only to goods while the convergence text also covers services. This interpretative expansion could call into question some WIPO members’ implementation of their obligations under Article 10bis.

Second, because this possible area of convergence is called “use as a mark” and focused entirely on geographic matter in trademarks, not on labels *per se*, we have concerns with the suggestion that Paris Convention Article 10 must be applied to the mark, instead of an analysis of the label or packaging on which the trademark appears. For the United States, Article 10 is implemented through a variety of laws and regulations, not just the Trademark Act, but also the US Tariff Act along with regulations issued by the US Customs and Border Protection Service (CBP). The interplay between the Customs regulations and the trademark provisions with regard to country of origin labeling is complex.

In light of the serious implications of incorporating references to the Paris Convention provisions noted above, this area of convergence should be revised as follows:

**Possible Area of Convergence No. 6 Use as a Mark** Appropriate legal means should be made available for interested parties to prevent the use of country names [as a mark] if such use is likely to deceive the public, for instance as to the nature, quality or geographical origin of the goods or services and to request the seizure of goods bearing false indications as to their source.

**Note**

The seizure of goods in cases of direct or indirect use of an indication of the source of goods is provided for in Article 10 of the Paris Convention.