



International Trademark Association
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**COMMENTS ON THE
SUMMARY OF DRAFT POLICY OBJECTIVES
&
CORE PRINCIPLES
of the
WIPO INTERGOVERNMENTAL COMMITTEE ON
INTELLECTUAL PROPERTY AND GENETIC RESOURCES,
TRADITIONAL KNOWLEDGE AND FOLKLORE**

**Submitted by the
Emerging Issues Committee**

25 February 2005

The International Trademark Association¹ (INTA) appreciates the opportunity to submit comments to the WIPO Secretariat on the Draft Policy Objectives and Core Principles for the Protection of Traditional Cultural Expressions/Expressions of Folklore as set out in Annex 1 or Document WIPO/GRTKF/IC/7/3.

INTA represents the interests of trademark owners worldwide. Although its membership is geographically diverse, INTA has found its members united in support of the basic principles we believe essential to maintenance of the important role trademarks play in promoting effective commerce, protecting consumer interests, and encouraging free and fair competition. The INTA Emerging Issues Committee's comments below reflect those principles and are limited to those provisions of the Draft that affect the interests of trademark owners.

INTA General Position

INTA notes that in developing policy objectives and core principles for the protection of traditional cultural expressions (TCE's)/expressions of folklore (EoF) minimum substantive standards for national laws are sought to be imposed by international obligations, with the choice of legal mechanisms likely being a matter of national discretion.

While INTA supports the recognition of TCE's and EoF's, it strongly believes that any protection to be afforded to these must not prejudice other existing intellectual property rights, including trademarks. Further INTA strongly opposes any proposal that would seek to grant special trademark status to TCE's and/or EoF's. INTA takes this position with respect to all such international initiatives. INTA historically has advocated on an individual country basis against any "special interest" trademark legislation that provides specific groups exclusive trademark rights without proof of likelihood of confusion or dilution.

Our specific comments on those provisions of the Draft that affect the interests of trademark owners follow.

Policy Objectives

(1). (xii) curtail the grant, exercise and enforcement of invalid intellectual property rights acquired by unauthorised parties over TCE's/EoF, and derivatives thereof;

INTA is concerned that any system introduced primarily to protect TCEs/EoF and/or to enable their coexistence with other intellectual property rights, including trademarks, should be consistent with the well established intellectual property principles of territoriality, exclusivity, priority and where applicable, notice. INTA has concluded that the mere elaboration of such rights alone, without taking into consideration these principles, could

¹ INTA is a 127-year old not-for-profit membership organization dedicated to the support and advancement of trademarks and related intellectual property concepts as essential elements of trade and commerce. INTA counts over 4500 members in 190 countries. INTA has been an official non-governmental observer to the World Intellectual Property Organization (WIPO) since 1979, and actively participates in all WIPO trademark-related proposals. INTA has contributed WIPO trademark initiatives, such as the Trademark Law Treaty, and is active in other international arenas including the Asia Pacific Economic Co-operation Forum (APEC), the Association of Southeast Asian Nations (ASEAN), the European Union and the World Trade Organization (WTO).

result in an unfavourable outcome, possibly including complete loss of or diminution of value in rights previously held and enjoyed by trademark owners, consumer confusion as to source, and/or impairment of trade.

Core Principles

B. Specific Substantive Principles

(2). B.1. Scope of Subject Matter (a) (i)

INTA is concerned by the inclusion of the terminology "other indications" as a broad catch all provision. Without further specificity or elaboration, inclusion of this language would render it difficult to determine the nature of rights that could be included within this terminology and the impact such rights would have on trademark owners. However, as a practical matter, this would make it extremely difficult for trademark owners to determine the scope of subject matter included as a TCE/EoF. Failure to define precisely (or at least more precisely) what should be included as "other indications" with respect to a TCE/EoF puts an unfair burden of conjecture upon the trademark owner seeking good faith adoption of a sign to use as a trademark. Failure to define what constitutes a TCE/EoF with any real specificity also makes it difficult to establish a mechanism to prevent potential abuse.

(3). B.5. Scope of Protection (i)

INTA is concerned that use of the word "derogatory" implies a subjective assessment. This renders the section uncertain in terms of its real-world application, as it will be impossible for third party rights holders, including trademark owners, to know with any reasonable degree of certainty whether their use of a particular mark will be deemed "derogatory" until after the adoption and commercial exploitation of the mark.

INTA also believes there is an appropriate mechanism to identify those TCE's/EoF of particular cultural or spiritual significance, including sacred TCE's/EoF, so third parties including trademark owners are put on notice of any claimed rights in a TCE/EoF. INTA strongly advocates a transparent system that provides public notice to third party rights holders, including trademark owners, of any claimed right that may affect their good faith adoption and claim to an intellectual property right including a trademark. INTA is very concerned that failure to disclose such claimed TCE or EoF rights, especially those to be granted in secret, puts an unfair, unnecessary and unworkable burden on intellectual property rights holders and undermines the role that trademarks play in fostering fair and robust competition.

The inclusion of the phrase "and derivatives thereof", like the use of "other indications" in B(1)(a)(i), is also overly broad in scope and seeks to expand rights exponentially beyond the TCE's/EoF without any objective criteria for how the "derivative" is derived or used, the result being a system lacking transparency and notice to third party rights holders, including trademark owners.

Further, INTA strongly opposes any proposal which seeks to prevent the acquisition by third parties of IP rights without proof that such third party rights are likely to cause confusion with another pre-existing right in the form of TCE's/EoF.

(4). B.5. Scope of Protection (ii) (Exceptions and Limitations)

INTA is very concerned that exclusive rights can be granted with respect to non-disclosed subject matter, i.e., "secret TCE's/EoF". In order to claim exclusivity of right, it is a logical precursor that the claim to such a right be made public. This is necessary to ensure that claimed proprietary rights and interests are available for public confirmation (usually presumed through utilization of a clearly defined and transparent objection mechanism) and that those rights are clearly defined as against potential encroachment. A system of granting protection of rights without public disclosure is unworkable and unfair.

(5). B.5.Scope of Protection (iv)

INTA reiterates its concerns that use of the word "derogatory" implies a subjective assessment. As with Section B5(i) the use of the word "derogatory" renders the section uncertain in terms of its real-world application, as it will be impossible for third party rights holders, including trademark owners, to know with any reasonable degree of certainty whether their use of a particular mark will be deemed "derogatory" until after the adoption and commercial exploitation of the mark. The lack of transparency and notice in this section is of particular concern, as third party rights holders, including trademark owners, who adopt a mark in good faith, may be subject to civil and criminal penalties for any violation. The imposition of such strong sanctions against an innocent adopter is inequitable.

(6). B.7. Term of Protection (a)

The scope and term of protection is nebulous. Lack of minimum criteria for determining whether and how a TCE/EoF continues to be maintained and used makes for an indefinite and unduly burdensome system. Similarly, there are no criteria to determine how a TCE/EoF could function as a "characteristic of, the cultural identify and traditional heritage of the relevant indigenous people," which compounds the issue further. INTA is of the view that trademark owners require, as far as possible, some degree of certainty in selecting and adopting in good faith signs for use as trademarks, including knowledge of rights in a claimed TCE/EoF and when those rights have been terminated or otherwise extinguished.

(7). B.8 Formalities (a) & (b)

INTA is concerned that the failure of formalities and/or lack of requirement to at least publicly disclose a TCE/EoF is contrary to the stated interests of transparency and certainty and can only lead to burdensome and unnecessary conflict and confusion, particularly in those jurisdictions in which trademark rights are based on priority of registration with a competent authority rather than priority of use.

(8). B.10 Application in Time

The sentiment of this policy in recognition of conflicting claims and intellectual property rights is noted. However the terminology is somewhat convoluted and tautological and has the potential to detract from what appears to be a statement of support for the principle of "first in time, first in right". The section also fails to address the issue of third party concurrent use in good faith.

(9). B.11 Relationship with Intellectual Property Protection

In promoting the special protection of TCE's/EoF via use of complementary protection mechanisms INTA opposes any proposal which would seek to grant special trademark status to TCE's/EoF.

(10). B.12 International & Regional Protection

INTA has gained experience through a number of education sessions on geographical indications. Geographical Indications (GI's) differ from TCE's/EoF because TRIPS Article 1(2) recognises GI's as a type of Intellectual Property. However INTA believes that its experience with many member States who are in the middle of implementing the provisions of the TRIPS Agreement on GI's and are starting to become familiar with GI's and their protection can be extrapolated as to how members may grapple with the introduction of concepts and systems for the protection of TCE's/EoF. Problems and conflicts resulting from the introduction of IP protection for GI's are appearing only now. INTA recommends those problems and experiences should be carefully analysed before introducing a system to facilitate the protection of TCE's/EoF's.

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The Emerging Issues Committee, on behalf of INTA, appreciates this opportunity to address these important issues raised by the draft. Should any of our comments be unclear or require elaboration, please contact Bruce MacPherson, Director of External Relations, at bmacpherson@inta.org.