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EDITOR'S NOTE

On January 6, 2006, the International Trademark Association presented the Second Learned Professors Trademark Symposium in Washington, D.C., at The National Press Club. This program was designed to provide an academic perspective on trademark issues for professors of trademark law, jurists hearing and deciding important cases dealing with trademark disputes and novel legal arguments, and legal practitioners specializing in trademark law who want to enhance their knowledge of international and comparative trademark law. Three prominent professors presented comprehensive examinations of global and comparative leading-edge issues and concerns of trademark law and policy—Roger Schecter based on the paper co-authored with Robert Brauneis, Lionel Bently based on the paper co-authored with Brad Sherman, and Min-Chiuan Wang—from a European, North American, and Asian perspective, respectively. The Trademark Reporter® is proud to publish these three articles as presented at the Learned Professors Trademark Symposium.
THE IMPACT OF EUROPEAN GEOGRAPHICAL INDICATIONS ON NATIONAL RIGHTS IN MEMBER STATES

By Lionel Bently** and Brad Sherman***

I. INTRODUCTION

The European Community has operated a tailor-made system for the protection of geographical indications for agricultural products and foodstuffs since July 26, 1993. In essence, the scheme allows for the protection of geographic names used for particular products on the condition that the applicant establish a qualitative link between the product and the area in which it originates. Protection under the scheme, which is available for “protected geographical indications” (PGIs) and “protected designations of origin” (PDOs), is acquired by application, initially...
to a Member State and thereafter to the European Commission. If the Commission decides that the application is justified, protection is granted on a Community-wide basis and is, in principle, perpetual.

The Community GI system offers protection over geographical designations that have traditionally been protected by other legal regimes at both the national and Community levels. Many national legal systems within Europe provide specific protection for geographical indicators, notably by way of laws protecting appellations of origin. A number of other regimes, while not specifically developed with geographical indications in mind, also protect geographic signs. These include the protection offered by

between “designations of origin” and “geographical indications,” it is true to say that the former category covers a narrower set of relationships between the name of the product and the place of its production than that required to constitute a “geographical indication.” In other words, the category of “designation of origin” is a subset of the category of “geographic indication,” so that any name that can be treated as a “designation of origin” would qualify as a geographical indication, but many “geographical indications” are not “designations of origin.” To qualify as a PGI, the product must originate in the named region, specific place or country; the product or foodstuff must possess a specific quality, reputation, or other characteristic attributable to that geographic origin and the production; either the production, processing or preparation takes place in the defined geographic area. In contrast, to qualify as a PDO, the named product must originate in that region, specific place or country; its quality or characteristics must be “essentially or exclusively due to a particular geographical environment with its inherent natural and human factors” and the production, processing and preparation take place in the defined geographic area. According to Art. 2(2), non-geographic names may also be considered designations of origin or geographical indications. The most famous example of such a non-geographic name is FETA, which is not a place name.


5. By the end of 2005, there were 705 registered names (155 for cheeses; 77 for meat-based products; 101 for meat; 9 for fish; 23 for other products of animal origin; 90 for oils; 16 for olives; 145 for fruit and vegetables; 17 for baked goods; 18 for beer; 39 for other drinks; 11 for non-food products; and 4 others). See http://www.europa.eu.int/comm/agriculture/qual/en/1bbaa_en.htm.

6. The United Kingdom does not have such a regime, but a specific statute, the Harris Tweed Act 1993, empowers a court to grant injunctive relief against a person who incorrectly represents material or garments or articles to be made from material that is Harris Tweed. Harris Tweed is defined as material handwoven by islanders at their homes in the Outer Hebrides and finished in the Outer Hebrides from pure virgin wool dyed and spun in the Outer Hebrides. For useful commentaries on the laws of various countries prior to the Regulation, see H. Cohen Jehoram (ed.), Protection of Geographic Denominations of Goods and Services (1980).
Industry representatives have long been alive to the fact that geographical designations can be protected simultaneously under these different regimes. A good example of this is provided by the Consorzio del Prosciutto di Parma, the organization formed under Italian law that ensures that producers comply with specified methods and standards for the manufacture of PROSCIUTTTO DI PARMA, a dry-cured ham produced in the Parma region of Italy. The ham, which is extracted from the flank of a heavy adult hog, is said to have a distinctive shape, weight, colour and, when cut, aroma and flavour. The Consorzio is the proprietor of a PDO for PARMA ham, a Community collective mark in Class 29 for the famous five-pointed coronet (the “corona ducale”) in relation to retail and consumer protection laws.10

7. These are permitted, but not required, under the Trade Marks Directive, Art. 15. The British system, which dates back to 1902, is found in Section 50 of the Trade Marks Act 1994 and Schedule 2 to that Act. For overviews, see Kitchin, supra note 4, Ch. 12; Jeffrey Belson, Certification Marks, Guarantees And Trust [2002] 24(7) E.I.P.R. 340-52; The Trade Mark Registry’s Work Manual, ch. 12, at http://www.patent.gov.uk/tm/reference/workman/index.htm. Other such schemes in Europe are provided by the laws of Denmark, France and the Republic of Ireland. See Collective Marks Act (Act No. 342 of June 6, 1991) Art. 1(1)(3) (Denmark); Law No. 92-597 of July 1, 1992, on the Intellectual Property Code (Legislative Part) Art. L.715 (collective certification marks) (France); Trade Marks Act 1996, s. 55, Sched 2 (Republic of Ireland).

8. These are also permitted, but not required, under the Trade Marks Directive, Art. 15. The U.K.’s collective mark system is relatively new, having been established in Section 49 of the Trade Marks Act 1994 and Schedule 1. See generally supra note 4, Ch. 12. For British procedures, see The Trade Mark Registry’s Work Manual, ch. 13. For examples of other national systems: Law on Trademarks (No. 137 of June 21, 1995) (Czech Republic) Arts. 27-34; Collective Marks Act (Act No. 342 of June 6, 1991) (Denmark); Law on Collective Marks (No. 795 of December 5, 1980) (Finland); Law No. 92-597 of July 1, 1992, on the Intellectual Property Code (Legislative Part), Art. L.715 (France); (Trade Mark Reform Law) (of October 25, 1994) Arts. 97-106 (Germany); Trademark Law No. 2239 of September 16, 1994, Art. 25 (Greece); Trade Marks Act 1996, s. 54, sched. 1 (Republic of Ireland).

9. In the United Kingdom and Republic of Ireland, this takes the narrower form of the law of passing off. The application of passing off to collective interests in designations such as geographical indications was first recognized by Danckwerts J in the Bollinger decision, in which the claimants, who were champagne producers, brought a successful action to prevent the defendant calling its product “Spanish Champagne”. Bollinger v. Costa Brava Wine Co. [1960] R.P.C. 16 (preliminary point), [1961] 1 W.L.R. 277 (trial). Extensive examination of the tort is provided by C. Wadlow, The Law of Passing Off: Unfair Competition by Misrepresentation 215-6, 291-3, 510-24 (3d ed. 2004).

10. In the United Kingdom, the Trade Descriptions Act 1968 creates criminal offences regarding trade description, including misleading description of geographic origin. Other such laws are common throughout Europe. See, e.g., Law of July 14, 1991, on Trade Practices and Consumer Information and Protection ch III, Arts. 16-21 (Belgium); The Danish Marketing Practices Act (Act No. 428 of June 1, 1994) (Denmark).

parma ham,\textsuperscript{12} as well as the words PARMA HAM\textsuperscript{13} and a U.K. certification mark\textsuperscript{14} for PROSCIUTTO DI PARMA, as well as an individual mark for PROSCIUTTO DI PARMA in Classes 35 and 42.\textsuperscript{15} The Consorzio has also relied on passing off in an action against Marks & Spencer;\textsuperscript{16} only failing when the court found that the defendant's use of the name "Parma ham" to describe pre-sliced ham, which had been sourced from whole Parma hams produced and authenticated in accordance with Italian law but sliced by the defendants in the United Kingdom, was not a misrepresentation.\textsuperscript{17}

While organizations such as the Consorzio del Prosciutto di Parma have been quick to make use of the different regimes available under Community and national laws to protect geographical designations in which they have an interest, to some extent, they may have acted hastily. Despite assumptions to the contrary,\textsuperscript{18} this is because protection may not be available cumulatively. Indeed on one reading, the mere act of applying for a Community GI will lead to the loss of protection afforded under national laws relating to geographical indications, certification marks, collective marks, and possibly also private trade marks, passing off and even consumer laws. On its face, this is a startling


\textsuperscript{13} U.K. T.M. No. 3493781.

\textsuperscript{14} U.K. T.M. No. 1457951 (PROSCIUTTO DI PARMA); No. 1457952 (ducal crown).

\textsuperscript{15} U.K. T.M. No. 2249241.


\textsuperscript{17} The Consorzio del Prosciutto di Parma are by no means the only collective organization to involve themselves in stacking up rights. Other examples worth noting include: ROQUEFORT (both a PDO and a U.K. certification mark); SPREWALDER GURKEN (a PGI, Community collective mark (C.T.M. No. 360800), British collective mark for a composite sign (U.K. T.M. No. 1519548)); JERSEY ROYAL (both a PDO and subject to a U.K. certification mark application (U.K. T.M. No. 2303425A)); PARMIGIANO REGIANO (a PDO, a Community collective mark (CTM No. 1126481), WELSH LAMB and WELSH BEEF (PDOS, as well as certification mark applications in the process of being considered (U.K. T.M. Nos. 2376922 (beef), 2376921 (lamb), 2376920 (pork)) as well a Community collective mark applications (C.T.M. Nos. 4103537 (beef), 4103495 (lamb), 4103321 (pork)); PROSCIUTTO DI SAN DANIELE (PDO and British collective trade mark (U.K. T.M. No. 2014280)).

proposition with serious implications. It is nevertheless a proposition that is supported by statements from the European Commission, decisions of the European Court of Justice (ECJ), and dicta of the British House of Lords. The seriousness of this situation is made worse by the fact that the nature of the relationship between the Community scheme and equivalent national schemes remains uncertain in a number of key respects. It is the aim of this article to shed light on these and related issues.

In Part II, below, we examine the impact of the Community GI Regulation on national modes of protection. After outlining the various ways in which the Community scheme might interact with national regimes, we argue that the most preferable option is that Community protection should be seen as a substitute or replacement for national protection. In Part III, we explore in more detail the situations in which national protection is similar to the protection available under the Community Regulation. After looking at the consequences and scope of pre-emption, we turn to consider some of the strategic considerations that would-be applicants should take into account when considering whether to make use of the Community scheme.

II. THE IMPACT OF THE COMMUNITY GI REGULATION ON NATIONAL LAWS

The relationship between the European GI Regulation and existing forms of national protection is “not obvious.” The lack of clarity, which is both surprising and highly unsatisfactory, has arisen for a number of reasons, perhaps the most important being that the text of the GI Regulation (like its predecessor) is unclear about the nature of the relationship between Community protection and equivalent national rights. While one might have expected that any changes to pre-existing legal rights brought about by the GI Regulation would have been clearly highlighted in the text of the Regulation, unfortunately this is not the case. Instead, the status of national rights has to be inferred from (now repealed) provisions dealing with transitional mechanisms for the registration of existing names.

In thinking about the nature of the relationship between Community protection for GIs and equivalent protection at the national level, there are four possible scenarios. These are:

1. **Cumulative protection:** The first possibility, which is the basis on which some industry organizations seem to be operating, is that protection is cumulative. That is, it is possible for a geographical designation to be simultaneously protected by different legal regimes at both the Community and national levels.

2. **Abandonment:** A second possibility is that applicants lose the possibility of relying upon national laws at the point in time when they apply for Community protection. This is the case irrespective of whether or not Community GI protection is actually granted.

3. **Substitution:** A third possibility is that a party only loses its national rights when the geographical designation is actually registered at the Community level. In this situation, Community GI protection acts as a substitute for national laws.

4. **Abolition:** A fourth and more extreme position is that national protection ended when the Regulation came into operation on July 23, 1993: effectively, the introduction of Community GI protection abolished equivalent national laws. As a result, national protection is simply no longer available as a consequence of the enactment of the GI Regulation in 1993.

Cumulative protection is the most straightforward of the four options insofar as it leaves interested parties with the choice as to the mode of protection they wish to utilize. Under the second and third scenarios, applicants are able to elect whether they use local laws to protect geographical designations or whether they wish to rely upon the Community scheme. The chief difference between the second and third scenarios is the point in time when the decision to forgo national protection is triggered: with the third scenario, national protection is lost when an application is lodged, whereas with “substitution,” national protection is only lost when Community GI protection is actually granted. Under the fourth scenario, the ability to rely upon local laws was automatically lost as a consequence of the enactment of the Community GI Regulation in 1993. As we will see below, there is

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20. If this is deemed the correct approach, this itself needs further clarification. More specifically, clarification is required as to when an application is made: Does a person apply for registration when they notify the relevant Member State, or only when the application is forwarded to the Commission for consideration?
support in one form or another for each of these different scenarios.

A. Cumulative Protection

The first and most straightforward way in which national laws and the community GI scheme might interact is on the basis that protection is cumulative. In essence, this means that parties are free to decide which of the various regimes they wish to rely upon to protect the geographical designations in which they have an interest.\footnote{The idea that protection could be cumulative, which is the approach that is preferred by many industry organizations, is given some support in the latest version of Kerly: Kitchin, supra note 4, at 333, paragraph 11-040, where it is suggested that cumulation “depends on national law in the Member State concerned.”} Such an approach is difficult to square with the express terms of various provisions of the Regulation, in particular, Article 17 of the original Regulation (as enacted), Article 5(5) (which was introduced in 1997), and Article 5(6) of the 2006 version. This is because, as we will explain in more detail below, in certain situations these provisions allow for the continuation or grant of national protection, albeit only on a temporary basis. If the Regulation had been designed to operate in conjunction with national protection, these provisions would be wholly unnecessary. Moreover, these provisions imply that national protection ends after a decision on registration has been made. This clearly suggests that such protection, at least in the applicant state, cannot be cumulative.

The idea that national and Community protection are cumulative was categorically rejected by the ECJ in the Gorgonzola decision.\footnote{Consorzio per la Tutela del Formaggio Gorgonzola v. Kaserei Champignon Hofmeiste, Case No. C-87-97, [1999] E.C.R. I-1301; [1999] 1 C.M.L.R. 1203 (ECJ, 5th chamber).} Here, the claimant-proprietor of the GI for GORGONZOLA brought an action under Austrian law (that was, in turn, derived from a treaty between Italy and Austria\footnote{Agreement between Austria and Italy on geographical designations of origin and names of certain products signed in Rome on February 1, 1952, and the Additional Protocol to that agreement signed in Vienna on December 17, 1969. This came into operation when the Stresa Agreement ceased to apply in Austria on February 9, 1996.}) against the German producer and Austrian distributor of CAMBOZOLA cheese. The ECJ reformulated questions about the treaty that the Austrian court had referred to it on the basis that the matter was properly governed by the GI Regulation and not the treaty. The ECJ noted:

The plaintiff argues that, in so far as the protection afforded by a Member State to a designation of origin is wider in scope than that available under Community law, that national protection is cumulative.
protection continues after the designation has been registered in accordance with Regulation No 2081/92. That argument is, however, contradicted by the wording of Article 17(3) of that Regulation, which permits Member States to maintain national protection of a name only until such time as a decision has been taken on its registration as a name protected at Community level. Consequently, only the legal rules laid down by Regulation No 2081/92 are, together with the Treaty rules, relevant for the purpose of answering the questions referred.24

It is important to note that Article 17 of the 1992 GI Regulation was repealed in 2003. While the statutory language used by the ECJ to reach the conclusion that protection was not cumulative has been removed, other language, which leads to the same conclusion, exists in Article 5(5) (which was introduced in 1997) and Article 5(6) of the 2006 Regulation. As such, it seems that the arguments made by the ECJ in Gorgonzola are still relevant.

Despite the strong arguments made against cumulative protection in the Gorgonzola decision, there are vague signs in the decision of Budejovicky Budvar, Narodni Podnik v. Rudolf Ammersin Gmb that the ECJ might be changing tack.25 This decision arose when the Handelsgericht Wien referred a question to the ECJ concerning the application of treaty provisions between Austria and the Czech Republic under which Austria undertook, inter alia, to protect the designation BUD for beer. The reference to the ECJ arose as a result of litigation between the Czech firm that manufactures beer and sells it, typically as BUDVAR, and a vendor of Anheuser Busch’s BUDWEISER product, which had been imported into Austria and sold under the designation “American BUD.” The question referred to the ECJ was based on the hypothesis that BUD was a geographic reference to the Czech town and that there was no link to the quality of the goods in the protection of this geographic name.26 Drawing upon the Warsteiner decision of the ECJ (which is discussed below), the Court emphasized that the GI system only protects designations with a qualitative link to a particular geographic location.27 On this basis,

26. Case No. C-216/01, [2003] E.C.R. I- 13617, [2005] 1 C.M.L.R. (56) 1487 per Advocate General Tizzano (AG paras. 59-62; Court, para. 73) (the operating assumption being the Austro-Czech bilateral agreement relating to BUD, BUD EJOVICE PIVO, etc., related to a simple geographical indication that did not imply links between the origin of the product and its qualities)
the Court said that Member States were allowed to maintain laws prohibiting the use of misleading geographical indications that fall outside the scope of the GI Regulation.

Somewhat remarkably, the Court went on to say that the scope of the GI Regulation “depends essentially on the nature of the designation, in that it covers only designations of products for which there is a specific link between their characteristics and their geographic origin, and by the fact that the protection conferred extends to the Community.”28 Because the referring court had said that BUD was not a designation of a product for which there is a specific link between the characteristics of the product and its geographic origin, this should have been sufficient for the ECJ to conclude that the relevant provisions fell outside the scope of the Regulation (and were thus, in principle,29 permissible). However, and importantly, the ECJ added that “the protection which [the name] enjoys under the bilateral instruments at issue is limited to Austrian territory.”30 By emphasizing the absence of Community-wide protection, the Court seems to have suggested that any protection of a geographical designation, even one involving a qualitative link between the named-product and the place where the product originates, is permissible at the national level.31 If this is correct, the Court’s interpretation of the Regulation suggests that it is possible for national and Community protection to operate cumulatively: a position that is both difficult to square with the language of the Regulation and is clearly in conflict with earlier decisions, including Gorgonzola.32 Given this inconsistency, and the fact that the issue was not an integral part of the judgment of the court,33 it is unlikely that this aspect of the decision will be followed in the future.

29. Though as national laws that might be equivalent to “quantitative restrictions on imports,” such provisions have to be scrutinized to ensure they fall within the derogation from Art. 28 E.C. contained in Art. 30 E.C.
31. This was the position that was, in fact, being advocated by Budvar; para. 57 (citing Warsteiner, Case No. C-312/98, [2000] E.C.R. I-9187, para. 47 in support) and para. 59; and the Austrian Government (para. 66).
32. Four of the five judges who sat in the 5th Chamber in the Gorgonzola case, Case No. C-87-97 [1999] E.C.R. I-1301 (Judges Puissochet, Edward, Gulmann and Jann) sat in the full Court (of 11 judges) in the Budvar case. The operating assumption of the Commission and French Government in Commission of the European Communities v. French Republic, Case No. C-6/02 (March 6, 2003), [2003] E.C.R. I-2389, was also that cumulation was not possible.
33. Indeed, the possibility of “cumulation” with protection under the GI Regulation was not raised at all (as no protection existed for BUD under that regime). But see note 133 below (noting that some BUDVAR registrations have been accepted as PGIs).
B. Abandonment

The second way in which national laws might interact with the Community GI Regulation is on the basis that national protection is lost—or abandoned—when an application is made to register the designation under the Community regime. Importantly, this is the case irrespective of whether the designation is actually registered as a Community GI. Support for this approach comes from the text of the Regulation. More specifically, it comes from Article 17 of the original (1992) GI Regulation, which deals with transitional registrations for names already protected in Member States. Under the so-called “simplified procedure,” Member States were given a six-month period in which they could obtain expedited registration of names that had already been protected in that particular State. Importantly, Article 17(3) provided that Member States were able to maintain national protection of names communicated to the Commission until such time as a decision on registration had been made. Not surprisingly, this was taken to mean that national protection of names ended once a decision had been made about Community protection.

As a result of delays in the registration of existing denominations, the Commission decided, in 1996, to amend the GI Regulation. The amendments, which were introduced in

34. This left the “normal registration procedure,” laid down in Arts. 5-7, for new names and names for which no application was made under the simplified procedure. Communication to enterprises that use designations of origin and geographical indications for agricultural products and foodstuffs on the simplified Community registration procedure provided for in Art. 17 of Regulation (EEC) No. 2081/92, [1993] OJ C 273/4.

35. GI Regulation (2081/92), Art. 17 (now repealed). It read: “(1) Within six months of the entry into force of the Regulation, Member States shall inform the Commission which of their legally protected names or, in those Member States where there is no protection system, which of their names established by usage they wish to register pursuant to this Regulation. 2. In accordance with the procedure laid down in Art. 15, the Commission shall register the names referred to in paragraph 1 which comply with Arts. 2 and 4. Art. 7 shall not apply. However, generic names shall not be added.”

36. Communication to enterprises that use designations of origin and geographical indications for agricultural products and foodstuffs on the simplified Community registration procedure provided for in Article 17 of Regulation (EEC) No. 2081/92, [1993] OJ C 273/4. This was supported by Recital 7 of the GI Regulation 2081/92, which provided:

Whereas, however, there is diversity in the national practices for implementing registered designations or origin and geographical indications; whereas a Community approach should be envisaged; whereas a framework of Community rules on protection will permit the development of geographical indications and designations of origin since, by providing a more uniform approach, such a framework will ensure fair competition between the producers of products bearing such indications and enhance the credibility of the products in the consumers’ eyes.

37. For the legislative background to this change, see: Commission Proposal, Com 96/0266 Final; European Parliament Opinion, OJ C 33/97; and Economic and Social Committee Opinion, OJ C 30/97.
dealt with applications under both the simplified and the normal procedures. As part of the reforms, Article 5(5) was introduced and provides:

[A] Member State may, on a transitional basis only, grant on the national level a protection in the sense of the present Regulation to the name forwarded in the manner prescribed, and, where appropriate, an adjustment period, as from the date of such forwarding; these may also be granted transitonally subject to the same conditions in connection with an application for the amendment of the product specification. . . . Such transitional national protection shall cease on the date on which a decision on registration under this Regulation is taken.”

The Recitals further explain that:

Whereas it takes some time to process an application for registration of a name as a protected geographical indication or a protected designation of origin under Regulation (EEC) No 2081/92; whereas Member States should be allowed to grant temporary national protection pending a Community decision on the registration of a name; whereas, in order to settle any conflicts that may arise between producers in a Member State, the Member State concerned may, if necessary, allow a national transitional period that would subsequently have to be confirmed by a Community decision; whereas the consequences of the above national measures must be borne by the Member State which introduced them; whereas, lastly, the said measures must not constitute a barrier to intra-Community trade.

Article 5(5) differs in two significant respects from Article 17(3). First, while Article 17(3) talks about the “maintenance” of existing protection, Article 5(5) talks about the ability for States to

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39. The provision continues:

When that decision is taken, a period of up to five years may be allowed for adjustment, on condition that the undertakings concerned have legally marketed the products in question, using the names concerned continuously, for at least five years prior to the date of the publication provided for in Article 6 (2). The consequences of such national protection, where a name is not registered under this Regulation, shall be the sole responsibility of the Member State concerned. The measures taken by Member States under the second subparagraph shall produce effects at national level only; they shall have no effect on intra-Community trade.

“grant” rights. Second, in contrast to the open-ended reference to Member States in Article 17(3), Article 5(5) seems only to be concerned with protection in the applicant’s Member State. These differences can be explained by the fact that Article 5(5) relates to the normal procedure, which is targeted at new geographical indications, whereas Article 17 deals with existing designations. Because existing designations fell within the simplified procedure, Article 5(5) was only concerned with transitional rights granted in the Member State where the designation was developing. Despite the repeal of the 1992 Regulation, the substance of Article 5(5) has been re-enacted in the form of Article 5(6) of the 2006 Regulation.

Article 17(3), which stated that Member States are able to maintain national systems “until such time as a decision on registration has been taken,” and Article 5(6) of the 2006 Regulation, which indicates that “transitional national protection shall cease on the date on which a decision on registration under this Regulation is taken,” imply that Member States are not able to protect geographical designations once a decision on registration has been taken, irrespective of the outcome. As Roland Knaak has argued, this supports the view that the GI Regulation operates exhaustively in its field. This means that if a decision is made that a designation is not able to be registered under the Community GI system, the designation not only loses any chance of being protected at the Community level, but also is stripped of protection at the national level. (In this situation, the only real option is for the designation to be protected as a Community collective trade mark). This seems to be a remarkable result, even for commentators who are not particularly sympathetic to these forms of protection. It is also in stark contrast to the approach taken in relation to a failed application for a Community trade mark, where provision is made for the conversion of a failed

41. The assumption that all existing geographical indications that were protected by national laws had by this time been protected at European level seems to be plainly erroneous, particularly in respect of countries where registration of GIs had not previously been required but protection would have recognized, when necessary, through a passing off or unfair competition action.

42. The language of Art. 17(3), which allows for national measures to be “maintained until” a decision was taken, is replaced in Article 5(5) by clearer instructions that “such transitional national protection shall cease” on the date on which a decision on registration under this Regulation is taken. In this sense, Art. 5(5) reinforces the view that national protection only continues on a transitional basis until a decision is made about registration at the Community level.


Community application into a national application.\textsuperscript{45} Therefore, parties who are thinking of applying for Community GI protection must think carefully before they enter into the application process.\textsuperscript{46} Despite the adverse consequences, this was the outcome advocated by the Commission in its 1993 Communication on the Simplified Procedure, which said that “[n]ames . . . which have been communicated but have been refused protection will cease to be protected.”\textsuperscript{47}

\textbf{C. Substitution}

The third way in which national protection may interact with the Community GI scheme is on the basis that national rights are only lost where a geographical designation is actually protected by the Community Regulation. In other words, national protection survives either if no application for Community GI protection is made, or if such an application is unsuccessful; it is only the act of successful registration of a Community GI that brings about the abrogation of the local systems of protection.

Roland Knaak has suggested that this reading of the GI Regulation is supported by the decision of the ECJ in \textit{Denmark v. EC Commission}.\textsuperscript{48} This case arose as a result of the Commission’s decision in June 1996 to register FETA under the simplified procedure as a PDO for salted white cheese traditionally produced in Greece from sheep’s milk.\textsuperscript{49} Denmark, Germany and France challenged the registration on the basis (\textit{inter alia}) that feta was generic. Rather than finding that feta was generic, the ECJ annulled the registration on the basis that the Commission had failed to take account of the fact that feta had been used for a

\textsuperscript{45} If a Community trade mark application fails because of a conflict with an earlier national right (Art. 52), or on the basis that it is descriptive or generic in a particular Member State (Art. 50(1)(b)), so long as the ground of invalidity relates only to part of the Community, there is no reason why the now-invalid Community application should not be transformed into national applications for those parts of the Community where the ground of invalidity is inapplicable: Art. 108(2). The proprietor is given a three-month time frame to decide on such conversion, and must specify the states to which conversion relates. The national office can subject the application to examination in accordance with the Regulation.

\textsuperscript{46} See text accompanying notes 127-61, below.

\textsuperscript{47} Communication to enterprises that use designations of origin and geographical indications for agricultural products and foodstuffs on the simplified Community registration procedure provided for in Article 17 of Regulation (EEC) No. 2081/92, [1993] OJ C 273/4. The document, in fact, goes further and advocates the even more drastic policy of abolition of national protection.

\textsuperscript{48} Joined Cases Nos. C-289/96, C-293/96, C-299/96, [1999] E.C.R. I-1541. Knaak, \textit{supra} note 43 at 375, 386-87. Note also recital 12 of the GI Regulation, which suggests that registration at Community level is necessary “to enjoy protection in every Member State,” implying that producers might be left to enjoy national protection if they so desired.

\textsuperscript{49} Commission Regulation (EC) No. 1107/96.
considerable period of time in Member States other than Greece. Knaak argued, as the judgment suggests, that national rights are only lost when a geographical designation is actually registered, and thus, that national rights can be maintained in the event of a negative decision at the Community level. More specifically, Knaak said that as the ECJ does not seem to contemplate that a decision on genericism would be an “all-or-nothing” decision, the “persuasive nature of the Feta judgment lies in the possibility of a continued existence of national protection for the designation ‘feta’ in Greece.” However much one may support the result that Knaak advocates, the judgment does not provide much assistance in this regard. This is because as the ECJ’s ruling annulled the Commission’s decision, the Commission’s decision should be treated as if it never took place. Given that Article 17 of the GI Regulation, which provides that protection at the national level continues until a decision about registration is made, the Court’s conclusion that FETA was still protected in Greece says nothing about the ultimate impact of the GI Regulation on national regimes.

Even though Denmark v. EC Commission may not provide much support for the idea that Community protection acts as a substitute for national protection, this approach was clearly favoured by the ECJ in Schutzverband gegen Unwesen in der Wirtschaft eV v. Warsteiner Bauerei Haus Cramer GmbH & Co KG. This case concerned the application of Articles 126 and 127 of the German Markengesetz to the designation WARSTEINER, which the defendant brewery used on beer that was, in fact, brewed in Paderborn, a town 40 kilometers from Warstein. It was common ground in the case that the beer in question did not have any special characteristics that were attributable to the place where it was brewed. As part of its judgment, the German Bundesgerichtshof asked the ECJ whether in such a case the Community GI Regulation precluded the application of national protection. Drawing on Recital 9 of the Regulation, the ECJ said that Member States were able to protect geographical designations that fell outside the scope of the Regulation as they saw fit. In so doing, the ECJ made it clear that Member States were allowed to maintain laws prohibiting the use of misleading geographical indications, where those indications did not involve links to the quality of products.

51. Id. at 386
The Court explained that Article 17(3) (of the 1992 Regulation) ensured that national protection was not lost in the period between when an application for registration was made to the Commission and the time when the decision concerning registration was made. The Court also said that Article 17(3) “is in no way intended to regulate the status of those existing names whose registration is not sought by any Member State.”\(^{54}\) In this sense, the ECJ seems to have rejected both cumulative protection and the possibility that national protection was abolished by the GI Regulation. More significantly, the ECJ also said that “the national protection which a Member State confers on geographical designations which do not meet the conditions for registration under [the GI Regulation] is governed by the national law of that Member State and is confined to the territory of that Member State.”\(^{55}\) Depending on the “conditions” that the Court had in mind, this raises the possibility that if the decision was negative, so that we could say that the designation would “not meet the conditions for registration,” then national law would continue to protect the designation, even after a decision had been made. If this is a correct reading of these obscure (and very much obiter dicta), then the Court seems to have suggested that Community protection acts as a substitute for national protection.

The idea that Community registration acts as a substitute for national rights was supported by the British House of Lords in Consorzio del Prosciutto di Parma v. Asda Stores, when Lord Hoffmann said that the “Regulation was intended to create a Community right in substitution for previous national rights. . . . Article 17.3 contemplates that the national protection of such names shall lapse when the PDO is registered.”\(^{56}\) More clearly, Lord Hoffmann said that “these provisions, taken as a whole, show that save for the exception provided for by Article 14.2, the registration of a name as a PDO substitutes the protection of Council Regulation 2081/92 for the national protection that would otherwise have been afforded to the name whether as a registered trade mark or otherwise.”\(^{57}\)


\(^{56}\) [2002] F.S.R. 3, 47-48 para. 22-23 (Lord Hoffmann) (HL). See also Gorgonzola/Cambozola, Upper County Court, Frankfurt Am Main VGH (Frankfurt Am Main) June 7, 1997 [1999] E.T.M.R. 135 (since GORGONZOLA was registered, protection is governed exclusively by Regulation 2081/92 “because the Community system replaces all previous valid national or bilateral rules on protection of terms designating origin and geographic indications, at least in as far as (as in this case) an indication was actually included in the law of the Community.”).

\(^{57}\) [2002] F.S.R. 3, at para. 72
D. Abolition

The fourth and final way in which the Community scheme might interact with national laws is on the basis that the Community GI Regulation abolished the very possibility of national protection (except in the narrow circumstances provided for in Article 5(6) of the 2006 Regulation). Unlike the case with abandonment and substitution, where parties are able to decide whether they wish to utilize national laws or Community-wide protection and where national rights are abolished, this choice is simply not available. Parties are, in effect, forced to rely upon the Community regime. Interestingly, and not surprisingly, this is the approach that was favoured by the European Commission in a Communication on the Simplified Procedure that it issued in 1993. As part of the Communication, the Commission warned interested parties that it was necessary to comply with the six-month deadline so that they could:

... maintain the protection which they currently enjoy and extend it to the Community as a whole. ... Names which are protected at national level but have not been communicated to the Commission within the six-month period and those which have been communicated but have been refused protection

58. This certainly seems to have been what the Commission envisaged in its initial proposal for a Regulation on GIs issued in 1990. Recital 17 of the Commission's proposal of December 21, 1990, Proposal for a Council Regulation (EEC) on the protection of geographical indications and designations of origin for agricultural products and foodstuffs, SEC (90) 2415 final, [1991] OJ C 30/9, had explicitly stated, “Whereas in order to avoid the proliferation of schemes and confusion to consumers the Community scheme should be exhaustive and exclusive; whereas therefore the geographical indications or designations of origin issued at national level before entry into force of this Regulations should be published for registration at Community level without prejudice to existing provisions in this field. ...” However, the recital never made it into the Regulation as enacted, though it is not clear whether its omission indicates that abolition was no longer intended or simply that it was thought unnecessary to spell this out.

59. A decade earlier, the Commission had sought similar interpretation of the wine labeling regulations. In Criminal Proceedings Against Karl Prantl, Case No. 16/83 [1984] E.C.R. 1299, [1985] 2 C.M.L.R. 238, the Commission had argued that the Community rules of the labeling of wine, then contained in Council Regulation 355/79, preclude the enforcement of German rules on the use of certain bottle shapes for wine. The ECJ rejected the Commission’s argument based on exclusive competence, while simultaneously holding that the particular German rules violated the prohibition on quantitative restrictions on imports and measures having equivalent effect, then contained in Art. 30 of the Treaty (now Art. 29 E.C.). For the current provisions on wine labeling, see Council Regulation (EC) No. 1493/1999 of May 17, 1999, on the common organization of the market in wine Ch III. For Community regulation of bottle shapes, see Art. 9 and Annex I (inter alia, specifying who may use the “bocksbeutel,” the subject of dispute in the Prantl case.)

will cease to be protected.... Names which were not communicated but are subsequently the subject of a request for registration under the normal procedure will still remain unprotected until a decision in favour of registration is taken.61

On one reading, the Commission seems to have suggested that national protection ended when the Regulation came into operation on July 23, 1993, with the exception of situations where the simplified procedure was adopted. In other words, the GI Regulation effectively abolished equivalent national protection. Where the simplified procedure is used, national protection continued until the date when a decision about registration was made. Thereafter, national protection lapsed.62

The Commission’s position that the GI Regulation effectively abolished national protection was supported by the ECJ in the 1998 decision of Chiciak and Fol.63 In this case, an application for registration had been made under the simplified procedure for the French cheese EPOISSES DE BOURGOGNE. The application, which was based on a French Decree of 1991 that recognized the designation under French law, was ultimately accepted as a Community GI in 1996. In the meantime, the French Government passed a further Decree covering uses of the term EPOISSES. The French authorities brought a criminal prosecution under the Decree against Messrs. Chiciak and Fol for improper use of the term EPOISSES. In the course of the judgment, the Tribunal de Grande Instance of Dijon sought the assistance of the ECJ as to whether it was possible for a unilateral Decree of the French Government to alter the scope of the pending application for a Community PDO under the simplified procedure. Not surprisingly,

61. Id.

62. Bertold Schwab, The Protection of Geographical Indications in The European Economic Community [1995] 17(5) E.I.P.R. 242 (“However, what is the legal situation of those names that are not communicated under the simplified procedure or of those names for which Community registration is refused? The stance taken by the Commission departments is quite clear. Nationally protected names not communicated within the six-month period as also those which, although communicated, are subject to a decision of non-registration, will cease to be protected.”) This approach also seems to have been taken as regards national protection operating in new members of the Union on its enlargement in 2004, with Art. 1 of the relevant regulation expressly allowing the operation of national protection until October 31, 2004. Thereafter, national protection could be maintained for designations for which a Community application had been made, but only until a decision was made as to such Community protection. See Commission Regulation (EC) No. 918/2004 of April 29, 2004, introducing transitional arrangements for the protection of geographical indications and designations of origin for agricultural products and foodstuffs in connection with the accession of the Czech Republic, Estonia, Cyprus, Latvia, Lithuania, Hungary, Malta, Poland, Slovenia and Slovakia, Official Journal L 163/88.

the Court held that this was not possible. As the submissions of the various parties in the judgment recognized, this issue was underpinned by a more fundamental question: namely, given the existence of the GI system, could French law protect EPOISSES, a term that had not as yet been protected as a PDO at the Community level? If it wished, the ECJ could have made it clear that cumulative protection was possible pending a decision on the fate of the GI. Alternatively, the ECJ could have adopted the submissions of the Italian and German Governments and made it clear that where there had been no application to register a geographical designation at the Community level, the designation could be protected under national law. By failing to allude to these alternatives, the ECJ can be taken to have implicitly approved the Greek Government’s and European Commission’s argument that the EC system abolished national regimes (the notable exception being in relation to provisional protection under Article 17). Of course, other readings of the judgment are possible; on one such reading, the case tells us nothing about the relation between national and Community protection; and on another, the case suggests abandonment in that France lost its ability to determine the scope of protected subject matter once it applied to register EPOISSES DE BOURGOGNE. Certainly, it was a peculiar feature of the case that it concerned alternative names for the same product. It should also be noted that the decision was made in relation to the registration of a term as a national GI, rather than as a certification mark, collective mark, or under unfair competition law. Nonetheless, the judgment of the ECJ can be read in a way that supports the view that the Community scheme led to the abolition of national laws.

64. Advocate-General Pergola specifically resisted this characterization of the issue in the case, saying:

[...] In the present case, contrary to what the governments which submitted written observations appear to think, the question is not whether it is possible to envisage a separate sphere of national protection of designations of origin which exists, as it were, on a plane parallel to and separate from that of the guarantee ensured by the Community legislation. We are here faced with a different and more specific problem, namely whether a Member State, which has registered a name in accordance with the regulation, may subsequently alter it without following the procedure specifically laid down for that purpose by the regulation, and even in manifest breach of its provisions. In my opinion, the answer can only be negative.

If the ECJ decision is read as following the Advocate General’s opinion, the question of the relationship between Community GI registration and national protection was simply ignored, the ECJ preferring to answer the precise question put to it. But cf. Consorzio per la Tutela del Formaggio Gorgonzola v. Kaserei Champignon Hofmeiste, Case No. C-87-97 (September 15, 1998), [1999] E.C.R. I-1301; [1999] 1 C.M.L.R. 1203 para. 16 (where the court reformulated the question).

65. Our thanks go to Roland Knaak for this observation.
The view that names capable of being registered as European GIs cannot be protected under national law received further support in the ECJ’s 2003 decision of *Commission v. French Republic*. In this case, the Commission objected to the French Government’s continued protection of geographic names, primarily on the basis that this violated Article 28 EC (which prohibits quantitative restrictions on imports and measures having equivalent effect). More specifically, the Commission objected to French legislation that provided for an eight-year transitional period for geographic names that had been protected as designations of origin prior to the introduction of the GI Regulation—but for which no protection had been sought. The French Government admitted that, in so doing, it had violated the Treaty and attempted to justify its position by reference to later acts. Consequently, the ECJ had little alternative but to hold that France had been in violation of Article 28 EC. While the case seems to support the position that it is no longer possible to grant national protection for names that fall within the GI Regulation (except insofar as they fall within Article 5(6)), the case is a relatively weak authority given that the defendants failed to contest the substantive basis of the Commission’s complaint, that no other governments intervened, and that it was a decision of a Chamber of the Court. Moreover, the assumption on which the Commission operated is in clear conflict with the dicta in *Warsteiner* (in which all three judges who decided the *French Republic* case had participated) and *Budvar*.

It seems that it is still an open question as to whether protection for geographical designations is cumulative, whether national protection is lost as a consequence of applying for Community protection, as a consequence of the designation being protected under the Community scheme, or as an automatic consequence of the introduction of the Community GI Regulation. It should be evident from the section above that the position at the ECJ is unclear: the *Chicciak* and the *French Republic* decisions offer some, albeit weak, support to those who advocate abolition of national protection; *Gorgonzola* clearly indicates that protection is not cumulative, while leaving other issues open; *Warsteiner* advocates substitution (but in statements which are clearly obiter dicta); and *Budweiser* can be read as confirming *Warsteiner* and

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67. Kitchin, *supra* note 4, 323 n.25, 334 para. 11-042 (“As a result of the *Commission v. France* judgment there must now be an argument that any certification marks for geographical designations and indications capable of being registered as PDOs or PGIs are wrongfully on the UK Register.”) (emphasis added).
possibly also as providing support for cumulative protection. The uncertainty has been compounded by the fact that the Community GI system has evolved since it was adopted by the Council in 1992. Indeed, the provisions dealing with the simplified procedure for the acquisition of GIs, which underpinned both the Gorgonzola decision and the Commissions 1993 Communication, were repealed in 2003. Moreover, it seems that even the Commission’s own interpretation may have changed from advocating abolition to something less drastic. This can be seen from the explanatory memorandum accompanying the 2005 Proposal for a Council Regulation on the Protection of Geographical Indications and Designations of Origin for Agricultural Products and Foodstuffs (the precursor to the 2006 Regulation) where in describing the regime as a “voluntary Community system of protection,” the Commission uses language which is inconsistent with the view that the GI Regulation abolished national protection.

While one of the leading commentators on European GIs, Roland Knaak, has suggested that protection ends when the Community protection under the GI Regulation comes into effect, unfortunately, the law in this area is nowhere near as clear as it should be. The uncertainty about the impact that the Community GI scheme has on national rights is unsatisfactory. Given the very real possibility that the Community scheme will undermine existing rights, the Commission and the Court of Justice should be obligated to spell out their views on the matter. Unfortunately, we are forced to resort to convoluted readings to distill how the issue is approached. The need for clarity is heightened by the fact that parties can only make informed decisions about how they are to protect geographical designations if they have a clear sense of the options that are available to them. While it might have been hoped that these issues would be resolved as part of the Commission’s plan for a new GI Regulation, there are early indications that this is unlikely to occur.

Of the four ways in which national laws might interact with the Community GI protection, we believe that substitution is the most desirable option. If national protection is only lost upon

68. The Proposal for a Council Regulation on the Protection of Geographical Indications and Designations of Origin for Agricultural Products and Foodstuffs COM (2005) 698 final/2, Explanatory Memorandum para. 1, para. 3 (“this voluntary scheme has been welcomed in the Community”).


70. The Proposal for a Council Regulation on the Protection of Geographical Indications and Designations of Origin for Agricultural Products and Foodstuffs COM (2005) 698 final/2 does not contain any changes to alleviate these problems.
successful registration of a GI at the Community level, the GI system will help to transform potentially fragmented and partial rights into unitary Community rights. Replacing existing national rights with an overarching Community right also fits with the goal enunciated in the Recitals to the Regulation of producing a “more uniform approach.” The fact that national rights are replaced by (equivalent) Community protection also means that some of the pitfalls of the other approaches are avoided. One potential problem that might arise if Community GI protection was to act as a substitute for national protection is that it has the potential to benefit unmeritorious defendants, insofar as it provides them with a response to producers who, in error, rely upon a national registered mark or a passing-off action in an attempt to protect designations in which they have an interest.

Cumulative protection is something that is increasingly familiar to intellectual property lawyers. Insofar as cumulative protection offers flexibility and choice, it is unsurprising that it is favoured by (at least) some industry organizations. Cumulative protection is also advantageous in that it enables parties who have an interest in geographical designations to forum shop to ensure that they maximize protection. In some instances, cumulative protection is a result of careful planning, with different regimes designed to protect different interests or promote different goals. This might be an appropriate way to characterize the cumulative protection offered by patent, copyright and trade marks laws. In other situations, cumulative protection is advantageous insofar as it sets into play the productive forces of regulatory competition. In this situation, the suitability of a particular regime is ultimately determined by users. This might be the case in relation to the accumulation of national and regional systems of registration or protection (for example, trade marks, patents and designs).

While cumulative protection may be favoured by some, it also brings with it a number of problems. One obvious problem is that, in the case of regimes dependent on bureaucracies, cumulation inevitably multiplies administrative costs. Another problem is that, to the extent that the coverage of the regimes differs, cumulation introduces complexity and additional transaction costs. Yet further problems arise as a result of cumulation where users of intellectual property protection attempt to play different regimes off against each other to their advantage, perhaps most famously exemplified by the Lego saga.71 In such situations, cumulative

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71. Lego has relied variously on protection through laws of patents, designs, copyright, trade marks and unfair competition to monopolize the shape of the famous toy bricks. For some litigation, see Interlego v. Tyco Industries [1989] A.C. 217 (attempt to rely on copyright to supplement expired design right protection rejected by Privy Council); Interlego AG v. Croner Trading 25 I.P.R. 65 (Fed. Ct. Australia) (also using copyright, in part successfully); Lego v. Distributor of B**** Building Blocks (4 Ob 196/00B) [2001] E.T.M.R. (80) 907 (no
protection has the potential to undermine the policy considerations that have been built into the legal regimes—such as the criteria for protection, limits on duration of protection, and the defences to infringement—that ensure that the rights given to intellectual property owners do not unduly impinge on other interested parties. While these arguments against cumulative protection may apply in other contexts, they are less persuasive in this instance, primarily because GIs are so strong that national protection is unlikely to give longer or (with one or two exceptions) stronger protection. Where it does, it is hard to say that cumulative protection undermines the careful delineation of GI rights, mainly because there does not seem to have been much care or thought given to this issue in the formulation of the Community scheme. Perhaps the best argument against cumulative protection is that it adds extra, unnecessary layers of complexity.

There are also a number of problems if applicants were to lose the possibility of relying upon national laws at the point in time when they apply for Community protection. As applicants have to give up national rights irrespective of whether the application for registration is successful, it inevitably means that national rights are lost. This seems to be an unfair and unjustifiable position, especially given the uncertainty and delays in the Community registration process. As Knaak and Beier have pointed out, given that Article 295 EC leaves the regulation of property ownership to Member States, it also raises serious constitutional questions. In addition, as property rights are protected by Article 1 of Protocol 1


of the European Convention on Human Rights, it also potentially gives rise to human rights issues.

Problems also arise if one of the consequences of Community GI protection is that equivalent national laws were automatically abolished in 1993. Insofar as the automatic abolition of national laws impacts upon existing property rights, it creates constitutional problems similar to those mentioned above. Another problem with abolition as the basis on which national and Community rights interact is that it promotes pan-European protection at the expense of national protection. While this is an understandable goal from the point of view of the perfection of the Internal Market, it is not clear why geographical indications should only ever be protected at the Community level. Indeed, it is possible to imagine situations where geographical designations should be able to be protected under national law. For example, if a designation operates as a geographical indicator in one Member State but refers to a type of product in another Member State, the designation would not be able to be protected either at the national level (because all relevant national laws would have been abolished) or at the Community level (because the designation is generic). So long as the designation is only used in the Member

73. “Every natural or legal person is entitled to the peaceful enjoyment of his possessions. No one shall be deprived of his possessions except in the public interest and subject to the conditions provided for by law and by the general principles of international law. The preceding provisions shall not, however, in any way impair the right of a State to enforce such laws as it deems necessary to control the use of property in accordance with the general interest or to secure the payment of taxes or other contributions or penalties.” As to whether a collective designation is property, see SWM Wisnesekt GmbH v. Land Rheinland-Pfalz, C306/93, [1995] 2 C.M.L.R. 718 (ECJ) para. 23 (right of all producers of sparkling wine to use term “methode champenoise” was not property of applicant); Regione autonoma Friuli-Venezia Giulia and Agenzia regionale per lo sviluppo rurale (ERSA) v. Ministero delle Politiche Agricole e Forestali, Case No. C-347/03, (May 12, 2005), [2006] E.T.M.R. 20 (ECJ, 2nd Chamber) (ECJ holding agreement between EC and Hungary on designations of wine which had the effect of limiting the use of the term “tokaj” was not an unjustified interference with property rights of Italian producers of wine from the “local” grape. Advocate-General Jacobs had specifically stated that the right to use the name of the grape variety was not property; AG para. 99).

74. Cf. Anheuser-Busch v. Portugal, Application No. 73049/01 (October 11, 2005), (European Court of Human Rights, Judges Costa and Cabral Barreto dissenting), where the Court rejected a claim from Anheuser-Busch that there had been a violation of its right to the peaceful enjoyment of its possessions as a result of being deprived of the right to use a trade mark when the Portuguese government invalidated its application (made in 1981) to register BUDWEISER as a trade mark as a consequence of entering into treaty arrangements with the Czech Republic (dating from 1986), under which the Czech brewers were granted protection for the name CESKEBUDOJICKY BUDVAR. The Court explained that while a trade mark was a “possession” within the meaning of Art. 1 of Protocol 1, this was only so after registration and after an opposition made within the specified time had been resolved. Since this had not occurred by 1986, when the Treaty was signed, Anheuser-Busch did not at that stage have a “possession.” (The case leaves open the possibility that the result would have been different if Anheuser-Busch had been already granted trade mark rights).
State where the sign operates as a geographical indication, there is no good reason why that designation should not be able to be protected within that territory. While this might restrict the movement of goods within the wider European Community, we need to be careful that we do not lose sight of the fact that geographical indications celebrate, promote and protect the local at the expense of broader national and global concerns. There certainly seems to be no reason why traders should be allowed to deceive consumers who believe that they are obtaining a product from a particular geographic area by substituting a product from a different area. Indeed, the principle that deceptions of this nature should be prohibited is inscribed both in EU law (under the Unfair Commercial Practices Directive)\(^75\) and in international law (in Article 10bis (3) of the Paris Convention\(^76\) and Article 22 of TRIPS).

When thinking about the possible ways in which the GI Regulation might interact with national laws, it is possible to contrast the situation under the GI Regulation with the more attractive, and indeed, more popular, approach taken by the Community Trade Mark regime. Recognizing that it is desirable to limit the duplication of national and Community trade mark rights, the Community Trade Mark Regulation provides for the assimilation of national rights into Community rights through a process of “seniority.” More specifically, under Articles 34 and 35 of the Community Trade Mark Regulation, a proprietor of a national mark who applies for, or has already gained, Community protection can claim “seniority” from an earlier national mark. This is on the condition that the “triple identity” rule is satisfied: namely that the mark is identical, the goods/services are identical, and the proprietor is identical.\(^77\) The consequence of a successful claim to seniority is that the Community Trade Mark proprietor can allow the national registrations to lapse without prejudicing


\(^{76}\) “The following in particular shall be prohibited: . . . (3) indications or allegations the use of which in the course of trade is liable to mislead the public as to the nature . . . the characteristics . . . of the goods.”

their rights. This is because the proprietor is "deemed to continue to have the same rights as he would have had if the earlier trade mark had continued to be registered."\textsuperscript{78} As a result, national trade mark proprietors have an incentive to abandon national rights to save costs (renewal fees and so forth), but without having to gamble on the possibility of losing the protection provided by those rights. This is made simpler because national laws have been harmonized by the Trade Marks Directive so that national rights correspond to the rights given under the Community Trade Mark Regulation.

A voluntary mechanism of this nature can only operate comfortably if national rights holders know that they have nothing to lose by registering centrally. For this to occur, the rights and defences need to be formulated in the same terms (or where differences are appropriate, that centrally registered GIs are stronger). One way to achieve this would be to reformulate Article 13 of the GI regime along the lines of Articles 5 and 6 of the Trade Marks Directive. In so doing, it should be made clear that Article 5(3) of the latter includes evocative uses and Article 5(2) covers translations. The addition of the defences provided in Article 6 of the Trade Marks Directive is important to ensure that people know, for example, that if they make cheese in Parma, they can include their own address in the labelling of their products.

\section*{III. WHEN IS NATIONAL PROTECTION SIMILAR TO THAT IN THE REGULATION?}

So far, we have been concerned at a general level with the nature of the relationship between Community protection and national laws. We assumed that "national laws" refers to the different legal regimes that are "similar," in one way or another, to Community GI protection. These include national systems of GI protection, collective marks, certification marks, trade marks, unfair competition laws and consumer protection laws. In this section, however, we wish to change the focus of attention to consider in more detail how to ascertain whether a national law is similar to Community protection. The way this issue is resolved is important because it will determine which of the various national laws are lost as a consequence of the GI Regulation—whether through abolition, abandonment or substitution. In order to be in a position to answer what is effectively a comparative law question, it is first necessary to characterize both Community protection and the relevant national laws. Once this is done, it is necessary to ascertain how similar the two forms of protection need to be before

\textsuperscript{78} Id., Art. 34(2).
the Community GI scheme impinges on national laws. Is it the case, for example, that national rights are only lost where they mirror the Community scheme? What is the situation where a national scheme only shares some features in common with Community protection? Would national protection be lost if, for example, it was equivalent in terms of subject matter, criteria for protection and duration, but differed in terms of the remedies or defences that were available? Alternatively, does the reach of the GI Regulation extend to national laws, which are structurally different but functionally equivalent to the Community regime?

As with many issues in this area, there is no clear guidance either from the GI Regulation or the ECJ on this matter. One possibility is that the Community GI scheme only impacts registered rights such as trade marks, certification marks, collective marks, and rights registered under special appellations laws. Recital 7 of the original 1992 GI Regulation provided some support for this view insofar as it highlighted the problems at the national level created by the diversity in “practices for implementing registered designations of origin and geographical indications.”

Another possibility focuses less on the way in which rights are acquired and more on the nature of the subject matter that is protected. A useful starting point for thinking about this issue is the Warsteiner decision, where the ECJ said that a defining feature of the Community GI system is that it protects designations with a qualitative link to a particular geographic location. From this perspective, the Community regime would preclude national laws that provide specific protection for geographical designations with a qualitative link to a particular location. This was made clear in the Gorgonzola decision, where the ECJ said that Member States are not able to rely on national systems of GI protection (in that case, based on treaty arrangements between Italy and Austria) to protect Community registered GIs (at least those registered under the simplified procedure). In addition, it has been suggested that the

79. GI Regulation 2081/92, recital 7 (now repealed).


81. Consorzio per la Tutela del Formaggio Gorgonzola v. Kaserei Champignon Hofneste, Case No. C-87-97 (September 15, 1998), [1999] E.C.R. I-1301; [1999] 1 C.M.L.R. 1203, para. 18. Existing treaty arrangements that will be affected in the same way are: Treaty Between Netherlands and Portugal, June 28, 1934; Treaty Between Italy and Portugal, August 4, 1934 (PORT, MADEIRA, MARSALA); Treaty Between Netherlands and France, May 28, 1935; Treaty Between Italy and Austria, February 1, 1952 (WACHAUER MARILLEN-LIKOR; INNSBRUCKER; BADNER OBLATEN; TIROLER LODEN; MARSALA; VALPOLICELLA; PROSCIUTTO DI SAN DANIELE); Franco-German Treaty
Community Regulation would also extend beyond GI protection to cover national laws that provide equivalent protection to that which is available under the Community Regulation. The problem, however, is that this still requires us to be able to determine when Community laws and national laws are “equivalent.” Perhaps the best way to examine this issue is to look separately at each of the different areas of law that are potentially affected.

**A. Certification and Collective Marks**

When applied to geographical designations, national certification marks have the capacity to protect names that distinguish goods from a particular region that are of a particular quality. For example, there are a number of U.K. certification marks that protect names with qualitative links to geographic locations, including ROQUEFORT GARANTI D’ORIGINE ET DE QUALITE,82 PARMIGIANO REGGIANO,83 the PARMA HAM Crown,84 PADANO,85 HEREFORD CERTIFIED BRITISH BEEF,86 and STILTON cheese. Insofar as certification marks protect names with a qualitative link to a particular geographic location, they are very similar to GI protection. Indeed, in debates over international protection of geographical designations, much is made of how traditional certification mark systems provide suitable protection for geographic signs.87 This has been reinforced by the fact that many certification mark systems, including the regime that...
operates in Britain, have been specially adapted to accommodate geographical designations. This is reflected in the way in which the traditional rule of trade mark law, that signs used to indicate geographic origin are unable to be registered, has been waived in relation to certification marks. Certification mark systems also have certain regulatory features that are similar to those in the Community GI regime, including the need to identify and publish the criteria used to decide whether a designation is protected, as well as the way the bodies that certify whether the relevant criteria have been complied with are controlled.

Given the similarities between certification marks for designations with a qualitative link to a geographic location and Community GI protection, it would not be surprising if the validity of national certification marks for geographical designations were

88. Trade Marks Act 1994, sched. 2, para. 3 (1) (Notwithstanding Section 3(1)(c), a certification mark may be registered which consists of signs or indications which may serve, in trade, to designate the geographic origin of the goods or services.)

89. Trade Marks Act 1994, sched. 2, para. 6(2), para. 10 (publication). These regulations must indicate who is authorized to use the certification mark, the characteristics to be certified by the mark, how the certifying body is to test those characteristics and to supervise the use of the mark, the fees (if any) to be paid in connection with the operation of the mark and the procedures for resolving disputes. The similarity between certification mark regulations and the GI specification can be seen through the example of STILTON, referred to in “Stilton” Trade Mark [1967] F.S.R. 15. As regards “Stilton,” the Regulations submitted for the certification mark specified: “5. The character of the product to be certified by the trade mark shall be that it is an English made blue moulded or white cheese manufactured in the counties of Leicester, Derby and Nottingham with no applied pressure, forming its own crust or coat and made in cylindrical form from full cream milk produced by English Dairy herds and the trade mark shall not be used on any cheese whatsoever which does not conform with all the characteristics of the above-mentioned definition. 6. Any cheese producer or cheese manufacturer resident in the counties of Leicester, Derby or Nottingham shall be granted a certificate to use the trade mark as a ‘certified user’ (specimen of which certificate is shown in schedule ‘A’ hereto) provided he is willing and proves able to fulfil the following conditions and has executed a form of undertaking (as shown in schedule ‘A’ hereto) that he undertakes to comply with all the Regulations governing the use of the trade mark including the following: (a) That he will use the trade mark only on an English made blue moulded or white cheese, produced with no applied pressure, which forms its own crust or coat and is made in cylindrical form from full cream milk produced by English dairy herds.”

90. Trade Marks Act 1994, sched. 2, para. 7(1)(b) (applicant must be competent to certify), para. 8 (registrar to investigate whether applicant is competent). The Registrar does not monitor this, but failure to enforce the certification criteria render a certification mark liable to revocation under sched. 2, para 15(c) on the basis that the proprietor has failed to observe, or to secure the observance of, the Regulations governing the use of the mark and under para. 15(e) on the ground that the proprietor is no longer competent to certify the goods or services for which the mark is registered. See “Sea Island Cotton Certification Trade Marks [1989] R.P.C. 87; N. Dawson, The West Indian Sea Island Cotton Association Certification Trade Mark: Application To Expunge [1989] 11(10) E.I.P.R. 375-380 (who criticizes William Aldous QC’s view that a registered certification trade mark proprietor need not monitor the use of the mark, arguing that “this duty, to ensure proper use of the mark, is the essence of ‘competence to certify’ and it is fundamentally wrong to suggest that the mark owner need only make a check on marked goods following a complaint of misuse of the mark.”).
called into question as a consequence of the GI Regulation. This conclusion is supported by the authors of the 13th edition of *Kerly's Law of Trade Marks and Trade Names*, who said that if the GI Regulation precludes the co-existence of national systems that “this would affect the validity of geographical indications registered in the United Kingdom as certification or collective marks pursuant to section 49 or 50 of the 1994 Act.”91 If this is correct, it means that U.K. certification marks for PROSCIUTTO DI PARMA, PARMIGIANO REGGIANO, PADANO, STILTON and ROQUEFORT, which are also protected as Community GIs, would no longer be valid.

Similar arguments also apply in relation to national collective marks, which are frequently used to protect geographical designations.92 As with certification marks, a number of modifications have been made to the rules applying to collective marks, which suggest that the legislature intended that collective marks protect geographical designations.93 While these similarities suggest that the Community GI Regulation affects the validity of national collective marks, there are a number of differences between the two regimes that point to a different conclusion.94 One reason for this is that there are fewer regulatory requirements imposed on owners of collective marks than on owners of certification marks. Another reason why collective marks may not be affected by the Community GI scheme arises from the fact that Community collective marks are able to operate in tandem with Community GI protection.95 It would be strange if parties were

91. Kitchin, Llewelyn, Mellor, Meade and Moody-Stuart (eds.), *Kerly's Law of Trade Marks and Trade Names*, (13th ed. 2001) para. 10-07. See also Kitchin, supra note 4, at 323 n.25 and 334 para 11-042 (“As a result of the Commission v. France judgment, there must now be an argument that any certification marks for geographical designations and indications capable of being registered as PDOs or PGIs are wrongfully on the UK Register”).

92. SPREEWALDÄDER GURKEN (a PGI, and a British collective mark for a composite sign U.K. T.M. No. 1519548); PROSCIUTTO DI SAN DANIELE (PDO and British collective trade mark U.K. T.M. No. 2014280).

93. Trade Marks Act 1994, sched. 1, para. 3. (Notwithstanding Section 3(1)(c), a collective mark may be registered which consists of signs or indications which may serve, in trade, to designate the geographic origin of the goods or services.)

94. The 14th edition of Kerly refers to the pre-emptive effect of registration of a European GI on a U.K. certification mark, whereas the 13th edition had referred to the effect of a “certification or collective mark.” See supra note 91. No explanation is provided for the change in emphasis.

95. Although Art. 7(1)(k) of the Community Trade Mark Regulation states that trade marks shall not be registered where they “contain or consist of a designation of origin or a geographical indication registered in accordance with Regulation (EEC) No. 2081/92 when they correspond to one of the situations covered by Article 13 of the said Regulation and regarding the same type of product” if the conditions for use of a community collective mark correspond with the conditions of use of a protected GI, no conflict will exist with Article 13 of the GI Regulation.
required to abandon national collective marks when there is no equivalent requirement for Community collective marks. The Community and national trade mark systems are premised, to a certain extent, on the idea of regulatory competition. That is, a person would choose a Community trade mark rather than a national one where the Community system offers better value protection (protection that is equivalent to a series of national marks in legal terms, but cheaper administratively). If the Community GI scheme has a negative impact on the validity of national collective marks but not on Community collective marks, it would undermine that regulatory competition: a sensible applicant would apply for Community rights not because it is more efficient to do so, but because the Community rights would subsist alongside the GI protection. Yet another factor that suggests that national collective marks are not affected by the Community GI scheme relates to the obligations of Member States under Article 7bis of the Paris Convention, which provides that:

(1) The countries of the Union undertake to accept for filing and to protect collective marks belonging to associations the existence of which is not contrary to the law of the country of origin, even if such associations do not possess an industrial or commercial establishment.

(2) Each country shall be the judge of the particular conditions under which a collective mark shall be protected and may refuse protection if the mark is contrary to the public interest.

**B. Private Trade Marks**

Although an application to register a GI will typically be made by groups of producers or processors, individuals are also able to apply for registration, so long as they comply with the procedures established under Article 5. One example is Scottish and Newcastle’s registration of NEWCASTLE BROWN ALE as a PGI for “[p]remium, full bodied reddish brown coloured beer,” described as having a “[s]lightly bitter taste with caramel overtones packaged in a clear flint glass bottle,” and having a “higher than normal salt content.”

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96. In some situations, a mark will prove unregistrable at the Community level, but protectable at the national level, in particular, Member States. This might be because the sign lacks distinctiveness in some part of the Community, but is distinctive in those Member States, or because there are competing rights in other Member States. It is difficult to conceive of situations where registration at the Community level is possible, but national protection is not.

designation to be protected both as a Community GI and as a private trade mark, the question arises: Does the decision to register a GI at the Community level render a private trade mark over the same designation inoperative? That is, is a private trade mark for a designation with a qualitative link to a geographic location protection equivalent to that in the GI Regulation?

Various provisions of the GI Regulation deal with the relationship between registered GIs and trade marks. First, Article 14(1) indicates that once an application for a GI has been made, a subsequent registration of a trade mark “corresponding to one of the situations referred to in Article 13 and relating to the same class of product shall be refused.” Second, Article 14(2) states that prior registrations in good faith “may continue” notwithstanding subsequent registration of a Community GI, where there are no grounds of invalidity or revocation. Third, Article 3(4) of the 2006 Regulation (formerly Article 14(3) of its 1992 predecessor) requires that a GI shall not be registered where, in the light of a trade mark’s “reputation and renown and the length of time it has been used, registration is liable to mislead the consumer as to the true identity of the product.” The aim of these provisions is to deal with the conflicting interests of trade mark owners/applicants and traders seeking registration of a Community GI. However, as these provisions indicate that private trade marks may be maintained in some circumstances where there is conflict with a Community GI, it seems logical to infer that private marks can be maintained where no such conflict exists with a GI. As Scottish and Newcastle’s registration of NEWCASTLE BROWN ALE preceded the GI application and was made in good faith, it can be inferred from Article 14(2) that the registration may continue unless it is liable to be revoked under the various provisions of the Trade Marks Directive.

Compared to the speculation over the status of national certification and collective marks, where the continued availability of protection turns on the construction of the GI Regulation, in the case of national private trade marks, what may be of more significance is the way that registration as a GI indirectly affects the ability of the mark to continue to operate as a trade mark. More specifically, it could be argued that the quasi-communal nature of a registered GI is incompatible with the continued operation of a private mark over geographical designations. In the case of a private mark, only the proprietor and their licensees can use the mark. In contrast, anyone manufacturing goods that fall within the geographic and qualitative criteria set out in the specification is permitted to use the GI. Consequently, as can be found on the DEFRA website, http://www.defra.gov.uk/foodrin/foodname/UKingdom/newbrown.htm.
NEWCASTLE BROWN ALE is registered as a PGI, any trader who complies with the specification is able to use the description NEWCASTLE BROWN ALE. Many traders might therefore reasonably question whether NEWCASTLE BROWN ALE can thereafter be treated within trade mark law as a sign that is capable of distinguishing the goods of one undertaking from those of another undertaking—the definition of a trade mark. In this case, the fact that a designation is protected as a GI may mean that the designation no longer satisfies the criteria for trade mark protection. As a consequence of GI registration, such a mark could be revoked on the basis that the designation had become “the common name in the trade for a product . . . in respect of which it is registered.” In these cases, the impact of the Community GI Regulation on national rights arises as a consequence of changes in the way that designations are capable of being used, rather than the pre-emptive impact of one regime on the other.

C. Passing Off

Passing off has long been used to protect geographical designations in the United Kingdom and Ireland. While most of the reported passing-off decisions have dealt with alcoholic drinks...

98. Commission Regulation (EC) No. 1107/96 of June 12, 1996, on the registration of geographical indications and designations of origin under the procedure laid down in Article 17 of Council Regulation (EEC) No. 2081/92 [1996] OJ L 148/1, Recital 6: “Whereas, where a designation of origin or geographical indication whose name has already been registered as a trade mark is granted protection at the initiative of a single producer in accordance with the criteria set out in Article 1 of Commission Regulation (EEC) No. 2037/93 (2), that producer may not prevent other producers in the area defined who produce in accordance with the registered specification from using the protected designation of origin or the protected geographical indication.”

99. The sign may also be invalid under Art. 3(1)(a) (and Art. 2) of the Trade Marks Directive. One question here is how precisely another trader must comply with the registration. In the case of NEWCASTLE BROWN ALE, the method of production is described thus: “Water is taken exclusively from the area. All the remaining ingredients are sourced from the U.K. The mashing and wort separation using traditional English Mash Tons, copper boiling ‘kettles’ and wort cooling. The added yeast and salt/water blend are unique to the Tyne Brewery.”

100. Trade Marks Directive, Art. 12(2). See Kitchin, supra note 4, at 334, para. 11-041: “Another unclear area is the status of existing trade mark registrations for geographical names which have now been registered by the proprietors as PDOs or PGIs. It is submitted that such trade marks should not be permitted to remain on the Register as the two protection systems are contradictory and if the status of PDO or PGI has been granted, the trade mark should be subject to revocation under s. 46(1)(c).”

101. Importantly, registration as a Community GI should have the same effect on privately-owned Community trade marks as it has on privately-owned national marks. Community Trade Mark Regulation, Art. 50(1)(c). Note that were such a private trade mark application made after the filing of the GI, the application should be refused by the OHIM: Community Trade Mark Regulation, Art. 7(1)(k). Note that, as this is an “absolute” rather than a “relative ground,” consent of the group to which the GI applies is irrelevant.
(Scotch whisky, champagne),\textsuperscript{102} the action has also been used by Swiss chocolate makers to prevent “Swiss Chalet” from being used on chocolate made in the United Kingdom.\textsuperscript{103} Passing off also has the potential to protect geographical designations in a range of different contexts. A number of factors suggest that the GI Regulation will restrict the extent to which passing off can be relied upon to protect geographical designations under national law, whether by way of abolition, abandonment, or substitution. First, paragraph 1 of Article 17 of the original GI Regulation, as enacted, offered Member States the opportunity to use the simplified procedure in relation to “legally protected names or, in those Member States where there is no protection system . . . names established by usage.” In turn, the transitional saving in paragraph 3 of Article 17 logically only deprives names established by usage of national protection once a decision on registration has been taken.\textsuperscript{104} Second, the GI Regulation was intended to assure operators of “fair competition,” which is in many ways the function of the law of passing off (when applied to such designations).\textsuperscript{105} Third, protection of GIs in many European countries was formerly based on “unfair competition law.”\textsuperscript{106} If the Regulation is to create


\textsuperscript{104} Note also that Recital 17 of the Commission’s proposal of December 21, 1990 (Proposal for a Council Regulation (EEC) on the protection of geographical indications and Designations of Origin for Agricultural Products and Foodstuffs, SEC(90) 2415 final, [1991] OJ C 309) which had referred to “geographical indications or designations of origin issued at national level before entry into force of this Regulations should be published for registration at Community level” was amended by the European Parliament so as to refer to geographical indications or designations of origin “protected” at national level: [1991] OJ C 326/35. The Recital, however, did not survive in the GI Regulation as enacted in 1992.

\textsuperscript{105} On this objective, see GI Regulation No. 510/2006 recital 6 and GI Regulation No. 2081/92 recital 7 (“by providing a more uniform approach, such a framework will ensure fair competition between the producers of products bearing such indications”; see also “The Proposal for a Council Regulation on the Protection of Geographical Indications and Designations of Origin for Agricultural Products and Foodstuffs” COM(2005) 698 final/2, Explanatory Memorandum, para. 2.

\textsuperscript{106} A. Conrad, The Protection of Geographical Indications in the TRIPS Agreement, 86 TMR 11, 15 (1996) (German law protected GIs exclusively through the law of unfair competition); F-K Beier, “The Protection of Indications of Geographical Origin in the Federal Republic of Germany” in Cohen-Jehoram, supra note 6, at 11 (“By far the most important provision for the protection of indications of geographical origin is art. 3, Unfair Competition Law”). For Italian protection under Art. 2598 of the Civil Code, see G. La Villa, “The Protection of Geographical Denominations in Italy” in Cohen Jehoram, supra note 6, at 37, 40 ff. For Danish protection under the Danish Act against Unfair Competition of March
uniformity, one would expect it to replace the pre-existing forms of national protection for geographical indications. As passing off is the closest thing England has to a law of unfair competition, one would expect it to be affected in the same way. Fourth, in his description of the substitutive effect of GI registration in the *Parma Ham* case, Lord Hoffmann spoke of substitution for national protection, “whether as a registered trade mark or otherwise.” Other cases seem to have proceeded on the assumption that national unfair competition laws could not be used to supplement the protection afforded a Community GI.107 Finally, there has been a concerted effort to maximize the number of signs protected by passing off that are registered as trade marks. In this sense, the registered trade mark system can be said to operate to formalize unregistered rights. From this perspective, it would make little sense to deny someone the benefits of the registration system while allowing them to use the more amorphous and uncertain common law action. Assuming that the correct interpretation of the GI Regulation is that it substitutes Community protection for national protection, this means that producers will no longer be able to rely on passing off to protect their interests once a name has been registered.

Nonetheless, there are a number of reasons to doubt whether the GI Regulation precludes the continued use of the common law passing-off action to protect designations with a qualitative link to a geographic location. Both Recital 7 of the 1992 Regulation and Article 5(6) of the 2006 Regulation (which replaces Article 5(5) of the former regime), focus on registered rights. The Recital treats the Regulation as a way of remedying the divergent laws regarding registration of geographical designations. In turn, Article 5(6) allows for the transitional “grant” of protection, pending a Commission decision under the normative procedure. It can also be argued that passing off is not directed at the protection of names as such, so much as preventing the use of misrepresentations in


107. The initial *Gorgonzola* action was based in part on Austrian unfair competition law (see *Consorzio per la Tutela del Formaggio Gorgonzola v. Kaserei Champignon Hofmeiste*, Case No. C-87-97 (September 15, 1998), [1999] E.C.R. I-1301; [1999] 1 C.M.L.R. 1203 per Advocate General Jacobs, para. 7), so presumably the ECJ’s decision that the referred question should be answered solely by reference to the GI Regulation implies that national unfair competition laws cannot cumulate with Community GI protection. Similarly, the *Warsteiner* action proceeded on the assumption that the GI Regulation would preclude the operation of national unfair competition law, at least as regard geographical indications that suggested a certain quality: the issue being whether it also precluded national unfair competition law that covered simple geographical indications: see *Schutzverband gegen Unwesen in der Wirtschaft eV v. Warsteiner Bauerei Haus Cramer GmbH & Co KG*, Case No. C-312/98, (November 7, 2000), [2000] E.C.R. I-9187; [2001] 2 C.M.L.R. (11) 182, Advocate General Jacobs, para. 18.
business contexts. As a result, it would be surprising if the GI Regulation meant that the application of passing off to trade usage of misleading geographical designations was abolished.108 While limiting the availability of national systems of protection may provide actors with an incentive to use the Community system and also help to simplify the law protecting GIs, it is difficult to imagine a British tribunal allowing the GI Regulation to be used as a pretext for deceiving British consumers.

**D. Consumer Protection Laws**

A final issue that needs to be considered is whether consumer protection laws, which forbid the wrongful use of geographical indications, survive the GI Regulation. In the United Kingdom, two regimes need to be considered: the general regime of consumer protection provided by the Trade Descriptions Act 1968,109 and the more specific regime relating to the labeling of food under the 1990 Food Safety Act.110 It is clear that both pieces of legislation offer protection to geographical indications.111 Indeed, the 1968 Trade Descriptions Act (or at least an earlier version thereof) was explicitly adapted by the British government to provide protection for the geographical designations PORT and MADEIRA as was required under a 1914 bilateral treaty with Portugal.112 Given this

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108. If this were the case, then it would be a defence to an action for a person to show that the sign could have been forwarded to the Commission under Art. 17, but no such action took place (or that it was forwarded, but registration was denied at Community level).


110. The relationship between the *Trade Descriptions Act 1968* and the more specific regime relating to the labeling of food under the 1990 *Food Safety Act* is that a description failing to be regulated by the *Food Safety Act* 1990 is deemed not to be a trade description under the Trade Descriptions Act s. 2(4), 5. See, e.g., *Bulmer v. Bollinger* [1978] R.P.C. 79, 137 (Goff L.J.).

111. One limitation of the Trade Descriptions Act and Food Safety Act is that they do not cover post-production activities, such as slicing: see the views of the West Yorkshire trading standards described by Lawrence Collins J. in *Consorzio del Prosciutto di Parma v. Asda Stores Ltd and Another* [1998] F.S.R. 697, 709.

112. Anglo-Portuguese Commercial Treaty Act 1914, Section 1 (“The description ‘port’ and ‘madeira’ applied to any wine or other liquor, other than wine the produce of Portugal and the island of Madeira respectively, shall be deemed to be a false trade description within the meaning of the Trade Descriptions Act 1968 . . . ” (reflecting Art. 6 of the Treaty). Amended by Section 1 of the 1916 Act—use of port applied to wine the produce of Portugal to be deemed false “if the wine on importation into the United Kingdom was not accompanied by a certificate issued by the competent Portuguese authorities to the effect that it was a wine to which by the law of Portugal the description ‘port’ may be applied, and that Act shall have effect accordingly.” These terms are not within the coverage of the GI Regulation, which relates to foodstuffs and agricultural products. For EC rules on wines and spirits, see: Council Regulation (EEC) No. 1576/89 of May 29, 1989, laying down general
scenario, there may be good reasons why laws such as the 1968 Trade Descriptions Act no longer apply to geographical designations.

One of the notable characteristics of both the 1968 Trade Descriptions Act and the 1990 Food Safety Act is the way in which they rely upon criminal liability as a way of protecting consumers.\textsuperscript{113} For example, Section 15 of the 1990 Food Safety Act makes it a criminal offence to display food with a label that is likely to mislead as to the “nature, substance or quality” of the food. “Food” is defined here as “any substance or product, whether processed, partially processed or unprocessed, intended to be, or reasonably expected to be ingested by humans,” thereby including drinks, chewing gum and any substance, including water, intentionally incorporated into the food during its manufacture, preparation or treatment.\textsuperscript{114} Wrongful use of a registered geographical indication—for example, use of the term WELSH BEEF to refer to beef that has not been reared in Wales, the term PARMA HAM in relation to ham from Scotland, or NEWCASTLE BROWN ALE for beer from Australia—would fall foul of this section. A key question in this context is the extent to which registration of a designation as a GI prevents the operation of these criminal provisions that prohibit the misleading use of those geographical designations. That is, can a person defend an action initiated by Trading Standards Officers under the Food Safety Act by claiming that registration of the name as a Community GI renders the provisions inoperative (even though GI protection in the United Kingdom is currently only enforced by a civil action for breach of statutory duty)?

Similar issues arise in relation to designations for foodstuffs and agricultural products that fall within the scope of the 1968 Trade Descriptions Act, insofar as it provides that a person who incorrectly uses a designation of origin or quality may be criminally liable. The 1968 Act prohibits false trade descriptions by providing that any person who, in the course of trade or

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business, applies a false trade description to any goods or supplies
goods to which a false trade description is applied is guilty of an
offence.\textsuperscript{115} A trade description is a direct or indirect indication with
respect to goods as to (\textit{inter alia}) their method of manufacture, composition, “approval by any person or conformity with a type
approved by any person,” or place of manufacture, production or
processing.\textsuperscript{116} As with the Food Safety Act, the 1968 Trade
Descriptions Act creates criminal offences that are enforced by
local Trading Standards authorities, although prosecutions can
also be brought by individuals.

While the terms of the GI Regulation are broad enough to
cover any form of “national protection” and one of its aims is
doubtlessly consumer protection,\textsuperscript{117} there are a number of reasons
why the GI Regulation should not be allowed to supersede national
laws protecting consumers. One reason is that the GI Regulation
does not require Member States to use criminal sanctions to
protect registered indications. Insofar as the GI Regulation
purports to substitute a European regime for national laws, the
absence of criminal provisions within the Community regime
suggests that it is not equivalent to regimes such as the Trade
Description Act, where criminal liability plays a key role in the
protection of consumers. Moreover, insofar as the pre-emptive
effect of the Regulation is based on the voluntary acts of operators
applying for Community protection, there is no reason why the
action of some producers in applying for protection should
prejudice either the interests of consumers or the power of the
State to maintain and apply criminal prohibitions for trade
misdescriptions. As mentioned in relation to passing off, it is
difficult to imagine a court having much sympathy with a trader
who, faced with a charge of misdescribing Welsh ham as PARMA,
claims that the Food Safety law is not applicable as a consequence
of the GI Regulation. Finally, it should be noted that, at least in
relation to food law, national laws have a significant European
basis, suggesting that protection under the GI Regulation was not
intended to be pre-emptive. For example, the EC Regulation of
January 28, 2002, Laying Down the General Principles and

\textsuperscript{115} Trade Descriptions Act 1968, Section 1(1).

\textsuperscript{116} Trade Descriptions Act 1968, Section 2(1).

\textsuperscript{117} GI Regulation 2081/92, recital 7; Consorzio per la Tutela del Formaggio Gorgonzola
1301; [1999] 1 C.M.L.R. 1203 (Advocate General Jacobs, paras. 17, 33). Note too that many
Member States used penal provisions to protect GIs. See, for example, the discussion of
Italian penal provisions to protect denominations of origin of cheeses under law No. 125 of
April 10, 1954, in G. La Villa, “The Protection of Geographical Denominations in Italy,” in
Cohen Jehoram, \textit{supra} note 6, at 37. On the use of penal measures in France from as early
as 1824, see Plaisant, “The Use of Place Names as Trademarks in French Law” in Cohen
Jehoram, \textit{supra} note 6, at 2; and in Germany, see Beier, \textit{supra} note 106, at 12.
Requirements of Food Law, states without prejudice to more specific provisions of food law that:

[T]he labeling, advertising and presentation of food or feed, including their shape, appearance or packaging, the packaging materials used, the manner in which they are arranged and the setting in which they are displayed, and the information which is made available about them through whatever medium, shall not mislead consumers.\(^{118}\)

As the 1990 Food Safety Act is underpinned by these general European principles, it seems that the GI Regulation will not be able to be invoked by defendants attempting to escape from criminal liability.\(^{119}\) If the principles embodied in the new Unfair Commercial Practices Directive of May 11, 2005 have a similar relationship with the 1968 Trade Descriptions Act, this will reinforce the conclusion that the GI Regulation does not exclude national laws that protect consumers.\(^{120}\)

The current wording of the GI Regulation is obscure. As such, it is difficult to be confident about the forms of national protection that will be affected by the Community GI Regulation. Certainly, registration of a designation at the Community level pre-empts the national implementation of bilateral treaty provisions dealing with designations (such as those in the *Gorgonzola* case) and national appellation systems (as in the *Chiciak* decision). Beyond these situations, however, we are forced to speculate. While it is likely that national certification marks for designations that are also protected as GIs will be unenforceable, we are less certain about national protection of designations as collective marks, by the law

\(^{118}\) EC Regulation No. 178/2002 of January 28, 2002, Laying Down the General Principles and Requirements of Food Law. (Emphasis added.)


of passing off or by private trade marks. It is likely, however, that criminal provisions designed to protect consumers, rather than traders, will be enforceable, even where they are used to prevent the misuse of geographical designations.

IV. THE CONSEQUENCES OF PRE-EMPTION

Another issue that needs to be considered when thinking about the impact that the Community GI Regulation has on national forms of protection relates to the bearing that Community protection has on national rights. At a general level, there are two ways in which Community protection might interact with national protection. One possibility is that Community GI protection means that national rights are rendered unenforceable. In this situation, national rights would be suspended for as long as the Community GI continues to operate. If a Community GI was declared to be invalid or was surrendered by the relevant parties, national rights would be reinstated.\footnote{Cancellation by the Commission is provided for in GI Regulation, Art. 11 (on complaint by a Member State that a condition laid down in the product specification has not been met).}

A second more extreme possibility is that where a designation is registered as a Community GI, national forms of protection are rendered void. In this situation, all national rights would be lost, even if the Community GI was overturned or surrendered.

The fact that Article 5(6) of the GI Regulation describes national protection as “ceasing” suggests that national rights would not be revived if a Community GI was held to be invalid. In general, this does not seem to be objectionable: not least because it is relatively difficult to invalidate a GI.\footnote{One basis for such invalidation is that the GI is not being appropriately supervised and enforced: GI Regulation, Art. 12 (formerly Art. 11(4) of Regulation 2081/92).} Although there might be differences both in the grounds that may be used to invalidate a GI and in the way these provisions are interpreted, it seems that there would have to be a serious failure in the enforcement of the product specification before the Commission invalidated a GI. Beyond this, there is little guidance as to how this issue should be resolved. In many instances, it will not matter. However, there may be some situations where the relative fate of national rights will have important consequences, such as the case of NEWCASTLE BROWN ALE, the beer that Scottish and Newcastle first brewed at the Tyne Brewery in Newcastle-on-Tyne in 1927 and that appears under the famous BLUE STAR trade mark (which was first adopted in 1913). Scottish and Newcastle also received PGI protection for NEWCASTLE BROWN ALE in 2000. What would happen if Scottish and Newcastle decided to...
surrender the GI? If no one had challenged the national trade mark or sold beer as NEWCASTLE BROWN ALE in the intervening period, would Scottish and Newcastle need to re-register the trade mark? Logically, the answer is that it would. While this may not be an enormous hardship (to Scottish and Newcastle), from a practical viewpoint, the re-registration of a mark that has been maintained on the register seems unnecessarily bureaucratic. Alternatively, what would the situation be if Scottish and Newcastle closed the Tyne Brewery and moved the manufacture of NEWCASTLE BROWN ALE to the Federation Brewery in Gateshead (as it in fact did in 2004)? As the beer that Scottish and Newcastle produces is no longer in accordance with the GI, Scottish and Newcastle have applied to the European Union to have the GI revoked. If this is accepted, and assuming that the existence of the GI renders the mark invalid and that no one had challenged their national trade mark or sold beer as NEWCASTLE BROWN ALE, would Scottish and Newcastle need to re-register the trade mark? As before, this would seem to be an odd result. How would this situation differ if Scottish and Newcastle sold the Tyne Brewery to a competitor’s brewery? Could the competitor sell beer that complied with the GI under the name NEWCASTLE BROWN ALE or prevent Scottish and Newcastle from using the name NEWCASTLE BROWN ALE? These scenarios suggest that the decision as to whether the effect of Community GI protection is that national rights are suspended or rendered void may have important practical consequences.

V. THE SCOPE OF PRE-EMPTION

If the registration of a GI at the European level means that national rights, such as certification marks and collective marks, are no longer valid, a further question arises as to the breadth of the pre-emptive effect. If a group of producers apply to register a particular word as a Community GI, do they only lose national rights over the word or also over composite designations that include the word? Would registration of PROSCIUTTO DI PARMA as a Community GI invalidate a national word mark for PARMA HAM? What of a composite mark that included the words “Parma ham” and the famous “Ducal” crown? Does the registration of NEWCASTLE BROWN ALE as a GI mean that the Scottish and Newcastle Brewery is no longer able to rely on its rights in the familiar NEWCASTLE BROWN ALE logo, a composite of the name, an oval and the blue star? How, if at all, would registration of BLUE STILTON as a Community GI affect a national certification mark for STILTON?

One possible answer to questions of this nature is that the impact of the Community Regulation is limited to national terms
that are identical to designations registered as a Community GI: any difference between the designation at the national and Community level would mean that national protection would not be affected (assuming that the GI Regulation did not abolish all national laws that were equivalent to Community GI protection). If this is the case, registration of PROSCIUTTO DI PARMA for ham as a Community GI would have no impact on the Consorzio’s registration at the national level of the Ducal crown or the English version (PARMA HAM). While this approach offers simplicity and certainty, it undermines whatever policy reasons justify abandonment and substitution. In effect, it would facilitate the retention of ghost registrations at the national level. Not surprisingly, this approach seems to have been rejected by the ECJ in Chiciak and Fol. In this decision, the Court said that where an application had been made under the simplified procedure to register EPOISSES DE BOURGOGNE for French cheese, the application could not be altered by a unilateral French Decree that protected the term EPOISSES. On one interpretation, this suggests that EPOISSES could not be protected at a national level at all. The upshot of this is that once a designation has been registered as a GI at the Community level, it means that national protection could not be maintained for terms that form part of the Community GI (how much of the GI that needs to be used for this to occur is not clear). If so, the registration of BLUE STILTON as a Community GI would invalidate the registration of STILTON as a U.K. certification mark.

If the pre-emptive effect of Community GI registration is not confined to national marks that are identical to designations registered as GIs at the Community level, we are forced to try and identify some other measure of “equivalence” between Community and national insignia. One possibility is that Community protection replaces any form of national protection that falls within the scope of protection afforded by the GI Regulation. If use of a designation protected under national law by a third party would infringe the protection given to a registered GI, the national protection will be invalid. Such an approach would explain the suggestion in the Chiciak decision that EPOISSES infringed the GI registration for EPOISSES DE BOURGOGNE because it “evoked” the designation in a manner that would have violated Article 13(b) if it was used by a third party. There are two reasons for doubting that this is the correct approach. In the first place, while in Chiciak, the ECJ categorically rejected the possibility of a national law being used to amend a Community GI application

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124. GI Regulation, Art. 13.
(from EPOISSES DE BOURGOGNE to EPOISSES), the Court was more circumspect as to whether use of the term EPOISSES would have infringed the Community registration of EPOISSES DE BOURGOGNE. This latter question, the ECJ explained, was a matter for national authorities interpreting Article 13 to decide.\footnote{The fact that no footnote had been included stating that EPOISSES was unprotected (as was the case with CAMEMBERT in the registration of CAMEMBERT DE NORMANDIE) did not, of itself, mean that EPOISSES was protected as such. A few years later, in the Gorgonzola decision, the ECJ recognized that partial use of a geographical indication could constitute an “evocation” within the terms of Art. 13. In that case, the ECJ suggested that the term CAMBOZOLA was an evocation of GORGONZOLA, in part because it was also being used on a blue-veined soft cheese. Consorzio per la Tutela del Formaggio Gorgonzola v. Kaserei Champignon Hofmeiste, Case No. C-87-97 (September 15, 1998), [1999] E.C.R. I-1301; [1999] 1 C.M.L.R. 1203.}

Second and more important, the principle that any national mark, device or sign is invalid if its use by a third party would infringe the Community GI is potentially too broad. In particular, it has the capacity to cover marks that are not themselves names, as well as composite signs, which include the protected name. Consequently, it would be preferable if registration of a GI at the Community level only impacted on names that are substantially the same as names that are protected at the Community level. While there is no obvious reason why Community registration of sign “A” should influence the ongoing national protection of sign “B,” the situation is different in relation to names that are substantially equivalent, particularly those that are abbreviated versions or translations of a registered GI. On the basis that GI protection is confined to “names,”\footnote{GI Regulation (510/2006), Art. 2; GI Regulation (2081/92), Art. 2 (repealed). Cf. The Proposal for a Council Regulation on the Protection of Geographical Indications and Designations of Origin for Agricultural Products and Foodstuffs COM(2005) 698 final/2. If adopted, it would have broadened the definition of “geographical indication” from the name of a region to “an indication serving to identify an agricultural product or foodstuff as originating in a region, specific place or country.” This would have taken its scope beyond names, presumably with implications for the possibility of national protection of such symbols. However, this proposed amendment was not effected.} it would also be inappropriate if registration of a name at the Community level prevented other designations, such as devices or shapes (particularly of packaging), from being protected by national laws.

**VI. CHOOSING BETWEEN COMMUNITY GIs AND NATIONAL REGISTERED MARKS**

If, as the Commission contended, national protection of existing GIs was abolished as of February 1994 in cases where Member States had not taken advantage of the transitional procedures, there do not seem to be any strategic considerations facing persons interested in protecting geographical designations:
an application under the Regulation should be made as soon as possible. However, on the assumption that this reading of the GI Regulation is not correct and that national protection may be maintained in preference to Community protection (as Warsteiner suggests), strategic considerations become much more relevant. If an application for, or grant of, a Community GI means that protection at the national level must be sacrificed, as current jurisprudence implies, applicants need to have a clear idea of the potential advantages and disadvantages of each regime. Assuming that protection is lost when an application for registration is made, would-be applicants need to consider the risks involved in the application, the scope of the rights, and the nature of the remedies that are available under the respective regimes. If the effect of the Regulation is substitutive, so that an unsuccessful applicant for a Community GI is able to retain national protection, there is no need to be overly concerned about the risks involved in the application. Instead, the key consideration will be the relative scope of the rights and the remedies that are available. Before turning to look at these issues in more detail, it is worth reminding ourselves that election is only required between regional and national regimes, not between community systems. As Community Collective Marks may provide stronger rights with fewer of the associated risks, they are an alternative form of protection that GI applicants should consider.

A. The Risks of Applying for Protection

If one of the consequences of applying for Community GI protection is that national rights are sacrificed irrespective of the outcome of the registration process, would-be applicants need to carefully weigh the potential value of national rights against the associated risks.

One of the risks that a potential applicant faces is that its name will not be registered because it is generic. The name of an agricultural product or foodstuff is generic where it has become the common name of an agricultural product or foodstuff. That is, a name is generic where it designates the product as such without involving, in the view of the public, any reference to the geographic origin of the product. This is the case even though the name originally related to the place or region where the product or

127. GI Regulation (510/2006), Art. 3(1). While it is not possible to register names that are generic per se, it is possible to register a geographical name that incorporates a generic name. For example, “cheddar” is a generic form of hard cheese and as such would not be eligible to be registered either as a PDO or PGI. Nonetheless, WEST COUNTRY FARMHOUSE CHEDDAR CHEESE has been registered as a PDO.

foodstuff was originally produced or marketed. On this basis, names such as cheddar, brie, camembert, edam, emmentaler, and gouda would be generic and thus unregistrable.\footnote{As was required by GI Regulation (2081/92), Art. 3(3), a non-exhaustive indicative list of the names of agricultural products and foodstuffs regarded as generic was presented by the Commission in 1996. However, it was not passed. See Proposal for a Council Decision drawing up a non-exhaustive, indicative list of the names of agricultural products and foodstuffs regarded as being generic, as provided for in Article 3(3) of Council Regulation No. 2081/92 COM/96/0038/FINAL (March 6, 1996), not published in the OJ. This included Brie, Camembert, Cheddar, Edam, Emmentaler, and Gouda. See Denmark v. Community C-289/96, C-293/96 and C-299/96, [1999] E.C.R. I-1541, para. 44.} A range of factors are taken into account when deciding whether a name is generic.\footnote{In Denmark v. Commission of the European Communities, C-289/96, C-293/96 and C-299/96, [1999] E.C.R. I-1541, the ECJ stressed that all of the factors had to be taken into account. The Registration of FETA, which had been registered to Greece under Regulation 1107/96, was annulled because the Commission had not taken account of all the factors listed in Art. 3(1) when deciding whether the name should be registered. Id. at para. 103. FETA was reinstated as a PDO by the Commission on October 14, 2002, by Regulation 1829/2002. Amending the Annex to Regulation 2081/92 with regard to the name “Feta” [2002] OJ L 277. A challenge to that registration was rejected in Germany v. Commission, Case No. 465/02 (October 10, 2005), [2006] E.T.M.R. (16) 200 (where the Court held that even though 85% of Danish consumers thought the term FETA was generic, other factors suggested it was not generic in the Community. Amongst these factors, the Court noted that the majority of the consumption of FETA was in Greece and that marketing outside Greece frequently employed Greek symbolism.).} These include the status of the name in the Member State in which the name originates, the areas where the named product is consumed, and the situation in other Member States. Relevant national and Community laws will also be taken into account. All of these factors should be considered by parties before they enter into the application process. The deliberations facing potential applicants in this context are complicated by the fact that the approach of the Commission in deciding whether a name is, in fact, generic is unclear. Indeed, it is difficult to reconcile the decision by the Community that FETA was not a generic term in the Community with evidence from the French, German and Danish governments that the term was, in fact, generic in those jurisdictions.\footnote{Germany v. Commission, Case No. 465/02 (October 10, 2005), [2006] E.T.M.R. (16) 200.}

Another risk that a would-be applicant should consider is that its application for Community GI protection may be rejected because it conflicts with a prior national mark.\footnote{GI Regulation (510/2006), Art. 7(3) (where registration would jeopardize existence of an entirely or partially identical name or trade mark, or the existence of products that are legally on the market at the time of publication of the Regulation in the Official Journal); Art. 3(4) (a name shall not be registered as a PDO or a PGI where, in the light of a trademark’s reputation and renown, and the length of time it has been used, registration is liable to mislead the consumer as to the true identity of the product).} This might be an important consideration given that it is possible to imagine a

\footnote{129. As was required by GI Regulation (2081/92), Art. 3(3), a non-exhaustive indicative list of the names of agricultural products and foodstuffs regarded as generic was presented by the Commission in 1996. However, it was not passed. See Proposal for a Council Decision drawing up a non-exhaustive, indicative list of the names of agricultural products and foodstuffs regarded as being generic, as provided for in Article 3(3) of Council Regulation No. 2081/92 COM/96/0038/FINAL (March 6, 1996), not published in the OJ. This included Brie, Camembert, Cheddar, Edam, Emmentaler, and Gouda. See Denmark v. Community C-289/96, C-293/96 and C-299/96, [1999] E.C.R. I-1541, para. 44.}

\footnote{130. In Denmark v. Commission of the European Communities, C-289/96, C-293/96 and C-299/96, [1999] E.C.R. I-1541, the ECJ stressed that all of the factors had to be taken into account. The Registration of FETA, which had been registered to Greece under Regulation 1107/96, was annulled because the Commission had not taken account of all the factors listed in Art. 3(1) when deciding whether the name should be registered. Id. at para. 103. FETA was reinstated as a PDO by the Commission on October 14, 2002, by Regulation 1829/2002. Amending the Annex to Regulation 2081/92 with regard to the name “Feta” [2002] OJ L 277. A challenge to that registration was rejected in Germany v. Commission, Case No. 465/02 (October 10, 2005), [2006] E.T.M.R. (16) 200 (where the Court held that even though 85% of Danish consumers thought the term FETA was generic, other factors suggested it was not generic in the Community. Amongst these factors, the Court noted that the majority of the consumption of FETA was in Greece and that marketing outside Greece frequently employed Greek symbolism.).}


\footnote{132. GI Regulation (510/2006), Art. 7(3) (where registration would jeopardize existence of an entirely or partially identical name or trade mark, or the existence of products that are legally on the market at the time of publication of the Regulation in the Official Journal); Art. 3(4) (a name shall not be registered as a PDO or a PGI where, in the light of a trademark’s reputation and renown, and the length of time it has been used, registration is liable to mislead the consumer as to the true identity of the product).}
situation where a sign is protected in Country A as a GI, but is protected in Country B as a trade mark. If Country A applied for Community registration of the designation as a GI and the registration was successfully opposed by Country B, then (on this interpretation of the Regulation) national protection in Country A would also be lost. If this was the case, an application to register BUDWEIS for Czech beer might be rejected on the basis of prior registration of BUDWEISER as a trade mark in another Member State.133

**B. The Scope of the Rights**

In deciding whether Community GI protection is preferable to the protection offered under national regimes, the scope of the protection available under each regime is likely to be a key consideration. The scope of the protection afforded to Community GIs is set out in Article 13 of the 2006 GI Regulation (which is almost identical to the provision in the original Regulation). This provides that registered names shall be protected against:

(a) any direct or indirect commercial use of a registered name in respect of products not covered by the registration in so far as those products are comparable to the products registered under that name or in so far as using the name exploits the reputation of the protected name;

(b) any misuse, imitation or evocation, even if the true origin of the product is indicated or if the protected name is translated or accompanied by an expression such as “style,” “type,” “method,” “as produced in,” “imitation” or “similar”;

(c) any other false or misleading indication as to the provenance, origin, nature or essential qualities of the product, on the inner or outer packaging, advertising material or documents relating to the product concerned, and the packing of the product in a container liable to convey a false impression as to its origin;

(d) any other practice liable to mislead the public as to the true origin of the product.

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133. In fact, according to the EC’s website, BUDĚJOVICE PIVO, BUDĚJOVICE MĚSTÁNSKÝ PIVOVAR and ČESKOBUDĚJOVICE PIVO have been registered as PGIs. See http://europa.eu.int/comm/agriculture/qual/en/pgi_08en.htm. For the transitional arrangements effected for the benefit of new Member states on enlargement of the EU on May 1, 2004, see Commission Regulation (EC) No. 918/2004 of April 29, 2004, introducing transitional arrangements for the protection of geographical indications and designations of origin for agricultural products and foodstuffs in connection with the accession of the Czech Republic, Estonia, Cyprus, Latvia, Lithuania, Hungary, Malta, Poland, Slovenia and Slovakia, OJ L 163/88.
Where a registered name contains within it the name of an agricultural product or foodstuff which is considered generic, the use of that generic name on the appropriate agricultural product or foodstuff shall not be considered to be contrary to (a) or (b) in the first subparagraph.

The question of whether the benefits offered by national rights outweigh those provided by Article 13 of the Community GI Regulation will depend on the type of right in question and the Member State in which those rights exist. While comparing these different forms of protection is an onerous task, it has been made much easier by the fact that many of the national regimes of interest to us here—notably private trade marks, certification marks, and collective marks—have been harmonized across the Community. While there will still be national variations, the harmonization of rights has created a considerable amount of uniformity between Member States, which makes it easier to compare Community protection with that provided at the national level.

A useful starting point for thinking about the scope of protection at the national level is Article 5 of the Trade Mark Directive, which provides that:

(1) The registered trade mark shall confer on the proprietor exclusive rights therein. The proprietor shall be entitled to prevent all third parties not having his consent from using in the course of trade:

(a) any sign which is identical with the trade mark in relation to goods or services which are identical with those for which the trade mark is registered;

(b) any sign where, because of its identity with, or similarity to, the trade mark and the identity or similarity of the goods or services covered by the trade mark and the sign, there exists a likelihood of confusion on the part of the public, which includes the likelihood of association between the sign and the trade mark.

(2) Any Member State may also provide that the proprietor shall be entitled to prevent all third parties not having his consent from using in the course of trade any sign which is identical with, or similar to, the trade mark in relation to goods or services which are not similar to those for which the trade mark is registered, where the latter has a reputation in the Member State and where use of that sign without due cause takes unfair advantage of, or is detrimental to, the distinctive character or the repute of the trade mark.

These rights are subject to the exceptions contained in Article 6 of the Directive, namely that:
(1) The trade mark shall not entitle the proprietor to prohibit a third party from using, in the course of trade,

(a) his own name or address;

(b) indications concerning the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of goods or of rendering of services, or other characteristics of goods or services.

(c) the trade mark where it is necessary to indicate the intended purpose of a product or service, in particular as accessories or spare parts;

provided he uses them in accordance with honest practices in industrial or commercial matters.

Insofar as Article 5 of the Trade Mark Directive harmonises trade mark protection across Member States, it makes the task of evaluating the comparative levels of protection somewhat simpler. The task of comparing Community and national protection is also made easier as a result of case law in the United Kingdom, which indicates that the same approach is taken in relation to certification marks and collective marks as is taken in relation to regular marks. Even though certification marks protect quasi-public rather than private interests, the tribunals do not look more favourably on, or confer wider protection on, certification marks.134

Although the language in Article 13 of the GI Regulation is different from that employed in Article 5 of the Directive harmonizing the law of trade marks, in many cases, the same type of behaviour would fall within the scope of both regimes. For example, use of an identical sign (e.g., PARMA) on the same type of goods (e.g., bacon) would infringe registration of PROSCIUTTO DI PARMA for ham under Article 13(a) of the GI Regulation (so long as those goods were “comparable” to the goods subject to the Community GI). If PROSCIUTTO DI PARMA had been registered as a trade mark for meat under national law—whether as a private mark, a certification mark, or a collective mark—use of the mark without authorisation on bacon would infringe the national rights harmonized by Article 5(1)(a) of the Trade Mark Directive.135 Likewise, in most cases, use of similar designations on similar goods would infringe Community GI protection and national trade mark protection. Under Article 13(d) of the Community GI scheme, such a use would be prohibited if it was

134. Suntory Ltd v. Aktion Zahnfreundlich (December 9, 1998) BL SRS O/259/98 (opposition by owner of certification mark for tooth device partially successful. Hearing officer indicating that no different treatment was to be given when assessing opposition based on certification mark than any other trade mark).

135. Though potentially subject, as mentioned below, to a defence under Art. 6 of the Trade Marks Directive.
“liable to mislead the public as to the true origin of the product,” and under Article 5(1)(b) of the Trade Mark Directive, if it was likely to cause confusion.

In most cases, the protection granted to GIs and national marks will be similar because national marks that are be registrable (or are registered) as Community GIs will nearly always have enough of a “reputation” to enable them to benefit from the protection available under Article 5(2) of the Trade Marks Directive. (While Member States are free, in principle, to decide whether or not to protect marks that have a reputation, all Member States have chosen to do so).\(^\text{136}\) This means that trade mark protection will be as broad as the protection given to GIs by Article 13(a) (under which a person is not able to exploit the reputation of the GI)\(^\text{137}\) and Article 13(b) of the Community GI scheme. Under the latter, a person is not allowed to “evoke” a GI registration. A name is “evoked” where the term used to designate a product incorporates part of a protected designation, so that “when a consumer is confronted with the name of a product, the image triggered in his mind is that of the product whose designation is protected.”\(^\text{138}\) As (regular) trade mark protection is limited to uses of an identical or similar sign on similar goods that produce a likelihood of confusion, this does not seem to cover “evocations” as such. However, trade marks with a reputation may be protected against evocative uses under the dilution provisions, which cover acts that take unfair advantage of, or are detrimental to, the distinctive character or repute of a mark.\(^\text{139}\)

While in most cases the protection afforded to GIs will be similar to the protection available under national trade mark laws, there are situations where the protection afforded to a registered GI will be stronger. Two examples are worth noting. (These come with the important caveat that as European trade mark jurisprudence is in its infancy, we cannot be confident about how the law in this area will develop in the future).


\(^\text{137}\) Although not decided under the GI Regulation, see Champagner Bekommen, Sekt Bezahlen Case I ZR 290/99, [2002] E.T.M.R. (89) 1091 (Bundesgerichtshof) (extensive protection against use of “champagne” to advertise computers).

\(^\text{138}\) Opinion of Advocate General Francis Jacobs, Consorzio per la Tutela del Formaggio Gorgonzola v. Kaserei Champignon Hofmeister, Case No. C-87-97 (September 15, 1998), [1999] E.C.R. I-1301, para. 25. As the ECJ said, it “is possible for a protected designation of origin to be evoked where there no likelihood of confusion between the products concerned.” This was the case “even where no Community protection extends to the parts of the designation which are echoed in the term or terms in issue.”

\(^\text{139}\) Trade Marks Act 1994, s. 10(3). Following the interpretation provided by the ECJ in Davidoff & Cie SA v. Gofkid, Case No. C-292/00, [2003] E.C.R. I-389.
One situation in which the protection available under the Community GI scheme is likely to be stronger than the protection granted under the harmonized national trade mark regimes is where a person translates the designation or sign into another language. According to Article 13(b) of the GI Regulation, protection of a Community GI expressly covers translations of the protected designation. Consequently, registration of PARMIGIANO REGGIANO as a Community GI would mean that no-one can use the term “Parmesan” for a cheese that does not comply with the relevant GI specification. Whether national trade mark rights cover translations is a different matter. The European Court of Justice has said that to determine whether two signs are similar, it is necessary to consider aural, visual, or conceptual similarities. The comparison is undertaken from the perspective of the average consumer of the goods concerned. It is possible that a tribunal would accept that conceptual similarity of a very distinctive mark would lead to confusion. However, there are cases (albeit at the OHIM Board of Appeal) that held that British consumers would not regard the Italian translation of YELLOW PAGES—PAGINE GIALLE—to be so similar to YELLOW PAGES as to be likely to cause confusion.

A second situation in which the Community GI scheme will provide stronger protection than is available for national registered marks is where a party makes specific use of a registered designation (albeit with ‘delocalising’ or qualifying terms). This occurs, for example, where the true origin of the product is indicated (Cornish clotted cream made in Spain) or where the name is accompanied by an expression such as “style,” “type,” “method,” “as produced in,” or “imitation” (Parma style ham). While it is clear from Article 13(b) of the GI Regulation that references to a registered GI of this nature are prohibited, it is not clear whether such uses would infringe the rights given to trade mark proprietors or to holders of certification or collective marks. Although in this situation a defendant will fall within


143. R 1161/2000-1 (March 19, 2002) (First Board of Appeal of O.H.I.M.) (although the applicant’s mark was a translation of the opponent’s, the average British consumer would not realize that this was the case).

144. Indeed, there is good reason to believe that many such uses would not breach the penal law designed to protect consumers: under the Trade Descriptions Act 1968, a false
the trade mark owner’s monopoly under Article 5(1) of the Directive (insofar as they have used a mark that is identical to the registered mark in relation to identical goods), nonetheless, the user may be able to claim a defence under Article 6 of the Trade Marks Directive. More specifically, the user may be able to claim that they were employing indications concerning the kind, quality, geographic origin, or other characteristics of the goods or service in accordance with honest practices in industrial or commercial matters.145

While in most situations, Community GI Registration is as strong, or stronger, than the protection available under national law, there are some situations where national certification or collective marks (and possibly national unfair competition laws) offer broader protection. This is important because it means that substitution of national protection by a Community GI may diminish the scope of the rights (while expanding their geographic applicability). In this situation, advisors will need to compare and contrast the advantages of geographic breadth with national depth.

One situation in which national laws will provide stronger protection pertains to uses that tarnish or blur a designation’s reputation. In comparing the relative levels of protection offered by national and Community laws in this regard, it is important to note the differences between Article 13(a) of the GI Regulation and Article 5(2) of the Trade Marks Directive. As already mentioned, Article 13(a) provides protection against parties who use a registered name in respect of products not covered by the registration insofar as “using the name exploits the reputation of the protected name.” In contrast, Article 5(2) of the Directive provides trade mark owners with protection against any use that “is detrimental to, the distinctive character or the repute of the trade mark.” European trade mark jurisprudence has little, as yet, to say about the scope of these provisions, though uses that are detrimental to the trade mark’s reputation are typically understood as uses that “tarnish” the mark’s reputation. Similarly, uses that are detrimental to the mark’s distinctive character will be taken to have “blurred” the ability of the sign to summon up the

trade description may be one that is false to “a material degree,” and disclaimers and other devices may successfully nullify what would otherwise be a misdescription. Thus, it has been held that the description of a product as “vegetable lard” did not misdescribe a product lacking any pig fat, where the unqualified use of the word “lard” would suggest a product made of pig fat: *Wolkind v. Pura Foods* (1987) 151 J.P. 492. “Cambozola—German Soft Cheese,” “English Feta” or “parma ham style” might not constitute misdescriptions within the Act.

idea of the protected product. At first glance, one might think that the differences between Article 13(a) of the GI Regulation and Article 5(2) of the Trade Marks Directive are not significant, given that users are likely to take advantage of the reputation of a mark by claiming, for example, that they are selling “the champagne of mineral waters” or “the champagne of computers.” While there may be situations where free-riding on the reputation of a GI is the gist of a complaint, it is possible to foresee disparaging and tarnishing uses of geographical indications: pornographic uses of SPREEWAHLDER GURKEN or THURINGER ROTWURST, images of Hitler drinking BAYERISCHES BIER, or insinuations of bestiality in relation to WELSH LAMB are obvious examples. It might be noted, too, that loss of distinctiveness constitutes the standard form of damage in case law in England concerning the passing off of geographic denominations. In these situations, the protection offered by Community GI Regulation is weaker than provided by relevant national laws.

A second situation in which national laws provide stronger protection arises from the way the respective rights are “owned.” While national trade mark laws confer rights on a particular proprietor (or, in the case of collective and certification marks, a group), in contrast, the GI Regulation does not confer the right to use a registered name either on a particular individual or on a specific group. Rather, it confers the right to use the registered name and the relevant logo on any individual or organisation whose products comply with the prescribed geographic and qualitative requirements. That is, the right is not addressed to specific producers, but to an abstract group. This means that producers who were not part of the original application are able to use a protected name, so long as their products conform to the

146. Though the “PARMA HAM of computers” or the “BLUE STILTON of mineral waters” are likely to be advertising gambits doomed to failure for cultural, rather than legal, reasons.

147. Taittinger v. All Bev [1993] F.S.R. 641, 670, 674, 678 (damage caused to goodwill associated with name CHAMPAGNE by defendant’s use of ELDERFLOWER CHAMPAGNE arose from the fact that there would have been blurring or erosion of the uniqueness associated with the name CHAMPAGNE, which would have debased the claimant’s reputation. The use of the name champagne for the elderflower drink brought about “a gradual debasement, dilution or erosion of what is distinctive” and damaged the “singularity and exclusiveness of the description Champagne”). See also Vine Products v. Mackenzie [1969] R.P.C. 1, 23 (the word “Champagne” would come gradually to mean no more than “sparkling wine” and that part of the plaintiff’s goodwill, which consisted of the name, would be diluted and gradually destroyed).

148. La Conqueste v. Commission, T 215/00 (January 30, 2001), para. 32 (Court of First Instance of the ECJ).

149. Id., at paras. 32-33.
registered specification. Consequently, a GI is not regarded as a trade mark for the purposes of resolving disputes over domain names under the ICANN Uniform Domain Name Dispute Resolution Policy. For example, in Consorzio del Prosciutto de Parma v. Matthew Gasse, Hanslmeier Fleischwarenfabrik, the Consorzio was unable to rely on its PDO for Parma ham when objecting to registration of the domain name parma-schinken.com (used on a website by a seller of various meat products including genuine, imported, parma ham). The Panel did accept, however, that the Consorzio could rely on the existence of its PARMA, PROSCIUTTO DI PARMA and PARMA HAM certification marks. On the basis that schinken means ham in German, the tribunal held that parma.schinken was confusingly similar to the registered marks. Another consequence of the way that Community GIs are “owned” is that parties lose control over who can use the designation (but not over how the named product is produced). Although it is possible for a sole producer to obtain protection for the designation, it uses as a Community GI, as with Scottish and Newcastle’s registration of NEWCASTLE BROWN ALE, the fact that anyone who complies with the specification can use the designation means that they should think very carefully before doing so.

It is clear that the task of having to choose between the Community GI scheme and national protection is a difficult one. While in some instances this may be made easier by the particular needs of the party in question, in most situations, it requires extensive knowledge of not only the Community GI scheme, but also equivalent laws in the various Member States. In time, some of these problems may be resolved as Community trade mark

150. To be eligible to use a protected designation of origin (PDO) or a protected geographic indication (PGI), an agricultural product or foodstuff must comply with the specification: GI Regulation (510/2006), Art. 8.


152. Case No. D2003-0474, [2004] E.T.M.R. (27) 387 (WIPO Panel, A. Mondini). The use was in “bad faith” because the registrant used the site to sell other meat-based products. The panel distinguished an earlier decision, WIPO D2000-0629, where objection to the registration of “parmaham.com” failed.

jurisprudence matures. In the meantime, however, parties need to make difficult and potentially important decisions with inadequate information. One of the consequences of this uncertainty is that it makes the task of having to compare the different scenarios more onerous than it ought to be. This is not the case, however, with Community GI and Community collective marks, which are able to operate cumulatively. To the extent that national trade mark rights are stronger than Community GI rights, interested parties may be able to obtain or retain equivalent protection via the Community Trade Mark scheme. Indeed, it is common for PDOs/PGIs and Community collective marks to operate in tandem. For example, BAYERISCHES BIER is a PGI and a Community collective mark;\textsuperscript{154} TURRÓN DE ALICANTE is a PGI and a Community collective mark for Classes 29, 30 and 31;\textsuperscript{155} the famous Parma crown is registered as a Community collective mark in relation to Parma ham in Class 29;\textsuperscript{156} PARMIGIANO REGIANO is registered at the OHIM for parmesan cheese in Class 29;\textsuperscript{157} and the words SPREEWÄLDER GURKEN are registered at Community level for pickled and fresh gherkins.\textsuperscript{158}

While parties can avoid some of the pitfalls of registering a Community GI by protecting the designation as a Community collective mark, it is important to bear in mind three caveats. First, it should be recalled that the registration of a Community collective mark will potentially face more opposition, based on existing national marks and rights in any of the 25 Member States. A second important consideration flows from Article 65 of the Community Trade Mark Regulation, which provides:

Where a Community Collective mark has been registered for a geographical designation, the Regulations governing the use of the mark must authorise any person whose goods or services originate in the geographical area concerned to become a member of the association which is a proprietor of the mark.

This is significant because it means that Community collective marks cannot be used to subvert the open-standard of protection offered under the Community GI system: anyone who complies with a GI specification can use the GI, and anyone whose goods come from the relevant geographic area is able to use a Community collective mark containing a geographic reference. Third, it is worth recalling that a Community trade mark (including a Community collective mark) will not be registered

\textsuperscript{154} C.T.M. No. 226621.
\textsuperscript{155} C.T.M. No. 2067031.
\textsuperscript{156} C.T.M. No. 1116201.
\textsuperscript{157} C.T.M. No. 1126481.
\textsuperscript{158} C.T.M. No. 360800.
where its use would infringe a Community GI Regulation. More specifically, Article 7(1)(k) of the Community Trade Mark Regulation states that no trade marks shall be registered:

which contain or consist of a designation of origin or a geographical indication registered in accordance with Regulation (EEC) No 2081/92 when they correspond to one of the situations covered by Article 13 of the said Regulation and regarding the same type of product, on condition that the application for registration of the trade mark has been submitted after the date of filing with the Commission of the application for registration of the designation of origin or geographical indication.

This means that registration of a Community collective mark cannot be made, other than in relation to the goods for which the GI has been registered. Being an absolute ground, it does not matter if the relevant group consent or the organisation that applied for the EC GI is also the applicant.

C. The Nature of the Available Remedies

Another important consideration that would-be applicants need to keep in mind when considering whether Community GI protection is preferable to national protection relates to the remedies that are available under the different regimes (and, indeed, who can bring proceedings). One of the notable features of the Community GI Regulation is that the remedies are implemented through national remedial structures. Variations in the way that this aspect of the GI Regulation has been implemented in different Member States means that the remedies available for breach of Community GI may, or may not, compare favourably with the remedies that accompany national rights (trade marks, passing off or consumer protection law). In practice, an applicant will need to look at the remedies available in different Member States. Certainly, the remedies available for a breach of a

159. According to a Statement by the Commission Concerning Article 2 of 2005/295/EC OJ L94/37 (13.4.2005), the provisions of the Enforcement Directive apply to geographical indications. The “Enforcement Directive,” Directive 2004/48/EC of the European Parliament and of the Council of April 29, 2004, on the enforcement of intellectual property rights OJ L 157 (30.4.2004) requires Member States to make available a suite of remedies that are to be “effective, proportionate and dissuasive” (Art. 3(2)). These include interim injunctive relief (Art. 9(1)), final injunctive relief (Art.11), damages (which are to take into account not only loss suffered by the claimant, but also the defendant’s gains, if any) (Art. 13(1)(a)), and removal of infringing goods from the channels of commerce (Art. 10). The British implementation of these is awaited, but it should be noted that the proposed draft of the Intellectual Property (Enforcement, etc.) Regulations 2006, issued by the Department of Trade and Industry in January 2006, did not provide for remedies in relation to Community geographical indications, which fall within the remit of the Department for the Environment, Food and Rural Affairs.
Community GI in the United Kingdom compare very poorly with equivalent national regimes. In part, this is because GI protection is enforced in the United Kingdom via a civil action for breach of statutory duty, which only leads to remedies of injunction and damages.\textsuperscript{160} In contrast, trade mark infringement can also give rise to restitutionary remedies (account of profits) and criminal sanctions.\textsuperscript{161} It is also possible for Trading Standards Officers to bring criminal actions for misleading use of designations under the Trade Descriptions Act and the Food Safety Act. In appropriate cases, these can result in imprisonment. Therefore, while the rights granted in relation to a Community GI may be as broad and in some cases broader than equivalent national rights, the remedies available may make Community GI protection less attractive.

\textbf{VII. CONCLUSION}

While cumulative protection is often presented as giving rise to a number of problems, an examination of the relationship between the Community GI Regulation and equivalent modes of national protection reveals that problems also arise when the legislature tries to prevent cumulative protection. As the British and Italian experiences in the field of design law show, it is often difficult to draw lines of demarcation between specially-tailored laws and laws of more general application, particularly where the

\textsuperscript{160} Consorzio del Prosciutto di Parma v. Asda [1998] F.S.R. 697; Taittinger SA v. Allbev [1993] F.S.R. 641. According to Stanton, the categorization as “breach of statutory duty” tells us little more than that the action is tortious and should not be assumed to indicate any other characteristics: K. Stanton, \textit{New Forms of the Tort of Breach of Statutory Duty} [2004] 120 Law Quarterly Review 324. However, it seems that, as a tort, the primary remedy is compensatory damages, and there is some authority that exemplary damages are not available unless the statutory expressly provides for them: Kuddus v. Chief Constable of Leicestershire Constabulary [2002] 1 A.C. 122, 140 (Lord Mackay of Clashfern), 159 (Lord Scott of Foscote).

\textsuperscript{161} The European Commission had thought to require Member States to provide for criminal sanctions in the original Proposal for a Directive on enforcement of intellectual property rights: Proposal for a Directive of the European Parliament and of the Council on measures and procedures to ensure the enforcement of intellectual property rights COM (2003) 46 final. This was subjected to heavy criticism and ultimately the whole Directive was watered down in order to speed its passage through the European legislature prior to enlargement. The criminal provisions were removed because of doubts about the competence of the Community to legislate in this area. However, subsequently, the Commission has taken up the issue of harmonization of criminal aspects of infringement, issuing on July 12, 2005, a Proposal for a Directive on criminal measures aimed at ensuring the enforcement of intellectual property rights COM(2005) 276, 2005/0127(COD), requiring Member states to treat as criminal offences any intentional infringements of intellectual property rights that occur on a commercial scale. Moreover, the issue of competence has been clarified in \textit{Commission v. Council}, Case No. C-176/03 (September 13, 2005).
more general laws offer distinct benefits (for example, if they arise without registration).

An examination of the way in which national laws interact with the Community GI scheme also reveals some of the tensions that lie at the heart of the Community GI scheme. In particular, they highlight the fact that while geographical indications celebrate local produce and practices, the Community-wide scheme, which standardises and harmonises legal practices across the Community, tends to flatten out and ignore local interests. More specifically, while the GI Regulation promotes the protection of local agricultural produce, it does so by sacrificing diverse uses and interpretations of language, and the diversity of the forms of legal protection. The clash between tradition and modernity that is apparent within the Community GI scheme is even more apparent when we shift to the ongoing attempts at the International level to globalise the local.

Perhaps most important of all, an examination of the way in which the Community GI scheme impacts upon equivalent national protection shows that European protection of geographic signs has been carried out in a haphazard manner. There is little to suggest that much legislative attention was given to the interaction of the various regimes. This has meant that the current regime is illogical, unclear and inconsistent. It has also meant that interested parties are forced to make important decisions on the basis of guesswork. It is very regrettable that the recent reforms of the European GI Regulation (made primarily in response to the findings of the WTO Panel) failed to take the opportunity to provide much needed clarity on when and how the Community regime interacts with national rights.