

**REVIEW UNDER ARTICLE 24.2 OF THE APPLICATION OF THE
PROVISIONS OF THE SECTION OF THE TRIPS AGREEMENT
ON GEOGRAPHICAL INDICATIONS**

Checklist of Questions¹

Responses from Canada

The present document represents the responses to the Checklist which the Secretariat has received from Canada, by means of a communication from its Permanent Mission, dated 18 November 1998.

I. RESPONSES TO THE QUESTIONS IN DOCUMENT IP/C/13

A. GENERAL

1. *Is protection for geographical indications provided through unfair competition law, e.g., passing off, false designation of origin; through a formal procedure for notification/registration before protection is available; or through both? Does the recognition of a geographical indication require registration?*

Geographical indications may be protected through a number of different means. For goods and services in general, protection is provided in the common law provinces through the common law of passing off; in Quebec, under Article 1457 of the Civil Code of Quebec. In addition, paragraph 7 d)i) of the Trade-marks Act prohibits making use, in association with wares or services, of any description that is false in a material respect and likely to mislead the public as to ... the geographical origin ... of the wares or services. Also, the owner of rights in such geographical indications may apply for protection, as a registered trademark, if the requirements of the Act are met.

For wines and spirits, specific provisions are contained in Section 11.11 through 11.2; paragraphs 12 1)g) and h); Subs. 20(2); and the definition of "geographical indication" contained in Section 2 of the Trade-marks Act. These provisions enable a responsible authority to request that a geographical indication be placed on a protected list.

2. *Is there one single regime of protection of geographical indications for all products? If not, identify the different regimes.*

See the answer to question 1 above.

¹ Documents IP/C/13 and IP/C/13/Add.1.

3. *Do(es) the regime(s) of protection of geographical indications also extend to services?*

As described in the answer to question 1 above, general protection for geographical indications extends to both goods and services. Specific protection for wines and spirits does not.

4. *What provisions of law or regulations are directed to the recognition of geographical indications required by Articles 22.2 and 23.1 of the TRIPS Agreement? Citations to laws should be provided and, if the texts of the laws have not been notified to the WTO, copies should be provided pursuant to Article 63.2.*

With respect to Article 22.2 of the TRIPS Agreement, please see the first part of the answer to question 1. With respect to Article 23.1 of the TRIPS Agreement, Section 11.14 and 11.15 of the Trade-marks Act prohibit the adoption or use of a protected geographical indication for a wine or a spirit, respectively. In those Sections, translations are specifically prohibited, and no exception is made for expressions such as "kind", "type", "style", "imitation" or the like.

5. *If the required recognition of geographical indications is not provided through statutes or regulations, please explain, in detail, the mechanism or mechanisms through which the protection required is provided.*

(Please refer to the answer to question 1 above). In a common law action for passing off, the plaintiff must prove that his or her goods or services have acquired a reputation or goodwill, that the defendant is trading on that reputation or goodwill, and that damages are being or will be suffered as a result. The relief in such actions is monetary damages and/or injunction. In an action based on Article 1457 of the Civil Code of Quebec, a plaintiff must prove the basic conditions of civil liability, i.e., fault, damage and causal connection. In this case, fault would consist of non-authorized use of reputation or goodwill and/or the use of reputation or goodwill to mislead the public on the origin of the product or service.

6. *Please provide a few examples of domestic geographical indications protected in accordance with the means discussed above and indicate the means by which such protection is provided.*

The following domestic geographical indications have been entered on the list of geographical indications established under Section 11.12 of the Trade-marks Act:

<u>Geographical Indication</u>	<u>File No.</u>	<u>Date Entered on the List</u>
Canadian Rye Whisky	837046	19 December 1997
Canadian Whisky	824047	19 December 1997
Fraser Valley	837658	18 February 1998
Okanagan Valley	837655	18 February 1998
Similkameen Valley	837657	18 February 1998
Vancouver Island	837656	18 February 1998

7. *Is the higher level of protection required for wines and spirits under Article 23.2 of the TRIPS Agreement provided for any other product? If so, please specify such products and the law under which they are protected.*

Protection in accordance with Article 23.2 of the TRIPS Agreement is restricted to wines and spirits. See also the last part of the answer to question 1 above.

B. DEFINITION AND CRITERIA FOR RECOGNITION

8. *How are geographical indications defined?*

Geographical indications for wines and spirits are defined in Section 2 of the Trade-marks Act, which reads as follows:

"geographical indication" means, in respect of a wine or spirit, an indication that:

- "(a) identifies the wine or spirit as originating in the territory of a WTO Member, or a region or locality of that territory, where a quality, reputation or other characteristic of the wine or spirit is essentially attributable to its geographical origin; and
- "(b) except in the case of an indication identifying a wine or spirit originating in Canada, is protected by the laws applicable to the WTO Member."

Geographical indications for other goods or services are not defined in the Act.

9. *Would such a definition comprise geographical indications identifying products of a certain quality or reputation which are indirectly linked to a specific region?*

It will depend on the nature of the link and whether the product meets the definition of geographical indication.

10. *In determining whether recognition should be given a geographical indication, what criteria are considered?*

Applications for additions to the list of geographical indications will be examined for compliance with Section 11.12 and other provisions of the Trade-marks Act based on the following criteria:

- (a) The geographical indication must identify a wine or spirit originating in the territory of a WTO Member (including Canada), or a region or locality of that territory.
- (b) The geographical indication must be officially recognized and protected by the applicable laws in that WTO member. It is up to the applicant to provide evidence of this, including the effective date of recognition in the country of origin. It should be clear that the country of origin provides the legal means to prevent the misuse of the geographical indication in the application being submitted.
- (c) The responsible authority must demonstrate that, by reason of state or commercial interest, it is sufficiently connected with and knowledgeable of the wine or spirit to be party to any proceedings in respect of an objection filed under Subsection 11.13(1) of the Trade-marks Act. Responsible authorities may be national bodies as well as private enterprises or regional associations.
- (d) There must be a demonstration that there is a "quality, reputation or other characteristic of the wine or spirit that is essentially attributable to its geographical origin". This aspect of the review considers, among other things, the following principles:
 - (i) As it concerns wines, the geographical indication:

- is recognized as being linked to a quality or a characteristic of the product attributed to its geographic milieu, including natural or human factors; and
 - is allowed to be used only if the harvesting of the grapes took place in the country, region, place or area defined.
- (ii) As it concerns spirits, the geographical indication:
- is recognized as being linked to a quality or a characteristic which the product acquires at the time of a decisive phase of its production; and
 - is allowed to be used only if the decisive phase takes place in the country, region, place or area defined.

11. *Is there any human creativity involved in the making of specific products under protection by the system of geographical indications? If so, how much? And do these products involve any human factors?*

This would depend on the individual geographical indication for which protection was sought. There is no requirement for human creativity in the Trade-marks Act.

12/13. *Are there any other intellectual property rights involved, such as patents for example? What authority, if any, may define the geographic region or area for which rights are claimed and on what basis is such definition made?*

As mentioned in the answer to question 1 above, protection for geographical indications in Canada is provided under the general "umbrella" of trademark law. There is no connection with patent law. In terms of defining the geographic area, it would be up to the responsible authority to satisfy the Registrar of Trade-marks that it had established rights to a given area.

14. *Does your legislation contain criteria for homonymous geographical indications for wines?*

No, it would be up to the responsible authority for each homonymous geographical indication to prove that it met the criteria set out in the definition of "geographical indication" in respect of a wine or spirit. (See the answer to question 8 above.)

15. *Does your national legislation provide for recognition and protection of geographical indications or appellations of origin of foreign countries?*

Protection is provided for geographical indications for wines and spirits for foreign countries. (See the answer to question 8 above.) For geographical indications for other goods or services from foreign countries, trademark protection would have to be obtained, or the requirements for an action under Section 7 of the Trade-marks Act, under Article 1457 of the Civil Code of Quebec, or under the common law tort of passing off would have to be met. (See answers to questions 1 and 5 above.)

16. *Is there any specific prohibition in the legislation/regulations/rules/procedures covering geographical indications not protected in the country of origin? If so, please specify the relevant statutory provision.*

With respect to geographical indications for wines and spirits, paragraph b) of the definition requires that they be protected by the laws of the WTO Member country of origin. (See the answer to question 8 above.)

C. PROCEDURE FOR RECOGNITION

(The following answers relate to geographical indications for wines and spirits. For other goods and services, please see the answer to question 1 above.)

17/18. *With respect to any formal system for recognition of geographical indications, must the applicant be a governmental organization or can a private entity own the rights to a geographical indication? What are the competent authorities where the protection of a geographical indication can be obtained?*

The responsible authority need not be a governmental organization and may be a private entity. In either case, the onus would be upon it to satisfy the Registrar of Trade-marks that it was authorized to control the geographical indication.

19. *Do the procedures which lead to the recognition of a geographical indication take place ex officio or must they be based on the initiative of an entity or person?*

The procedures are not ex officio but must be initiated by the responsible authority.

20. *What, if any, fees are involved in the application and maintenance of rights in a geographical indication?*

An application fee of Can\$450.00 is payable for each geographical indication submitted. (Note: Information pertaining to the "Process for the Protection of Geographical Indications for Wines and Spirits in Canada" can be found at the following address on the Internet: <http://www.agr.ca/cb/news/n60730de.html>.)

21/22. *If criteria must be set out in an application for recognition of a geographical indication, are those criteria purely geographic in nature? What other criteria, if any, must be set out in an application for recognition of a geographical indication?*

See the answer to question 10 above.

22/23/24. *What information must be supplied in an application for rights in a geographical indication? Must the goods or services with respect to which a geographical indication is claimed be set out?*

The following information must be supplied:

- the indication to be protected;
- whether the indication identifies a wine or spirit;

- country of origin;
- description of territory, region and/or locality in which the wine or spirit is identified as originating;
- name of responsible authority, with description of the state or commercial responsibility, interest and knowledge in relation to the wine or spirit;
- address of responsible authority (foreign address optional);
- Canadian mailing name/address if responsible authority is outside Canada (representative for service);
- date of official recognition in country of origin;
- evidence of quality, reputation, or other characteristics that qualifies indication as a geographical indication. This should include details of the standards or regulations in the country of origin guaranteeing the authenticity of the wine or spirit and identifying who has the right to use the geographical indication. This statement should be signed by an official or agent or solicitor of the responsible authority and may include, as annexes, extracts from laws, regulations or even descriptions thereof contained in wine or spirit encyclopaedias or other authoritative publications, if in the opinion of the responsible authority, the description is accurate; and
- a statement by the responsible authority that, to the best of its knowledge and belief:
 - the laws, regulations or administrative practices in the country of origin provide the legal means to prevent the unauthorized use of the geographical indication and that, in fact, the laws, regulations or administrative practices are enforced in the country of origin; and
 - the requirements for the protection of the geographical indication in the country of origin are equivalent to the requirements of Articles 23 and 24 for the TRIPS Agreement.

25. *What mechanisms are provided to oppose the recognition of a geographical indication? How is an investigation conducted after such a complaint?*

The procedure is set out in Section 11.13 of the Trade-marks Act.

26. *Who can oppose the recognition of a geographical indication?*

As set out in Subs. 11.13(1) of the Trade-marks Act, "any person interested", upon payment of the prescribed fee and following the procedures of the Section, may object to the protection of the geographical indication.

27. *If your national legislation provides for recognition and protection of geographical indications or appellations of origin of foreign countries, what is the procedure that has to be followed in order to obtain such recognition and consequent protection?*

The procedure for obtaining protection is set out in Section 11.12 of the Trade-marks Act.

D. MAINTENANCE

(The following answers relate to geographical indications for wines and spirits. For other goods and services, please see the answer to question 1 above.)

28/29. *How long does recognition for a geographical indication continue? If recognition of a geographical indication must be renewed or reaffirmed, what information must be provided in order to effect such a renewal or reaffirmation? Specify any fees involved in renewal or reaffirmation.*

Protection continues indefinitely. No renewal or reaffirmation is required.

30. *Must a geographical indication be used in order to maintain rights? If so, how is such use determined?*

Subsection 11.18(1) of the Trade-marks Act provides that protection may lapse if the geographical indication ceases to be protected by the laws applicable in the WTO Member country of origin or has fallen into disuse in that Member. Such matters would not normally be monitored by the Registrar of Trade-marks. Rather, an interested person would normally present evidence to this effect in the context of an application for registration of a trademark that includes the geographical indication in some way. The Registrar, in examining and allowing such applications, follows the rules of natural justice, which would include notifying the responsible authority of the application and allowing the latter to be heard.

31. *Is there a specified limit for non-use before rights in a geographical indication cease and, if so, what is that limit?*

There is no specified time-limit. The test is whether the geographical indication has "fallen into disuse". (See the answer to question 30 above.)

32. *Who monitors the use of geographical indications to determine if the criteria identified in the application continue to be met?*

See the answer to question 30 above.

33. *If a government entity is responsible for monitoring the use of geographical indications, what are its procedures for doing so?*

See the answer to question 30 above.

34. *Are there means by which interested parties may request termination of a geographical indication based on non-use or failure to maintain the criteria identified in the application? Describe the procedure.*

See the answer to question 30 above.

35. *Do the procedures which lead to forfeiture of a geographical indication take place ex officio or must they be based on the initiative of an entity or person?*

See the answer to question 30 above.

E. SCOPE OF RIGHTS AND USE

(The following answers relate to geographical indications for wines and spirits. For other goods and services, please see the answer to question 1 above.)

36. *May anyone who meets the criteria submitted to obtain recognition of a geographical indication use that geographical indication after recognition is given or must additional criteria or procedures be followed by that party before use is permitted?*

Once a geographical indication is added to the protected list, its use would be under the control of the responsible authority that requested protection.

37/38. *Who makes the determination regarding use of a geographical indication by particular parties, the entity responsible for the recognition or the entity that obtained the recognition? Are there fees involved in receiving authorization to use a particular geographical indication and, if so, what are those fees and how are they established?*

These matters are determined by the responsible authority. There are no fees imposed by the government in respect of these matters.

39. *If there is a dispute regarding use of a geographical indication by a particular party, what procedures are followed to resolve it?*

It would be up to the responsible authority to "police" the use of the geographical indication by unauthorized third parties and to bring an action in the courts to prevent that use. The traditional remedies for the violation of intellectual property rights in Canada are monetary damages and/or injunction.

40. *Must individual authorized users of a geographical indication use that geographical indication continually to retain their right to use it and, if so, how is their use determined and how long will disuse be permitted?*

See the answer to question 30 above.

41. *If there is a dispute over continuity of use by a particular party, how is it resolved?*

See the answer to question 30 above.

42. *Does the regime for protection of geographical indications allow geographical indications to be licensed and, if so, what conditions are imposed on such licenses? If such conditions are not met, what is the effect on the geographical indication?*

The Trade-marks Act is silent on the subject of licences for geographical indications, which means there is nothing in the Act that prevents licensing.

43. *How is "grandfathered use" of a geographical indication, under Article 24.4 of the TRIPS Agreement, applied in your country?*

This use is addressed in Section 11.17 of the Trade-marks Act.

F. RELATIONSHIP TO TRADEMARKS

(The following answers relate to geographical indications for wines and spirits. For other goods and services, please see the answer to question 1 above.)

44. *What steps are taken to ensure that, in recognizing a geographical indication, the obligations of Article 16.1 of the TRIPS Agreement are not nullified and impaired?*

This is addressed at Section 11.2 of the Trade-marks Act.

45. *What steps are taken to ensure that, in recognizing a geographical indication, the obligations of Article 16.2 and 16.3 of the TRIPS Agreement are not nullified and impaired?*

There is no conflict between the Canadian regime for protecting geographical indications and the obligations of Article 16.2 and 16.3 of the TRIPS Agreement.

46. *What procedures are foreseen in case of a conflict of a geographical indication with a trademark?*

Under paragraph 12 1)g) and h) of the Trade-marks Act, a trademark is not registrable if it consists - in whole or in part - of a protected geographical indication, where the trademark is to be registered in association with a wine or spirit not originating in the territory indicated by the geographical indication. Section 18 of the Trade-marks Act provides that a trademark is invalid when certain criteria are met.

G. ENFORCEMENT

(The following answers relate to geographical indications for wines and spirits. For other goods and services, please see the answer to question 1 above.)

47. *How are rights in the geographical indication enforced? Are provisions available under unfair competition law? Trademark law? Other laws? Provide citations to the laws and, if they have not been notified under Article 63.2 of the TRIPS Agreement, please provide copies.*

Geographical indications may be enforced by the responsible authority through an action in the ordinary courts. The normal relief in actions for the violation of intellectual property rights is monetary damages or injunction. (See Canada's answers to the Checklist of Issues on Enforcement² for greater detail.)

48. *Who has the right to enforce a geographical indication?*

² Document IP/N/6/CAN/1.

See the answer to question 47 above.

49. *What judicial or administrative bodies have jurisdiction over enforcement actions related to geographical indications? Are there fees involved and, if so, what are those fees?*

The fees to commence an action in the superior court of each province are as follows:

British Columbia:	Can\$208.00;
Alberta:	Can\$200.00;
Saskatchewan:	Can\$75.00;
Manitoba:	Can\$120.00;
Ontario:	Can\$132.00;
Quebec:	Fee dependent upon amount involved on the face the proceedings: if filed by a corporation (<i>personne morale</i>), if between Can \$ 10,000.00 and Can\$100,000.00, the fee is Can\$174.00. If between Can\$100,000.00 and Can\$1 million, the fee is Can\$275.00. If Can\$1 million or over, the fee is Can\$545.00;
New Brunswick:	Can\$100.00 (NB. legislation is currently being revised and new regulations come into force on 1 January 1999);
Prince Edward Island:	Can\$56.00 if filed by a lawyer or Can\$50.00 if filed by a layperson;
Nova Scotia:	Can\$150.00
Newfoundland:	Can\$63.00
Federal Court Trial Division:	Fee dependent upon amount involved on the face of the proceedings: if less than Can\$5000.00, the fee is Can\$20.00. If between Can\$5000.00 and Can\$50,000.00, the fee is Can\$50.00. If over Can\$50,000, the fee is Can\$150.00. However, if the action is against the Crown, the filing fee is reduced to only Can\$2.00 regardless of the amount involved.

(See Canada's answers to the Checklist of Issues on Enforcement²³ for greater detail).

50. *Must the public be notified of the existence of a geographical indication and, if so, describe the procedures. If the law has not been notified pursuant to Article 63.2 of the TRIPS Agreement, please provide a copy.*

The procedure is contained in Section 11.12 of the Trade-marks Act.

51. *Is unauthorized use of a geographical indication subject to criminal action and, if so, describe the procedures. If the law has not been notified pursuant to Article 63.2 of the TRIPS Agreement, please provide a copy.*

There is no criminal sanction for the unauthorized use of a geographical indication.

H. INTERNATIONAL AGREEMENTS

52/53. *Is your government party to an international, including bilateral or plurilateral, agreement for the notification and/or registration of geographical indications? If so, please name the international agreement and explain the relationship between it and your national legislation. What other international agreements, if any, have been entered into? What do those agreements provide?*

³ Document IP/N/6/CAN/1.

Canada is a party to the North American Free Trade Agreement (NAFTA). NAFTA, Article 1712 addresses geographical indications. The provisions of that Article are not inconsistent with Articles 22 through 24 of the TRIPS Agreement and are met by Sections 11.11 through 11.2; paragraph 12 1)g) and h); Subsection 20(2); and the definition of a "geographical indication" contained in Section 2 of the Trade-marks Act, as well as by the legal means described in the answer to question 1 above.

II. RESPONSES TO THE QUESTIONS IN DOCUMENT IP/C/13/ADD.1

A. GENERAL (SECTION A OF DOCUMENT IP/C/13)

1. *Does your economy's industrial property law and/or related law prevent the use of geographical indications identifying wines or spirits against products not originating in the place indicated by the geographical indication, even where the true origin of the goods is indicated or the geographical indication is used in translation or accompanied by expressions such as "kind", "type", "style", "imitation" or the like?*

See the answer to question 4 in Section I above.

B. DEFINITION AND CRITERIA FOR RECOGNITION (SECTION B OF DOCUMENT IP/C/13)

2. *Is there a clear distinction among the terms "geographical indications", "appellations of origin" and "indications of source" in your economy's industrial property law and/or related law, or are there any substantive criteria to distinguish these terms?*

The term "geographical indication" is defined in Section 2 of the Trade-marks Act and addressed in Sections 11.11 to 11.2; paragraph 12 1)g) and h); and Subsection 20(2) of the Act. The terms "appellations of origin" and "indications of source" are not legal terms in Canada and are not referred to in the TRIPS Agreement.

3. *Does your legislation contain criteria for homonymous geographical indications for wines and spirits?*

See the answer to question 14 in Section I above.

C. RELATIONSHIP TO TRADEMARKS (SECTION F OF DOCUMENT IP/C/13)

4. *Does your economy's industrial property law and/or related law provide the refusal or invalidation of a trademark registration, which consists of or contains geographical indications identifying wines or spirits with respect to such wines or spirits not originating in the indicated territory?*

See the answer to question 46 in Section I above.
