

**INTA Comments
on the Draft Geographical Indications Protection Bill of Pakistan, 2016
October 2016**

The International Trademark Association (INTA) greatly appreciates the opportunity to provide comments on the Draft Geographical Indications Protection Bill, 2016 of Pakistan provided by the Intellectual Property Organization of Pakistan.

INTA is the global association of trademark owners and professionals dedicated to supporting trademarks and related intellectual property in order to protect consumers and to promote fair and effective commerce. INTA's members are more than 6,700 organizations from 190 countries, with 77 trademark professionals in Pakistan. Headquartered in New York City, INTA also has offices in Brussels, Shanghai, Singapore and Washington D.C. and representatives in Geneva and New Delhi. Further information about our Association can be found at www.inta.org.

The protection of geographical indications (GIs) and the relationship between trademarks and geographical indications are important issues for INTA. INTA has on many occasions in the past contributed to various discussions and fora, including submissions on legislation, regarding the question of the sometimes conflicting interplay between the protection of geographical indications and the protection of trademarks. INTA supports the need to protect geographical indications as an intellectual property right. However, we also firmly advocate that such protection must not prejudice other existing intellectual property rights, including trademarks.

INTA is confident that it is possible to achieve harmonious co-existence of protection systems for geographical indications and other intellectual property rights, including trademarks, and believes that conflicts between these rights should be resolved on the basis of the well-established intellectual property principles of territoriality, exclusivity and priority (i.e. based on the principle of "first in time, first in right").

The Geographical Indications Committee of INTA would like to make the following observations about the Draft Bill:

A. Definitions

In Section 2(g), we note that the definition of GI goes beyond the definition of Article 22 of the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) in that it requires local activity in addition to the other characteristics of the GI definition.

According to the definition of "products" in section 2(r), this Draft Bill refers to "all products," not just wines and spirits. Therefore, the draft suggests to offer to all products the same level of absolute protection granted in TRIPS to wine and spirits, including on any collateral use, even on dissimilar products if the reputation is deemed to be exploited (Section 26(c)). This may have far-reaching significance for brand owners with earlier trademark rights that have geographical connotation by undermining these prior rights.

In Section 2(1)(h) reference to sea, lake, river, island and mountain appears to be redundant as country, region and locality would be understood as covering the same. If “sea, lake, river, island and mountains” are not considered as being included in “country, region and locality,” this addition broadens the scope of the definition of a GI compared to the internationally agreed upon definition of GIs contained in TRIPS.

In Section 2(1)(l) the subject matter of indication being letter(s) and numeral(s) should be deleted as GIs are generally not referred to by the same. Appropriate steps should be taken to ensure that the protection in fact covers only names that are unambiguously associated with a given geographic location, and that the scope of protection should be tailored to avoid granting rights that are overly broad.

Furthermore, in Section 2(1) (l), the words “is applied” should be replaced with “applies,” because the expression “is applied” infers that until the indication is put on the product itself, it will not be an indication.

B. Administration

Section 3(1) requires the establishment of a stand-alone Geographical Indication Registry in Islamabad. Rather than create an independent entity for the registration of GIs, INTA suggests that consideration be given to the option of retaining the Registry within the IPO. This would have the advantage of facilitating the examination of prior rights before accepting the GI registration and vice-versa.

C. Conflicts between GIs and Trademarks

The Draft Bill stipulates that when determining conflicts between GIs and trademarks, prior GIs can stop later trademarks (Section 28(1)), but prior trademarks cannot stop later GIs (Section 28(3)), and must yield to coexistence.

This goes against the principle of “first in time, first in right” which INTA supports. In line with this principle, INTA is of the view that when conflicts between trademarks and geographical indications arise in a given territory, the earlier right with priority shall generally prevail. This is without prejudice to: (i) grounds of refusal or invalidation based on the potential descriptiveness or deceptiveness of the earlier mark; (ii) grounds of refusal or invalidation that may exist based on bad faith; and (iii) exceptions of fair descriptive use that may be applicable according to local law.

An excessive scope of protection for GIs could unduly prejudice the existing rights of trademark holders, create obstacles for traders in the development of new brands, and limit the freedom to use generic terms.

Section 28 deals with restrictions to trademark registration. It may be appropriate to replicate this provision in the Trade Marks Ordinance 2001, under the provision relating to absolute grounds of refusal to ensure consistency between intellectual property legislation.

D. Oppositions

Section 5 of the Draft Bill does not allow for opposition of the GI application based on prior trademark rights. Other GI laws and treaties such as the Trans-Pacific Partnership TPP (2015)

Section QQ.C.3 follow the first in time, first in right principle, and permit such claims based on prior trademark rights.

The system should provide for appropriate mechanisms that ensure that only those terms that truly deserve protection as a GI are actually protected. This requires: (1) close scrutiny of applications for protection; (2) objection and opposition mechanisms that ensure that affected third parties can raise their concerns and invoke prior rights; (3) refusals of protection where a term does not meet the GI definition and conflicts with prior trademark rights; and (4) cancellation mechanisms that ensure that only those terms for which there is an actual need and a continuing legal justification stay on the register.

INTA considers it crucial that an appropriate objection mechanism be introduced to ensure that only those indications that actually deserve protection as a GI are effectively protected, in line with the mechanisms that also exist for other intellectual property rights.

INTA believes that the grounds of objection should include issues relating to the suitability of the GI for protection as well as prior rights. INTA urges the creation of another ground of refusal in Section 5 when GIs conflict with earlier trademark rights, preferably without qualification as to the reputation, renown and length of time of use of the trademark, or to famous trademarks that have been used prior to the application of the GI registration (so called “reputed and renown trademarks”).

In Section 13(2), right of opposition is restricted to only those persons who have the right to apply for a GI. There should be no such restriction in the right to oppose and it should be available to anyone with appropriate standing. INTA urges the establishment of an opposition right for any party with a legitimate interest, including owners of prior trademarks. Trademark owners should be entitled to challenge the registration of a GI based on their prior rights.

As genericness is a ground for revocation under Section 5, we understand that there is no automatic protection of GIs that are both registered and used properly against becoming a generic product name. INTA questions whether this is a deliberate choice not to offer this protection and legal certainty to the GI users.

In Section 13(1)(c), reference to Section 6(1) should be replaced by “Section 6”, since there is no Subsection 6(2). In Section 13(1)(d), line 1, the word ‘property’ should be amended to read as “properly.”

E. Right of Application

In Section 6, there is a sub-section (1) without any further sub-sections. The notation “(1)” of sub-section be deleted so Section 6 will have two clauses, (a) and (b) only.

F. Registration of Trans-Border Geographical Indications

Section 9(1) may be deleted as registration of trans-border GIs will be a challenge and may not be practically possible. Furthermore, such situations may be dealt with under Section 8 dealing with homonymous GIs.

G. Substantive Examination of Application

Examination should include a review of existing rights on the Trademark Register to consider potential conflict with prior trademark rights.

H. Publication

Section 11(1) requires the publication of a Geographical Indication Journal. While we support the publication of GIs applied for, it could be easier and more efficient to publish these applied GIs in a separate portion within the monthly Trade Marks Journal, and provide online access to the register and the product specification.

I. Registration of Foreign GIs

INTA believes that section 14(2) is redundant with Section 5 (f) and thus needs to be deleted.

Also, we believe that the requirement for users to be registered is very burdensome. Accordingly, and similar to sections 18(1) and 16(1), a simple membership of either a local association of producers of GI products or the relevant public institution related to the product or geographical region representing the interest of the producers may be deemed to be the authorized user.

J. Use of a GI

Section 18(1) and section 16(1) require registration of each producer with the Geographical Indication Registry to become authorized users as defined in Section 2(1)(a). Instead, a simple membership of either a local association of producers of GI products or the relevant public institution related to the product or geographical region representing the interest of the producers as referred to in Section 6(1) may be deemed to be the authorized user as referred to in Section 2(1)(a).

K. Revocation of Registered GIs

For an action under Section 22(1)(a), a minimum time duration should be provided before the registration of a GI is revoked.

INTA supports the cancellation process and considers that the registrability and continued justification for GIs should be subject to full scrutiny in cancellation proceedings. The cancellation grounds should not be limited to cases of non-compliance with the specification and the absence of products on the market over a prolonged period of time, and the procedures should be available to any party with a legitimate interest. It would be appropriate for the new regime to include a general rule such as "*Any natural or legal person having a legitimate interest, may request cancellation of the registration, giving reasons for the request.*"

L. Sanctions

Section 30(1) may be amended by including reference to Section 29(1) as fine and punishment are stated in the said provision.

Additional Information: For further information or questions, please contact: H el ene Nicora, Representative Officer, Europe at hnicora@inta.org / +32 2 880 37 22.