

**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 the United States

The present document represents the responses to the Checklist which the Secretariat has received from the United States, by means of a communication from its Permanent Mission, dated 17 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?

The United States provides protection for geographical indications in a variety of ways, including by unfair competition law, by federal and state statute, and by regulation.

Applications For Federal Trademark Registration:

With respect to the federal registration of trademarks, Section 2(a) of the Trademark Act, 15 U.S.C. §1052(a), incorporates the prohibitions contained in Articles 23.1, 23.2, and 23.3 of the TRIPS Agreement, in the following manner. Section 2(a) prohibits, in pertinent part:

"registration of marks which consist of or comprise] a geographical indication which, when used on or in connection with wines or spirits, identifies a place other than the origin of the goods and is first used on or in connection with wines or spirits by the applicant on or after one year after the date on which the WTO Agreement (as defined in section 2(9) of the Uruguay Round Agreements Act) enters into force with respect to the United States".

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

In addition, Section 2(e)(3) of the Trademark Act, 15 U.S.C. §1052(e)(3), prohibits registration on the Principal Register of a mark which is primarily geographically deceptively misdescriptive of the goods or services named in the application. Such a mark may not be registered on either the Principal Register or the Supplemental Register, except in cases where the mark acquired distinctiveness or was in lawful use in commerce prior to 8 December 1993, the date of enactment of the North American Free Trade Agreement Implementation Act, Public Law 103-182, 107 Stat. 2057. A mark which is unregistrable under §2(e)(3) may be considered for registration on the Principal Register in accordance with §2(f) only upon a showing that the mark became distinctive of the applicant's goods or services in commerce before 8 December 1993. 15 U.S.C. §§1052(e)(3) and 1052(f). A mark which is unregistrable under §2(e)(3) may be considered for registration on the Supplemental Register, in accordance with §23, only if it has been in lawful use in commerce by the owner since before 8 December 1993. 15 U.S.C. §§1052(e)(3) and 1091. See TMEP §1210.06.

Thus, the mere presence of a misdescriptive geographical indication in a mark used to identify wines or spirits requires a refusal to register under Sections 2(a) and 2(e)(3) of the Trademark Act, because the misdescriptive term (with respect to wines and spirits) is presumptively deemed deceptive.

Use on Labels Controlled by the Bureau of Alcohol, Tobacco, and Firearms (ATF):

Even if a party does not apply for federal registration of a trademark incorporating a misdescriptive geographical indication, such use on labels is proscribed by the relevant regulations promulgated by the Bureau of Alcohol, Tobacco, and Firearms (ATF). The Bureau of Alcohol, Tobacco and Firearms, a law enforcement agency under the U.S. Department of the Treasury, is charged with the administration and enforcement of federal laws relating to the taxation, labeling and advertising of alcoholic beverage products. Among these laws, the Federal Alcohol Administration Act, 27 U.S.C. §§201, *et. seq.*, prohibits the sale of alcohol beverage products that are not labelled in conformity with regulations intended to prohibit consumer deception and to provide the consumer with adequate information about the identity of the product. ATF regulations promulgating section 205, as pertaining to wines and distilled spirits, are in 27 C.F.R. Parts 4 and 5, respectively.

- Wines: Labeling

Title 27, C.F.R. section 4.39 enumerates prohibited practices with respect to labeling of wine. Under 27 C.F.R. §4.39(a)(1), labels of wine may not contain "[a]ny statement that is false or untrue in any particular, or that, irrespective of falsity, directly or by ambiguity, omission or interference, or by the addition of scientific or technical matter, tends to create a misleading impression."

Furthermore, under 27 C.F.R. §4.39(i), generally, a brand name of viticultural significance may not be used unless the wine meets the appellation of origin requirements for the geographic area named. A name has viticultural significance when it is the name of a state or county (or the foreign equivalents), when approved as a viticultural area, or by a foreign government, or when found to have viticultural significance by the Director of ATF. 27 C.F.R. §4.39(i)(3).

In addition, under 27 C.F.R. §4.39(j), product names with specific geographical significance may not be used on labels, unless the Director of ATF finds that, because of their long usage, such names are recognized by consumers as fanciful product names and not representative of origin. In such cases, the product names must be qualified with the word "brand" immediately following the product name, in the same size of type, and as conspicuous as the product name itself. Also, in such cases, the label must bear an appellation of origin and, if

required by the Director, a statement disclaiming the geographical reference as a representation as to the origin of the wine.

In addition, 27 C.F.R. §4.39(k) prohibits on wine labels the use of "[o]ther statements, designs, devices or representations which indicate or infer an origin other than the true place of origin of the wine".

Note that under 27 C.F.R. §4.33, brand names on wine labels that are misleading as to age, origin, identity or other characteristics of the product are prohibited.

- Wines: Advertisements

Title 27 C.F.R. section 4.64 enumerates prohibited practices with respect to advertising for wines. Under 27 C.F.R. §4.64(a)(1), a wine advertisement may not contain "any statement that is false or untrue in any material particular, or that, irrespective of falsity, directly, or by ambiguity, omission or inference, or by the addition of irrelevant, scientific or technical matter, tends to create a misleading impression".

In addition, 27 C.F.R. §4.64(g), sets forth that "[n]o statement, design, device, or representation which tends to create the impression that the wine originated in a particular place or region, shall appear in any advertisement unless the label of the advertised product bears an appellation of origin, and such appellation of origin appears in the advertisement in direct conjunction with the class and type designation".

- Spirits: Labeling

Under 27 C.F.R. §5.34, no label of distilled spirits may contain any brand name, which standing alone, or in association with other printed or graphic matter, creates any impression or inference as to the age, origin, identify or other characteristics of the product.

In addition, under 27 C.F.R. §5.42(a), statements on labels of distilled spirits may not contain "[a]ny statement that is false or untrue in any particular, or that, irrespective of falsity, directly or by ambiguity, omission or interference, or by the addition of scientific or technical matter, tends to create a misleading impression".

All labels of distilled spirits products must disclose the products' class and type: 27 C.F.R. §5.32. As such, geographical names for distinctive types of distilled spirits may not apply to any distilled spirits produced in any other place than the particular region indicated by the name: 27 C.F.R. §5.22(k)(1). There are several exceptions to this rule. For instance, if in direct conjunction with the name there appears the word "type" or the word "American" or some other adjective indicating the true place of production, in letters substantially as conspicuous as such name, such geographical name may be allowed: 27 C.F.R. §5.22(k)(1). Or, if the Director of ATF specifically finds that such geographical name has, by usage and common knowledge lost its geographical significance to such extent that it has become generic, such name may also be used: 27 C.F.R. §5.22(k)(2). ATF applies these rules in a manner authorized by and consistent with Article 24 of the TRIPS Agreement.

However, under 27 C.F.R. §5.22(k)(3), geographical names that are not names for distinctive types of distilled spirits, that have not become generic, shall not be applied to distilled spirits produced in any other place than the particular place or region indicated by that name.

- Spirits: Advertisements

Title 27, C.F.R. section 5.65 enumerates prohibited practices with respect to advertising of spirits. Specifically, 27 C.F.R. §5.65(a)(1) prohibits use of "[a]ny statement that is false or untrue in any particular, or that, irrespective of falsity, directly, or by ambiguity, omission, or inference, or by the addition of irrelevant, scientific or technical matter, tends to create a misleading impression".

Rights Established Through Actual Use - "Common Law" Rights

Although not a system of protection, rights in a geographical indication may be created through actual use and without applying for recognition either as a trademark or certification mark.

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

As indicated in the introduction, the United States protects geographical indications through a number of regimes.

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

With respect to registration as a federal trademark, the protection of geographical indications extends equally to services. Unfair competition laws, both at the state and federal level, also apply equally to services. In the case of other specific statutory protection, extension of protection to services would be dependent on the wording and interpretation of the statute.

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.*

Trademark Act of 1946, as Amended, Public Law 79-489, Chapter 540, Approved 5 July 1946; 60 STAT. 427

Section 2(a), 15 U.S.C. §1052(a) - prohibits registration of marks that consist of or comprise, among other things, "a geographical indication which, when used on or in connection with wines or spirits, identifies a place other than the origin of the goods and is first used on or in connection with wines or spirits by the applicant on or after one year after the date on which the WTO Agreement (as defined in section 2(9) of the Uruguay Round Agreements Act) enters into force with respect to the United States".

Section 2(e)(2), 15 U.S.C. §1052(e)(2) - prohibits registration of marks which, when used on or in connection with the goods of an applicant, are "primarily geographically descriptive" of them. Section 2(e)(2) specifically excludes "indications of regional origin", which are registerable under Section 4, 15 U.S.C. §1054 as collective and certification marks. In addition, where an applicant can demonstrate that a geographic term has become associated with its goods (or services) and thus has acquired distinctiveness with respect to those goods or services, registration is permitted under Section 2(f), 15 U.S.C. §1052(f).

Section 2(e)(3), 15 U.S.C. §1052(e)(3) - prohibits registration of marks which, when used on or in connection with the goods of the applicant, are "primarily geographically deceptively misdescriptive of them".

Section 4, 15 U.S.C. §1054 - Collective and certification marks, including indications of regional origin, are registerable.

Federal Alcohol Administration Act of August 29, 1935, 49 STAT. 977, 27 U.S.C. §§201 *et seq.*—Section 105(e), 27 U.S.C. §205(e) prohibits the sale of alcohol beverage products that are not labelled in conformity with regulations intended to prohibit consumer deception and to provide the consumer with adequate information about the identity of the product. Promulgating regulations for the establishment of American viticulture areas are set forth in 27 C.F.R. Part 9.

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.*

See the statutes identified above in the answer to question 4, all of which have been notified to the WTO.

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.*

IDAHO, certification mark for potatoes and onions. U.S. Registration No. 802,418, issued pursuant to Section 4, 15 U.S.C. §1054, of the Trademark Act.

REAL CALIFORNIA CHEESE and Design, certification mark for cheese. U.S. Registration No. 1,285,675, issued pursuant to Section 4, 15 U.S.C. §1054, of the Trademark Act.

NAPA VALLEY RESERVE and Design, certification mark for still wines and sparkling wines. U.S. Registration No. 1,889,064, issued pursuant to Section 4, 15 U.S.C. §1054, of the Trademark Act.

PRIDE OF NEW YORK and Design, certification mark for agricultural products which are produced or processed in New York. U.S. Registration No. 2,181,021, issued pursuant to Section 4, 15 U.S.C. §1054, of the Trademark Act.

OHIO RIVER VALLEY, a recognized viticulture area under 27 C.F.R. §9.78, as authorized by section 105(e), 27 U.S.C. §205(e), of the FAA Act.

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.*

With respect to federal registration of trademarks, the standards of protection required for wines and spirits under Article 23.2, are not explicitly extended by statute to other products. However, a refusal under Section 2(e)(3), 15 U.S.C. §1052(e)(3), of the Trademark Act [refusal on the basis that a proposed mark is geographically deceptively misdescriptive] is an absolute basis for refusal to register a mark for any goods and/or services.

B. DEFINITION AND CRITERIA FOR RECOGNITION

8. *How are geographical indications defined?*

The term "geographical indication," although incorporated into the Trademark Act at Section 2(a), is not defined in that statute. The Trademark Manual of Examining Procedure (TMPEP), which provides guidance on the examination of applications for federal registration of trademarks and certification marks, equates the term "geographical indication" with "geographical designation." Thus, a term that does not identify a geographic place is unlikely to be considered a "geographical indication" for purposes of refusal to register under Sections 2(a), 2(e)(2), and 2(e)(3) of the Trademark Act.

We are not aware of a definition of the term "geographical indication" in any other federal statute or regulation. To the degree the term "geographical indication" is mentioned in case law, it appears to be regarded as self-defining, or self-evident.

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

Yes, it could. For example, if the underlying raw materials, such as grapes, are processed in a region different from their region of origin, it may be permissible for the manufacturer to identify the resulting goods (e.g., raisins) with the name of the region of origin for the raw materials. As an example, apple juice made entirely from apples grown in the Willamette Valley region of Oregon could be identified as such, even though the apple juice was processed outside the Willamette Valley.

Generally, entitlement to an appellation of origin for wines is based on where the grapes are grown, along with other rules of production.

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

The answer to this question depends on the administrative or judicial body making the determination.

In regards to the establishment of American viticultural areas, the criteria required by ATF are set forth in 27 C.F.R. Part 9. Under 27 C.F.R. §9.3, the following information is considered:

- Evidence that the name of the viticultural area is locally and/or nationally known as referring to the area specified in the application;
- Historical or current evidence that the boundaries of the viticultural area are as specified in the application;
- Evidence relating to the geographical features (climate, soil, elevation, physical features, and the like) which distinguish the viticultural features of the proposed area from surrounding areas;
- The specific boundaries of the viticultural area, based on features which can be found on the United States Geological Survey (U.S.G.S.) maps of the largest applicable scale; and
- A copy of the appropriate U.S.G.S. map(s) with the boundaries prominently marked.

27 C.F.R. §9.3 specifically relates back to 27 C.F.R. §4.25, which requires that, in the case of domestic wine, not less than 85 percent of the wine must be derived from grapes grown within the boundaries of the viticultural area.

Section 4.39(m) specifically prohibits use of the name of a vineyard, orchard, farm or ranch as part of a wine label unless 95 percent of the wine in the container was produced from primary winemaking material grown on the named vineyard, orchard, farm, or ranch.

Other recognized geographical indications for American wine are defined by political subdivisions, such as the names of states or countries, or the name "United States" itself. Similar political subdivisions are used as geographical indications for spirits, in addition to geographical indications recognized in the specific regulations, such as "Bourbon".

In obtaining a federal registration for a certification mark, there exists no list of specific criteria to be met. Pursuant to Section 1306.02(a) of the TMEP, examining attorneys at the PTO are instructed to examine the specimens of use and evidence in the record to determine whether the geographical term is being used as a certification mark to indicate the regional origin of the goods upon which it is used. If the record or other evidence available to the examining attorney indicates that a specific term in question has a principal significance as a description of the goods rather than as a certification mark (e.g., "Paris" for perfume), registration should be refused. The basis for the refusal is that the subject matter does not function as a certification mark and that it is primarily geographically descriptive of the goods, pursuant to §§2, 4 and 45 of the Trademark Act, 15 U.S.C. §§1052, 1054 and 1127. When a geographic term is used as a certification mark to indicate regional origin, the trademark application should define the regional origin which the mark certifies, if the wording comprising the mark does not clearly indicate what region is intended.

In a suit brought under Section 43(a) or 43(c) of the Trademark Act, 15 U.S.C. §§1125(a) and (c), the evidence of record would be considered.

With specific respect to Section 43(c), in determining whether a mark is "famous," a court may consider factors such as, but not limited to: (1) the degree of inherent or acquired distinctiveness; (2) the duration and extent of use of the mark in connection with the goods or services with which the mark is used; (3) the duration and extent of advertising and publicity of the mark; (4) the geographical extent of the trading area in which the mark is used; (5) the channels of trade for the goods or services with which the mark is used; (6) the degree of recognition of the mark in the trading areas and channels of trade used by the mark's owner and the person against whom the injunction is sought; (7) the nature and extent of use of the same or similar marks by third parties; and (8) whether the mark was registered under the Act of 3 March 1881, or the Act of 20 February 1905, or on the principal register.

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?

Registration As a Certification Mark - With respect to registration of geographical indications as certification marks, applicants (certifiers) must submit a copy of the standards established to determine whether others may use the certification mark on their goods and/or in connection with their services. 37 C.F.R. §2.61(b). The standards need not be original with the applicant. They may be standards established by another party, such as specifications promulgated by a government agency or standards developed through research of a private research organization. See TMEP §1306.06(g)(ii).

It is therefore possible for an applicant to identify human factors as an element of its certification criteria.

12. Are there any other intellectual property rights involved, such as patents for example?

It is possible that intellectual property rights, other than trademark rights, could be involved. As an example, a means for making honey, held as a trade secret by a group of people in a particular region, could contribute to a type of honey with notable characteristics. Either at common-law, or through trademark registration, that trade secret could contribute to a mark of geographical indication.

13. *What authority, if any, may define the geographic region or area for which rights are claimed and on what basis is such definition made?*

See answer to question 4 for the national authority to define geographical regions or areas for wines. The individual states also have authority to define geographic regions or areas for wine. Each state may have its own criteria.

Common law rights to a geographic indication would be established in accordance with a determination by a state or federal court. As has been noted above, there is no set of criteria upon which a state or federal court would base a decision.

14. *Does your legislation contain criteria for homonymous² geographical indications for wines?*

ATF Regulations

ATF regulations prohibiting the misleading labeling and advertising of wines also include prohibitions against the misleading use of "sound-alike" geographical indications for wines. See 27 C.F.R. §§4.39, 4.64 . In regards to the labeling of wines, 27 C.F.R. §4.39(a)(8) prohibits the use of coined words or names that tend to create a misleading impression. Section 4.39(a)(8) states:

"[Labels may not contain] Any coined word or name in the brand name or class and type designation which simulates, imitates, or which tends to create the impression that the wine so labelled is entitled to bear, any class type, or permitted designation recognized by the regulations in this part unless such wine conforms to the requirements prescribed with respect to such designation and in fact so designated on its labels".

Therefore, use of a coined word or name which simulates or imitates a geographical indication would be prohibited under Section 4.39(a)(8), if the word or name created a false impression as to any labeling element required under 27 C.F.R. Part 4.

Section 4.64 enumerates prohibited practices with respect to advertising for wines. As such, statements, designs, devices, or representations which tend to create the impression that the wine originated in a particular place or region (e.g., use of a sound-alike name) are prohibited unless the label of the advertised product bears an appellation of origin, and such appellation of origin appears in the advertisement in direct conjunction with the class and type designation.

² "Homonymous" can mean words that are spelled the same, but which have both a different pronunciation and a different meaning (e.g., "minute" = 60 seconds vs. "minute" = very small). It is presumed that this question actually refers to "homophones," which are words that, though spelled differently, are pronounced in the same manner and may have the same meaning (e.g., "Porto" and "Port-Oh").

Application for Federal Trademark Registration

Under standard principles of U.S. trademark law, words that sound like a generic, descriptive, or deceptively misdescriptive term can be refused registration. Although there is no "correct" pronunciation of a mark, where the U.S. Patent and Trademark Office (PTO) can demonstrate that a proposed mark contains the phonetic equivalent of a geographical indication, the mark is treated precisely as if the geographical indication were properly spelled.

Specifically, Section 2(a) is an absolute bar to the registration of any geographical designation that was first used in commerce on or in connection with wines or spirits on or after 1 January 1996, if it identifies a place other than the origin of the goods. Neither a disclaimer of the geographical designation nor a claim that it has acquired distinctiveness under §2(f) can obviate a §2(a) refusal if the mark consists of or comprises a geographical indication which identifies a place other than the origin of wines or spirits.

Similarity in sound is one consideration in determining whether there is a likelihood of confusion between marks. There is no "correct" pronunciation of a trademark because it is impossible to predict how the public will pronounce a particular mark. Thus, "correct" pronunciation cannot be relied upon to avoid a likelihood of confusion. See, e.g., In re Great Lakes Canning, Inc., 227 USPQ 483 (TTAB 1985) (CAYNA (stylized) for soft drinks held likely to be confused with CANA for, inter alia, canned and frozen fruit and vegetable juices). TMEP §1203.04. Under the doctrine of foreign equivalents, a foreign word (from a language familiar to an appreciable segment of American consumers) and the English equivalent may be found to be confusingly similar. See, e.g., In re American Safety Razor Co., 2 USPQ2d 1459 (TTAB 1987) (BUENOS DIAS for bar soap held likely to be confused with GOOD MORNING and design for latherless shaving cream). TMEP §1203.04.

Although the above examples are raised in the context of a refusal under Section 2(d), 15 U.S.C. §1052(d), ("likelihood of confusion"), they are mentioned because the analytic framework for homonyms is the same under Section 2(a). As an example, an application for the mark "NAPPA VALLY" for wine could be refused registration under Section 2(a).

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

Yes. See answers to questions 1 and 14, 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.*

No.

C. PROCEDURE FOR RECOGNITION

17. *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?*

Private entities may own the rights to a geographical indication. We are not aware of any statutory or regulatory prohibitions regarding the rights of private entities to own intellectual property rights in a geographical indication.

Federal Registration & Authority to Control a Geographic Term

When a certification mark consists solely, or essentially, of a geographic term, the PTO inquires as to the authority of the applicant to control the use of the term, if the authority is not obvious. Normally the authority which exercises control over the use of a geographic term as a certification mark is a governmental body or a body operating with governmental authorization. The right which a private person can acquire in a geographical term is usually a trademark right, on the basis of exclusive use resulting in the term becoming distinctive of that person's goods. When, however, circumstances make it desirable or necessary for many or all persons in a region to use the name of the region to indicate the origin of their goods, there would be no opportunity for the name to become distinctive for only one person. The term would be used by all persons in the region, not as a trademark indicating commercial origin, but as a certification mark indicating regional origin.

When a geographic term is used as a certification mark, two elements are of basic concern: first, preserving the freedom of all persons in the region to use the term and, second, preventing abuses or illegal uses of the mark which would be detrimental to all those entitled to use the mark. Normally a private individual is not in the best position to fulfill these objectives satisfactorily. The government of a region would be the logical authority to control the use of the name of the region. The government, either directly or through a body to which it has given authority, would have power to preserve the right of all persons and to prevent abuse or illegal use of the mark.

The Government as Applicant for a Geographical Certification Mark

The applicant may be the government itself (such as the government of the United States, a state or a city) or it may be one of the departments of a government, or it may be a body operating with governmental authorization although not formally a part of the government. There may be an interrelationship between bodies in more than one of these categories and the decision as to which is the appropriate body to apply is influenced by which body actually conducts the certification program or is most directly associated with it. The determination may be made by the applicant, provided the PTO does not find any inconsistency between the selection and the facts indicated in the record.

18. *What are the competent authorities where the protection of a geographical indication can be obtained?*

Application for Federal Registration as a Trademark or Certification Mark - U.S. Patent and Trademark Office; Trademark Trial and Appeal Board; Court of Appeals for the Federal Circuit; Supreme Court.

Application for State Registration as a Trademark (or Certification Mark) – follows application and appeals procedures established by each state.

Petition for Establishment of American Viticultural Area; Complaint for Misuse of Geographical Indication or Appellation of Origin – Bureau of Alcohol, Tobacco and Firearms, Federal District Court, Court of Appeals for the Federal Circuit, Supreme Court.

Unfair Competition Claim – State and federal causes of action.

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 leading to recognition of a geographical indication generally require the initiative of a private entity or person. Under ATF procedures, the United States provides ex officio protection for geographical indications that are notified to ATF.

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

Certification Marks/Trademarks - See 37 C.F.R. §2.6(a)(1), *et seq.*

Petition for Establishment of American Viticultural Area – See 27 C.F.R. §9

State Trademarks - See relevant state laws.

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

See the response to question 10.

22. *What other criteria, if any, must be set out in an application for recognition of a geographical indication?*

See the answers to questions 10 and 21 above.

23. *What information must be supplied in an application for rights in a geographical indication?*

See the response to question 10.

24. *Must the goods or services with respect to which a geographical indication is claimed be set out?*

Yes.

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

With respect to registration as a trademark or certification mark, both opposition (after publication) and cancellation (after registration) procedures are available. Opposition and cancellation are administrative procedures, supervised by the Patent and Trademark Office. Cancellation may also be ordered by a federal court, as the result of a private legal proceeding.

With respect to the establishment of an American viticultural area, parties who oppose the recognition of such viticultural area have an opportunity to file a statement and evidence with ATF, as part of the notice and comment period for rulemaking under the Administrative Procedures Act, Title 5 U.S.C. §553. In addition, complaints may be filed with ATF about the misuse of a geographical indication. ATF will investigate the matter, and will give all interested parties an opportunity to present evidence in support of their positions. Based on evidence presented, ATF will make a determination as to whether the geographical indication has been misused or whether the viticultural area should be granted. This approach enables ATF to evaluate the use of a particular designation of geographic significance and determine on a case-by-case basis whether such designation is in accordance with the laws, regulations and obligations of the United States. Finally, ATF actions are subject to judicial review in federal court.

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

Generally speaking, any party that has "standing" may oppose recognition of a geographical indication. With respect to recognition of geographical indications, "standing" means that a party has a real interest, financial or otherwise, in the result of the litigation.

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?*

With respect to registration as a trademark or certification mark, the well-publicized procedures for filing a trademark or certification mark application before the Patent and Trademark Office must be followed. With respect to distinctive wines from distinctive foreign appellations of origin that are well known to the U.S. consumer and trade, recognition may be achieved by submitting a petition to ATF in accordance with 27 C.F.R. Part 12.

D. MAINTENANCE

28. *How long does recognition for a geographical indication continue?*

Federal Registration for Trademark or Certification Mark – 10 year terms, renewable indefinitely.

Viticultural Region – May be maintained indefinitely.

State Registration for Trademark/Certification Mark – terms vary by state, renewable indefinitely.

Federal/State Unfair Competition Law – May be maintained indefinitely.

29. *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.*

If recognition of the geographical indication is in the form of a federal trademark or certification mark registration, evidence of actual use (together with other statutory formal requirements) must be filed with the Patent and Trademark Office between the 5th and 6th year after registration, and at the 10th year after registration, and every ten years thereafter. The "reaffirmation" fee necessary between the 5th and 6th year is currently US\$100 per international class. The renewal fee (10th anniversary and every ten years thereafter) is currently US\$300 per international class.

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

In answer to questions 30 –35, it is again emphasized that issues of maintenance and forfeiture are fact-specific.

Maintenance of Federally-Registered Trademarks - If a geographical indication is protected in the form of a federally-registered trademark or certification mark, maintenance procedures are identified by the Trademark Act (15 U.S.C. § 1051 *et seq.*): and implementing regulations (37 C.F.R. §2.1 *et seq.*). After a federal trademark or certification mark issues, use declarations and supporting evidence of use must be filed with the PTO between the 5th and 6th year after issuance, on the 10th anniversary of issuance, and every 10 years thereafter. Review of these declarations and supporting evidence is made by legal instruments examiners and paralegals in the PTO. However, the PTO does

not, ex officio, investigate use of the mark. Only if the supporting evidence provided by the mark owner fails to demonstrate use of the mark will the Office issue a provisional refusal.

Section 14, 15 U.S.C. §1064, provides the bases for cancellation of a registration. At any time if the mark becomes the generic name of the goods or services, or if the registration was obtained fraudulently, the registration may be cancelled. However, cancellation proceedings must be initiated by a third party. The PTO does not, *sua sponte*, cancel registrations issued in accordance with the requirements of Section 12, 15 U.S.C. §1062.

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

See the response to question 30.

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

See the response to question 30.

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

See the response to question 30.

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 response to question 30.

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 response to question 30.

E. SCOPE OF RIGHTS AND USE

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?*

See the answer to question 1, above.

37. *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?*

See introductory remarks and the answer to question 1, above.

38. *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?*

With respect to federal trademark registration, fees are involved. The fees are authorized by statute and set by the implementing regulations. Since fees may vary from time to time, the PTO

website should be consulted for the latest fee information. The PTO website is: www.uspto.gov/. No fees are required in the submission of a petition to establish an American Viticultural Area.

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

Disputes related to trademark issues are raised by interested/aggrieved parties. A party that believes itself entitled to use a geographical indication might send a "cease and desist" letter to its rival, might file an opposition or cancellation petition with the PTO, or could file suit in state or federal court.

Complaints related to the misuse of a geographical indication in labels or advertising of wines and distilled spirits are resolved by ATF. An aggrieved party may file a complaint alleging misuse of a geographical indication with ATF. ATF will investigate the matter, and will give all interested parties an opportunity to present evidence in support of their positions. Based on evidence presented, ATF will make a determination as to whether the geographical indication has been misused. This approach enables ATF to evaluate the use of a particular designation of geographic significance and determine on a case-by-case basis whether the use of such designation is in accordance with the laws, regulations and obligations of the United States. In addition, ATF actions are subject to judicial review in federal court.

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?*

(Consolidated answer to questions 40 – 43). See response to questions 44-46, below. With specific respect to question 42, if the geographical indication functions as a trademark and is registered as such, it may be licensed. Use by a licensee inures to the benefit of the trademark registrant.

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

See the response to question 40.

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?*

See the response to question 40.

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

See the response to question 40.

F. RELATIONSHIP TO TRADEMARKS

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?*

(Consolidated answer to questions 44 – 46). Conflicts between trademarks and geographical indications can arise in the context of opposition or cancellation proceedings before the Trademark Trial and Appeal Board of the PTO (administrative proceedings), motions to cancel arising out of a

civil action in state or federal court, in unfair competition proceedings in state or federal court, or in other types of private litigation.

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?*

See the response to question 44.

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

See the response to question 44.

G. ENFORCEMENT

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.*

Federal Trademark Law (includes protection for certification marks) - 15 U.S.C. §1051 *et seq.*; 18 U.S.C. §2320

Federal Unfair Competition Law - 15 U.S.C. §1125

State Trademark Law - See state statutes

State Unfair Competition Law - See state statutes

Enforcement of Geographical Indications Relating to Wines and Spirits

Complaints related to the misuse of a geographical indication in labels or advertising of wines and distilled spirits are resolved by ATF. An aggrieved party may file a complaint alleging misuse of a geographical indication with ATF. ATF will investigate the matter, and will give all interested parties an opportunity to present evidence in support of their positions. Based on evidence presented, ATF will make a determination as to whether the geographical indication has been misused. This approach enables ATF to evaluate the use of a particular designation of geographic significance and determine on a case-by-case basis whether the use of such designation is in accordance with the laws, regulations and obligations of the United States. In addition, ATF actions are subject to judicial review in federal court.

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

The owner of the geographic indication has the right to protection of the geographic indication. Under some circumstances, licensees of the owner may be entitled to seek enforcement remedies. Of course, the owner may be either a juristic or natural person. See also the answer to question 49.

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?*

If enforcement is raised in the context of a federal registration of a trademark or certification mark, various agencies and judicial bodies may be involved. Recordal of a federal registration with the U.S. Customs Service, an agency of the U.S. Treasury Department, permits mark owners to halt

importation of infringing goods. Under 27 U.S.C. §201 *et. seq.*, ATF handles complaints related to the misuse of a geographical indication, resulting in a misleading advertisement or label for wines and distilled spirits. An unfair competition action, under Section 43, 15 U.S.C. §1125, of the Trademark Act, is entertained in federal district court and follows the appeal process for such courts. Enforcement can be sought in state courts as well, and any appeal would follow the process for the respective court.

Fees vary by court, and the cost of enforcement depends on the complexity of the litigation.

50. *Must the public be notified of the existence of a geographical indication and, if so, how and how often?*

Applications for Federal Trademark/Certification Mark Registration - Published weekly in the Trademark Official Gazette

State and Federal Court Decisions – Published at various intervals by private reporters.

Approved Viticultural Areas– Published at 27 C.F.R. §§9 and 12. In the establishment of American viticultural areas, however, ATF is required to publish a final Treasury Decision in the Federal Register, thereby providing public notice.

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.*

The Federal Alcohol Administration Act at 27 U.S.C. §207 provides that any person violating the Act may be guilty of a misdemeanor, subject to a fine of US\$1,000 for each offence. Such violation may include the misuse of a geographical indication on a label or advertisement of wine or distilled spirit.

The criminal provisions of the "Trademark Counterfeiting Act of 1984", 18 U.S.C. §2320, provide that individuals who intentionally traffic or attempt to traffic in goods or services knowingly using a counterfeit mark shall be fined up to US\$2,000,000 and/or imprisoned up to 10 years. Juristic persons are subject to fines of up to US\$5,000,000. Repeat offences by an individual can result in fines of up to US\$5,000,000 and/or up to 20 years' imprisonment. Repeat offences by juristic persons can result in fines of up to US\$15,000,000.

H. INTERNATIONAL AGREEMENTS

52. *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.*

No.

53. *What other international agreements, if any, have been entered into? What do those agreements provide?*

Agreement between the United States and the European Union on geographical designations of distilled spirits. See Agreement in the Form of an Exchange of Letters between the European Community and the United States of America on the mutual recognition of certain distilled spirits/spirit drinks, and ATF Ruling Implementing the Agreement, 59 Federal Register 35623 (13 July 1994).

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

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?*

Yes.

Applications For Federal Trademark Registration:

With respect to the federal registration of trademarks, Section 2(a) of the Trademark Act, 15 U.S.C. §1052(a), incorporates the prohibitions contained in Articles 23.1, 23.2 and 23.3 of the TRIPS Agreement, in the following manner. Section 2(a) prohibits, in pertinent part:

"registration of marks which consist of or comprise] a geographical indication which, when used on or in connection with wines or spirits, identifies a place other than the origin of the goods and is first used on or in connection with wines or spirits by the applicant on or after one year after the date on which the WTO Agreement (as defined in section 2(9) of the Uruguay Round Agreements Act) enters into force with respect to the United States."

In addition, Section 2(e)(3) of the Trademark Act, 15 U.S.C. §1052(e)(3), prohibits registration on the Principal Register of a mark which is primarily geographically deceptively misdescriptive of the goods or services named in the application. Such a mark may not be registered on either the Principal Register or the Supplemental Register, except in cases where the mark acquired distinctiveness or was in lawful use in commerce prior to 8 December 1993, the date of enactment of the North American Free Trade Agreement Implementation Act, Public Law 103-182, 107 Stat. 2057. A mark which is unregistrable under §2(e)(3) may be considered for registration on the Principal Register in accordance with §2(f) only upon a showing that the mark became distinctive of the applicant's goods or services in commerce before 8 December 1993. 15 U.S.C. §§1052(e)(3) and 1052(f). A mark which is unregistrable under §2(e)(3) may be considered for registration on the Supplemental Register, in accordance with §23, only if it has been in lawful use in commerce by the owner since before 8 December 1993. 15 U.S.C. §§1052(e)(3) and 1091. See TMEP §1210.06.

Thus, the mere presence of a misdescriptive geographical indication in a mark used to identify wines or spirits requires a refusal to register under Sections 2(a) and 2(e)(3) of the Trademark Act, because the misdescriptive term (with respect to wines and spirits) is presumptively deemed deceptive.

Use on Labels Controlled by the Bureau of Alcohol, Tobacco, and Firearms (ATF):

Even if a party does not apply for federal registration of a trademark incorporating a misdescriptive geographical indication, such use on labels is proscribed by the relevant regulations promulgated by the Bureau of Alcohol, Tobacco, and Firearms (ATF). The Bureau of Alcohol, Tobacco and Firearms, a law enforcement agency under the U.S. Department of the Treasury, is charged with the administration and enforcement of federal laws relating to the taxation, labeling and advertising of alcoholic beverage products. Among these laws, the Federal Alcohol Administration Act, 27 U.S.C. §§201, *et seq.*, prohibits the sale of alcohol beverage products that are not labelled in conformity with regulations intended to prohibit consumer deception and to provide the consumer

with adequate information about the identity of the product. ATF regulations promulgating section 205, as pertaining to wines and distilled spirits, are in 27 C.F.R. Parts 4 and 5, respectively.

Wines: Labeling

Title 27, C.F.R. section 4.39 enumerates prohibited practices with respect to labeling of wine. Under 27 C.F.R. §4.39(a)(1), statements on labels of wine may not contain "[a]ny statement that is false or untrue in any particular, or that, irrespective of falsity, directly or by ambiguity, omission or interference, or by the addition of scientific or technical matter, tends to create a misleading impression".

Furthermore, under 27 C.F.R. §4.39(i), generally, a brand name of viticultural significance may not be used unless the wine meets the appellation of origin requirements for the geographic area named. A name has viticultural significance when it is the name of a state or county (or the foreign equivalents), when approved as a viticultural area, or by a foreign government, or when found to have viticultural significance by the Director of ATF. 27 C.F.R. §4.39(i)(3).

In addition, under 27 C.F.R. §4.39(j) product names with specific geographical significance may not be used on labels, unless the Director of ATF finds that, because of their long usage, such names are recognized by consumers as fanciful product names and not representative of origin. In such cases, the product names must be qualified with the word "brand" immediately following the product name, in the same size of type, and as conspicuous as the product name itself. Also, in such cases, the label must bear an appellation of origin and, if required by the Director, a statement disclaiming the geographical reference as a representation as to the origin of the wine.

In addition 27 C.F.R. §4.39(k) prohibits on wine labels the use of "[o]ther statements, designs, devices or representations which indicate or infer an origin other than the true place of origin of the wine."

Under 27 C.F.R. §4.33, brand names on wine labels that are misleading as to age, origin, identity or other characteristics of the product are prohibited.

Please note, however, that under 27 C.F.R. § 4.21(b)(3)(i)(A) & (B), a sparkling light wine having the taste, aromas, and characteristics generally attributed to champagne, but not otherwise conforming to the standard for "champagne", may in addition to class designation of "sparkling wine", be further designated as "champagne style" or "champagne type".

Wines: Advertisements

Title 27, C.F.R. section 4.64 enumerates prohibited practices with respect to advertising for wines. Under 27 C.F.R. § 4.64(a)(1), a wine advertisement may not contain "any statement that is false or untrue in any material particular, or that, irrespective of falsity, directly, or by ambiguity, omission or inference, or by the addition of irrelevant, scientific or technical matter, tends to create a misleading impression."

In addition, 27 C.F.R. §4.64(g), sets forth that "[n]o statement, design, device, or representation which tends to create the impression that the wine originated in a particular place or region, shall appear in any advertisement unless the label of the advertised product bears an appellation of origin, and such appellation of origin appears in the advertisement in direct conjunction with the class and type designation"

Spirits: Labeling

Under 27 C.F.R. §5.34, no label of distilled spirits may contain any brand name, which standing alone, or in association with other printed or graphic matter, creates any impression or inference as to the age, origin, identify or other characteristics of the product.

In addition, under 27 C.F.R. §5.42(a), statements on labels of distilled spirits may not contain "[a]ny statement that is false or untrue in any particular, or that, irrespective of falsity, directly or by ambiguity, omission or interference, or by the addition of scientific or technical matter, tends to create a misleading impression."

All labels of distilled spirits products must disclose the products' class and type. 27 C.F.R. §5.32. As such, geographical names for distinctive types of distilled spirits may not apply to any distilled spirits produced in any other place than the particular region indicated by the name. 27 C.F.R. § 5.22(k)(1). There are several exceptions to this rule. For instance, if in direct conjunction with the name there appears the word "type" or the word "American" or some other adjective indicating the true place of production, in letters substantially as conspicuous as such name, such geographical name may be allowed. 27 C.F.R. §5.22(k)(1). Or, if the Director of ATF specifically finds that such geographical name has, by usage and common knowledge lost its geographical significance to such extent that it has become generic, such name may also be used. 27 C.F.R. §5.22(k)(2). ATF applies these rules in a manner authorized by and consistent with Article 24 of the TRIPS Agreement.

However, under 27 C.F.R. §5.22(k)(3), geographical names that are not names for distinctive types of distilled spirits, that have not become generic, shall not be applied to distilled spirits produced in any other place than the particular place or region indicated by that name.

Spirits: Advertisements

Section 5.65 enumerates prohibited practices with respect to advertising of spirits. Specifically, 27 C.F.R. §5.65(a)(1) prohibits use of "[a]ny statement that is false or untrue in any particular, or that, irrespective of falsity, directly, or by ambiguity, omission, or inference, or by the addition of irrelevant, scientific or technical matter, tends to create a misleading impression".

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 phrase "Geographical Indication" is not a synonym for "Appellation of Origin" or "Indication of Source." First, "geographical indication" means any geographic term that indicates source. Even if a geographic term does not rise to the formal level of "Appellation of Origin," as defined by the ATF, it may still be prohibited from registration under Section 2(a). "Indication of Source" does not necessarily refer to a "geographic source." For example, the mark Coca-Cola[®], used by any entity other than the true owner, would be viewed as a false "indication of source." Therefore, while the terms may be interchangeable in a given circumstance (e.g., "Napa Valley" is a geographical indication which is also an appellation of origin and an indication of source), it is not necessarily the case.

Geographical Indications - The term "geographical indication" is incorporated in the Trademark Act at Section 2(a), 15 U.S.C. §2(a).

Appellations of Origin - ATF regulations define "appellations of origin" in terms of both geographic boundaries and the percentage of wine derived from fruit or agricultural products grown within those boundaries. See 27 C.F.R. §4.25a, which requires that, in order to qualify for an appellation of origin, at least 75 percent of the wine must be derived from fruit or agricultural products grown in the appellation area which is a political subdivision. For a viticultural area, 85 percent of the grapes must come from the named area. However, refinements of the term "appellation" can vary by state. For example, in order to use an appellation on a wine from Oregon, 100 percent of the grapes used to make the wine must be grown in the named area.

Indications of Source - As noted above, the phrase "indications of source" is not commonly used in U.S. law as a synonym for either "geographical indications" or "appellations of origin." When used in trademark terms, it does not refer exclusively, or even primarily, to geographical indications for wines and spirits. By way of reference, the definition of "trademark" in Section 45, 15 U.S.C. §45, states that a trademark is used to identify and distinguish goods and to indicate the source of the goods, even if that source is unknown.

3. *Does your legislation contain criteria for homonymous³ geographical indications for wines and spirits?*

ATF Regulations

ATF regulations prohibiting the misleading labeling and advertising of wines also include prohibitions against the misleading use of "sound-alike" geographical indications for wines. See 27 C.F.R. §§4.39, 4.64.

In regards to the labeling of wines, specifically, 27 C.F.R. §4.39(a)(8) prohibits the use of coined words or names that tend to create a misleading impression. Section 4.23(a)(8) states:

"[Labels may not contain] Any coined word or name in the brand name or class and type designation which simulates, imitates, or which tends to create the impression that the wine so labelled is entitled to bear, any class type, or permitted designation recognized by the regulations in this part unless such wine conforms to the requirements prescribed with respect to such designation and in fact so designated on its labels".

Therefore, use of a coined word or name which simulates or imitates a geographical indication would be prohibited under Section 4.39(a)(8), if the word or name created a false impression as to any labeling element required under 27 C.F.R. Part 4.

As noted above, section 4.64 enumerates prohibited practices with respect to advertising for wines. As such, statements, designs, devices, or representations which tend to create the impression that the wine originated in a particular place or region (e.g., use of a sound-alike name) are prohibited unless the label of the advertised product bears an appellation of origin, and such appellation of origin appears in the advertisement in direct conjunction with the class and type designation.

ATF regulations also prohibit the misleading labeling and advertising of distilled spirits. Under 27 C.F.R. §5.42(a), statements on labels of distilled spirits may not contain "[a]ny statement that is false or untrue in any particular, or that, irrespective of falsity, directly or by ambiguity,

³ "Homonymous" can mean words that are spelled the same, but which have both a different pronunciation and a different meaning (e.g., "minute" = 60 seconds vs. "minute" = very small). It is presumed that this question actually refers to "homophones," which are words that, though spelled differently, are pronounced in the same manner and may have the same meaning (e.g., "Porto" and "Port-Oh").

omission or interference, or by the addition of scientific or technical matter, tends to create a misleading impression."

In addition, 27 C.F.R. §5.65(a)(1) prohibits use of "[a]ny statement that is false or untrue in any particular, or that, irrespective of falsity, directly, or by ambiguity, omission, or inference, or by the addition of irrelevant, scientific or technical matter, tends to create a misleading impression." Therefore, representations that tend to create the misleading impression that the spirits were manufactured in or imported from a place or country other than the true place or country of origin (e.g., through the use of a sound-alike name) are prohibited.

Application for Federal Trademark Registration

Under standard principles of U.S. trademark law, words that sound like a generic, descriptive, or deceptively misdescriptive terms can be refused registration. Although there is no "correct" pronunciation of a mark, where the U.S. Patent and Trademark Office (PTO) can demonstrate that a proposed mark contains the phonetic equivalent of a geographical indication, the mark is treated precisely as if the geographical indication were properly spelled.

Specifically, Section 2(a) is an absolute bar to the registration of any geographical designation that was first used in commerce on or in connection with wines or spirits on or after 1 January 1996, if it identifies a place other than the origin of the goods. Neither a disclaimer of the geographical designation nor a claim that it has acquired distinctiveness under §2(f) can obviate a §2(a) refusal if the mark consists of or comprises a geographical indication which identifies a place other than the origin of wines or spirits.

Similarity in sound is one consideration in determining whether there is a likelihood of confusion between marks. There is no "correct" pronunciation of a trademark because it is impossible to predict how the public will pronounce a particular mark. Thus, "correct" pronunciation cannot be relied upon to avoid a likelihood of confusion. See, e.g., In re Great Lakes Canning, Inc., 227 USPQ 483 (TTAB 1985) (CAYNA (stylized) for soft drinks held likely to be confused with CANA for, inter alia, canned and frozen fruit and vegetable juices). TMEP §1203.04.

Under the doctrine of foreign equivalents, a foreign word (from a language familiar to an appreciable segment of American consumers) and the English equivalent may be found to be confusingly similar. See, e.g., In re American Safety Razor Co., 2 USPQ2d 1459 (TTAB 1987) (BUENOS DIAS for bar soap held likely to be confused with GOOD MORNING and design for latherless shaving cream). TMEP §1203.04.

Although the above examples are raised in the context of a refusal under Section 2(d), 15 U.S.C. §1052(d), ("likelihood of confusion"), they are mentioned because the analytic framework for homonyms is the same under Section 2(a). As an example, an application for the mark "NAPPA VALLY" for wine could be refused registration under Section 2(a).

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?*

Yes.

Applications For Federal Trademark Registration:

With respect to the federal registrations of trademarks, Section 2(a) of the Trademark Act, 15 U.S.C. §1052(a), incorporates the prohibitions contained in Articles 23.1, 23.2 and 23.3 of the TRIPS Agreement, in the following manner. Section 2(a) prohibits, in pertinent part:

"registration of marks which consist of or comprise] a geographical indication which, when used on or in connection with wines or spirits, identifies a place other than the origin of the goods and is first used on or in connection with wines or spirits by the applicant on or after one year after the date on which the WTO Agreement (as defined in section 2(9) of the Uruguay Round Agreements Act) enters into force with respect to the United States".

Section 2(e)(3) of the Trademark Act, 15 U.S.C. §1052(e)(3), also prohibits the registration of a mark which, when used on or in connection with the goods of the applicant, is primarily geographically deceptively misdescriptive of the goods.

Thus, the mere presence of a misdescriptive geographical indication in a mark used to identify wines or spirits requires a refusal to register under Sections 2(a) and 2(e)(3) of the Trademark Act, because the misdescriptive term is presumptively deemed deceptive.
