

Extending EU-wide GI protection applauded, but greater policing power urged (updated)

08

OCT 15

(This article has been updated – the new information is italicised below)

This week the EU Parliament voted to extend EU-wide protection of geographical indications (GIs) to a wider array of regionally manufactured goods. While the lead MEP tells *World Trademark Review* that she is hopeful the changes will come into effect next year, one IP lawyer, however, argues that, although the resolution itself is a positive development, there needs to be an urgent push to end the “patchwork quilt” of national versus pan-national GI rights in Europe.



Tim Lince

The non-binding resolution at the EU Parliament centres on whether the current EU-wide protection of GIs should be extended from agricultural products to include other sectors of locally made goods (eg, Bohemian glass and Scottish tartan). This week it was adopted overwhelmingly by 608 votes to 43, with 43 abstentions. The lead MEP of the resolution, Virginie Rozière, told *World Trademark Review* shortly after the vote that she “welcomes Parliament’s broad support for better protection of local know-how”, adding: “It is now for the European Commission to take up the case, and I hope the Commission will make the proposals soon, as part of its communication on the internal market expected later this fall. For now, I can’t tell how it will come into effect, but I hope it will be next year, and I will do everything possible for that.”

Rozière also acknowledged the need to centralise the EU-wide GI regime. She admits that she “can’t say which organisation is going to be in charge” of the system, due to the legislative process and possibility that the Commission will make amendments to the text. However, she notes that her report “proposes that the Commission examine the possibility of transferring the registration of agricultural GIs to OHIM”.

Sceptical of whether this is the correct course of action is James Tumbridge, a partner at Pillsbury. He says that, “personally, I’m not sure that OHIM is the best place to centrally manage GIs. OHIM is focused on trademarks, and trademarks are sufficiently distinct that there’s no reason why the expertise of OHIM is necessarily the right expertise for a

the expertise of OHIM is necessarily the right expertise for a greater role in GIs". However, he is of the mind that change is required.

Tumbridge writes in the next issue of *World Trademark Review* about recent cases in Europe where national GIs have conflicted with pan-national GI regulations. At present, 15 EU member states have specific national legislation on GI protection for non-agricultural products, resulting in different degrees of protection across the continent. He therefore urges a move towards greater pan-national powers. "What is needed is a team of people who are properly focused on geographical indication. It doesn't ultimately matter whether those people are relocated to OHIM's offices in Alicante, the EPO's office in Munich, or if they stay in Brussels. What Europe needs is good examination of GIs, a consistent approach to recognition and what I'd really like is to have an element of policing responsibility. What the MEPs really need to do, which they have not so far, is to look at whether or not the intention of the pan-national GI regulation is actually being honoured at a national level. So where they see national courts claiming to be protecting local consumers, and allowing localised GIs that are not in line with a pan-European approach, those responsible for EU-wide GIs should be given powers to stop that. That's what is missing - it's not where they're located or whether they're part of an existing beast, it's to give them the power to police GIs because there should be no more patchwork quilt of local versus pan-national rights."

This week's resolution indicates that an extension of GI protection across the EU member states is firmly on the political agenda. However, while a positive development, Tumbridge notes that the resolution could complicate further international harmonisation: "I'm not surprised that it was a vote for 'yes' because there is real politics at play here; there are many parts of the continent whereby an expansion of GIs will positively affect protection of European businesses, but this move is not good for the negotiation of the Transatlantic Trade and Investment Partnership (TTIP) with the US. I don't think it is the wrong move, but it could be contentious in affecting how we harmonise GIs across the Atlantic because the Americans have a very different approach."

With the TTIP not expected to be finalised before next year at the earliest, we will have to wait and see how the interplay works.

European trademark & design attorney Tove Graulund spoke to World Trademark Review shortly after this article was published. She voiced her "complete support" of OHIM taking over the administration of EU geographical indication, adding: "Personally, I would expect that a transfer to OHIM would

result in transparency and improved administration of the system - it has lived behind closed doors too long. It would be a perfect opportunity to review how GIs are examined. With my past in the dairy business I realise that I am perhaps not entirely objective, but it seems to me that the examination has been too influenced by politics rather than proper examination being based on established law and practice."

To that end, one urgent improvement that Graulund suggests is the ability to file an opposition against the registration of a new GI, noting: "This is something that user organisations have been calling for for a number of years, and one would hope that if OHIM were to take charge of the administration of GIs, constructive discussion on topics like this would be opened up." Furthermore, she says the creation of a TMView-type online tool for EU GIs would also benefit brand owners: "If OHIM were to take over the administration of the EU GIs and PDOs, I would definitely expect them to establish a free online, easy-to-use database - just like they have for CTMs and everything they do. If OHIM were to establish an online database that included also GIs protected through bilateral agreements on a global basis, that would be a huge help to everyone."

Graulund thinks that EU GIs will be used by relevant applicants, such as business associations, who will need to decide the best route of protection. She concludes: "They could apply for a CTM and then licence it to its members with the advantages that this gave, like licensing to others, setting a license fee, not being obliged to have fixed-quality standards, possibly assigning the trademark in some theoretical future and generally being more free and in control. Or they go down the road of a collective mark, which would create some limitations compared to a trademark, but it could be more attractive if the association wanted to ensure that the mark did not become a 'commercial item' that could be traded. Or they could go for a certification mark, which would tie the mark even more down to the rules established at its approval. Or they could go for EU GI, where the advantage would be that the member states would be under duty to enforce its rights and stop counterfeits, but where the association would not be able to control the ownership and anyone who could comply with the quality requirements would be able to use the mark. To a business, it would simply be a choice between the pros and the cons."

Channels

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