

**Council for Trade-Related Aspects of
Intellectual Property Rights
Special Session**

MINUTES OF MEETING

Held in the Centre William Rappard
on 10 June 2010

Chairman: Ambassador D. Mwape (Zambia)

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A. ADOPTION OF AGENDA

1. The twenty-sixth Special Session agreed to adopt the agenda as set out in WTO/AIR/3566.

B. NEGOTIATION ON THE ESTABLISHMENT OF A MULTILATERAL SYSTEM OF NOTIFICATION AND
REGISTRATION OF GEOGRAPHICAL INDICATIONS FOR WINES AND SPIRITS

2. The Chairman recalled that he had prepared the report in TN/IP/20 for the purposes of the TNC's stocktaking exercise, on his own responsibility, after having consulted the whole Membership. In Part II concerning "Future Work", he had made several suggestions, which had largely been welcomed by delegations. In particular, he had suggested the so-called "3-4-5 approach": "three" stood for the three clusters of issues identified by Ambassador Manzoor Ahmad in 2008 and reflected in paragraph 6 of TN/IP/20; "four" stood for the four questions posed in October 2009 by Ambassador Trevor Clarke regarding legal effects/consequences of registration, participation and special and differential treatment and reflected in paragraph 7 of TN/IP/20; and "five" stood for the so-called "five guiding principles" for future work suggested by Ambassador Clarke and reflected in paragraph 8 of TN/IP/20. The Chairman had indicated in paragraph 12 of TN/IP/20 that he did not exclude the possibility of putting forward more questions as the Special Session progressed in the discussions in order to keep the negotiations on the right track. It was also his impression that the two key issues to tackle were legal effects/consequences of registration and participation, but that the first one, legal effects/consequences, was the stumbling block. He had further suggested in his report that in the future Members' technical discussions should build upon the work already done, focusing on substantive issues, including in particular the question of the implications of a register entry: how did national or domestic trademark and GI authorities operate their systems and how would their way of operation be affected by different proposed ways of "taking account" of information on the register.

3. Pursuant to the work programme for negotiating groups for the period of April-July 2010, he had held a series of informal consultations in early June, in which delegations had shared their views on how to organize the work of this meeting. For the purpose of transparency and inclusiveness, he had shared the outcome of these consultations with the whole membership in an open-ended informal meeting on 9 June.

4. As discussed in his informal consultations, it was his intention that work in this formal meeting should focus on legal effects/consequences of registration, in particular, how Members' authorities dealing with trademarks and geographical indications operated and how their way of operation might be affected by different proposed ways of "taking account" of the information on the register. To that end, he had circulated on 4 June two sub-questions on legal effects/consequences of registration, i.e. questions under the chapeau of the two Chairman's questions of October 2008 on legal effects/consequences. His two sub-questions had been made available in all three WTO languages the previous afternoon.¹

5. With respect to the first sub-question he said that, while he recalled that some delegations had already explained how information was taken into account in domestic or national proceedings, only a few had pronounced themselves on whether or not taking information into account was a legal obligation, and whether a new source of information would automatically be covered by such an obligation in, say, a country's trademark examiner's guidelines.

6. With respect to the second sub-question, he said that, in light of previous exchanges on that issue, Members might find it useful to discuss how the issue of genericness was currently raised and treated in certain procedural situations at the national or domestic level. Responses to that question could bring out whether or not genericness claims had to be substantiated and who bore the burden of proving it in current practice.

7. He said that those sub-questions were intended to be a starting point for Members' technical discussions about national or domestic practices. While other additional sub-questions might certainly be useful in the future to address further aspects of the three clusters of issues, he invited Members at this point to address those two sub-questions, in order to focus on the "stumbling block" of legal effects/consequences of registration. He also wished to make clear that any other means by which Members might have intended to share information about their systems at this meeting, such as case studies, scenarios or presentations, remained most welcome and that delegations wishing to address any other issues, including participation and special and differential treatment, should feel free to do so.

¹ The two sub-questions faxed on 4 June read as follows:

1. When making decisions regarding the protection of geographical indications and trademarks, what sources of information are the relevant national agencies currently legally obliged to take into account and what sanction is available if they fail to do so? Are additional sources of information that become newly available automatically covered by such a legal obligation?
2. In national proceedings regarding the protection of geographical indications and trademarks, what level of substantiation is currently required to raise the issue of genericness of a term and who bears the burden of proving genericness or non-genericness
 - a. during an application process for protection of a term?
 - b. if a protected term is challenged?

First sub-question

8. The representative of the European Union said that his delegation was committed to work along the lines suggested in the Chair's report of 22 March, i.e. that "technical work should focus on the substantive issues, including in particular the question of the implications of a register entry, while using and building on the foundation established by Ambassador Clarke's work". He recalled Ambassador Clarke's questions 1 and 2, relating firstly to the legal obligations that would be acceptable, and secondly, the significance and weight to be given to the information on the register. Bearing those two significant questions in mind, his delegation was ready to address the Chair's sub-questions and supplement the information which it had already shared with Members in previous meetings. However, since those sub-questions had been circulated only recently, his delegation reserved the right to provide complementary information on those issues in subsequent meetings. He was hopeful that those questions would advance the issue of the effects of the register, which had been identified as a crucial area of the negotiations, and would allow them to make progress on the other issues.

9. In addressing the first sub-question concerning the sources of information that domestic authorities were "legally obliged to take into account" when making decisions regarding the registration and protection of geographical indications (GI) and trademarks, and whether additional sources of information that became newly available were automatically covered by such a legal obligation, he explained that the European Union had a dual system for the protection of geographical indications on the one hand, and for the protection of trademarks on the other, and that right holders had the freedom to choose one system or the other, or a combination of both systems. He regarded the dual approach as business-friendly, since it did not impose any system on the right holder. In responding to the sub-questions, he said he would therefore deal with the two systems separately.

10. Starting with the EU's GI procedure for wines and spirits, he addressed the first element of the question concerning the sources of information that should be taken into account. GI applications were examined by the European Commission services within the framework established by the EU law. On receipt of a GI application, the Commission services carried out an ex officio examination to determine whether it met the conditions specified in the relevant EU regulations on geographical indications, e.g. whether the application met the constitutive elements of a geographical indication, and whether there might be any obstacle to the protection of the geographical indication, in particular whether the name was identical with a common name for a wine or a spirit.

11. During this overall examination process, the Commission services must take the necessary steps to ensure compliance with the requirements established by EU law in relation to the registration and protection of geographical indications. For that purpose, the Commission services would examine the information included in the GI application file, in particular, the name to be protected, information about the applicant, and the product specifications, including, among others, a description of the product or its area of production and the details bearing out the link between at least a quality, characteristic or reputation of the product and the area of production. The Commission services might also consult and take into account any other sources of information they deemed appropriate, such as relevant publications, encyclopaedias, or information on Internet websites. For instance, they might consult the information available with the Organisation de la Vigne et du Vin (OIV). Following the ex officio examination, an objection procedure would be carried out where third parties might file duly substantiated objections. On the basis of all the information available, the Commission services would then decide either to grant protection or to reject the application.

12. With respect to the second part of the question concerning "sanction" for failure to take sources of information into account in the context of GI procedure for wines and spirits he said it went without saying that the Commission services must act in conformity with EU law, both in terms of procedures and in terms of substantive assessment. Any decision on the protection of a geographical

indication could be challenged before the European Court of Justice, notably on grounds of infringement of an essential procedural requirement, of infringement of the European Treaties or of violation of any general rule of law relating to their application.

13. With respect to the third part of the first question, i.e. on whether newly available sources of information were automatically covered by such a legal obligation, he said that such additional sources of information might be taken into account, but there would be no legal obligation to do so. In other words, a newly available source of information would not be automatically covered. For a consultation of such source of information to be compulsory, it would have to be provided for in an instrument defining the procedures relating to the grant of GI protection, like the EU regulations covering geographical indications. Such provisions should also spell out, crucially, what significance any weight had to be given to that information.

14. Addressing the first question with respect to the EU trademark procedure he recalled that the European Union had established a Community trademark system. The Community trademark was a single title covering the European Union territory as a whole, and trademark applications were examined by an European Union agency based in Alicante, Spain, the Office of Harmonization for the Internal Market (OHIM).

15. In terms of what sources of information to take into account, OHIM was guided by the requirements established in EU law as complemented by the Examination Guidelines of that office, similar to the GI procedures of the European Commission. On receipt of a Community trademark application, OHIM started the examination procedure. This notably included an examination on formalities and on absolute grounds of refusal as set out in the trademark law of the European Union. In this context, the applicable legislation did not impose the consultation on any specific source of information. However, the examiner was due to ensure compliance with the rules specified in EU law or in any other legal instrument which was binding or which must be taken into account by the Office. For example, trademark applications which had not been authorized by the competent authorities must be refused if they infringed Article 6*ter* of the Paris Convention for the Protection of Industrial Property. For that purpose, the examiner would take into account the "Article 6*ter* database" available in WIPO. Likewise, trademarks consisting of or containing geographical indications for wines and spirits could only be registered if they covered wines and spirits of the specified origin. This should go without saying, but was not the case everywhere. For geographical indications or geographical names protected in the European Union for wines and spirits, the Office took into account the acts legally binding on the European Union such as the relevant EU regulations or international agreements with third countries or regions. In practice, that information was compiled in databases used by examiners.

16. More generally, when examining an application, examiners might use any available source of information. For instance, he might rely on information found in dictionaries or on Internet websites, or take into account the ordinary understanding of a term. As previously stated, OHIM had specific guidelines for trademark examination and provided for continuous training for the use of available sources of information.

17. As in the GI procedure, third parties could file an opposition procedure on the basis of relative grounds for refusal, i.e. in general terms, based on an earlier trademark or on another sign used in the course of trade, including a geographical indication. The opposition would be examined by the Opposition Division of OHIM on the basis of the elements put forward by the parties. The decision could itself be appealed before the Board of Appeal of OHIM. Recourse was also possible to the General Court of the European Union, formerly known as the Court of First Instance, and ultimately to the European Court of Justice (ECJ).

18. If the trademark office had failed to appropriately take into account the relevant legally binding European acts during the examination procedure, then third parties could raise the matter after the publication of the Community trademark application. They might file "third parties observations" based on absolute grounds for refusal. More generally, if a Community trademark was improperly registered, a cancellation action (revocation or invalidity) could be initiated, and an appeal might be brought before OHIM's Boards of Appeal. A further appeal could be made to the General Court of the European Union and ultimately to the ECJ.

19. With respect to whether an additional source of information that became newly available would automatically be covered by such a legal obligation in a trademark examination, he said that a new source of information such as a WTO Register would not automatically be covered. This would only be the case if taking into account that information was provided for in an instrument that OHIM had to implement, like the Community Trademark Regulation or OHIM's Examination Guidelines.

20. As a concluding remark on the first sub-question, he stressed a very important feature common to both GI and trademark procedures. It would not be sufficient to provide for a consultation, because for that source to be truly relevant, the competent authorities would need to have clear legally binding guidelines on the consequences to be derived from such consultation. As delegates were aware, in the majority proposal contained in document TN/C/W/52, his delegation and the other sponsors attached importance to the fact that information on the register must be given some weight. That was why in their proposal they had clearly identified which consequences consulting the information on the register must have. The consequences were a fundamental aspect for the proponents of TN/C/W/52.

21. The representative of Hong Kong, China said that her delegation welcomed the two sub-questions on legal effects and consequences of registration which would facilitate the sharing and exchange of technical information among Members.

22. Recalling that her delegation's proposal (TN/IP/W/8) related to a theoretical system, i.e. one that had not been implemented in Hong Kong, China, she addressed the Chairman's first sub-question. According to TN/IP/W/8, each application to enter a geographical indication on the register would be made by the designated representative of a Member. The information supplied in the application, if accepted following a formality examination, would provide prima facie evidence, in cases of alleged infringement before Members' courts, tribunals or administrative bodies, for ownership of the geographical indication, that the term was a geographical indication as defined in the TRIPS Agreement, and that it was protected as a geographical indication in the applicant's country. These three issues would be deemed to have been proved unless evidence to the contrary was produced by the other party to the proceedings. Upon the assertion that the application was a bona fide application made through the representative of the Member, the Registrar would not enquire further about the substance of the claim. This meant that courts, tribunals or administrative bodies would rely on the affirmation of the Member governments. According to her delegation's proposal, entries on the register would have to be renewed periodically for a fee, and, upon renewal, Member governments would reaffirm the matters attested to in the registration and make any necessary factual changes, such as those relating to the ownership or qualification for protection under the TRIPS Agreement. In addition, the Members concerned should notify any corrections to the registrations on the register to the body in a timely manner.

23. However, her delegation did not propose that the Registrar or Members be placed under an obligation to supplement information, other than perhaps that of notification if the Member withdrew its own recognition or protection of the geographical indication and as a consequence of which the geographical indication would no longer qualify under the TRIPS Agreement definition.

24. The functioning of her delegation's proposal had been set out in a room document dated 28 October 2009. It contained four hypothetical case studies dealing with: firstly, a non-contentious notification and registration of a geographical indication from a participating WTO Member, at both the domestic and international level; secondly, a contentious geographical indication application that was resolved at the domestic level before its notification and registration at the international level; thirdly, a non-protectable geographical indication screened out by a participating WTO Member at the domestic level; and fourthly, a contentious notification and registration, at both the international level and domestic level, where the case was finally resolved at the domestic level in another participating WTO Member. Her delegation hoped that this response to the Chair's first sub-question would assist Members in furthering their understanding of the issues involved.

25. The representative of Canada said she would share with Members some preliminary responses to the Chairman's questions to supplement the information her delegation had already provided about how Canada would take into account information contained in the register. Canada had two distinct procedures for trademarks and geographical indications.

26. With regard to trademarks, applications for a trademark registration under the Canadian Trade-marks Act were examined by the Canadian Industrial Property Office (CIPO) on both absolute and relative grounds, and unless the Registrar of Trade-marks was satisfied that the application did not comply with the Trade-marks Act, the application was published in the Trade-marks Journal, following which an opposition proceeding could be initiated before the Trade-marks Opposition Board. The Trade-marks Act did not specify any particulars of information to be taken into account by the Office during the examination phase. However, as a matter of practice, the Office conducted a search of the Canadian Trade-marks Database for confusing trademarks that had been previously registered or for which protection had been sought. In the opposition phase, both the opponent and the applicant were entitled to submit evidence and make representations, and any such evidence and representations had to be taken into account by the Trade-marks Opposition Board in deciding whether to refuse the application or reject the opposition. The failure of the Trade-marks Opposition Board to do so would be taken into account by the Federal Court, should the decision of the Board be appealed.

27. With regard to geographical indications, under Section 11.12(3) of the Trade-marks Act, the Minister must be satisfied that the quality, reputation or other characteristic of the wine or spirit qualified the indication for protection as a geographical indication. As there was no obligation to take into account any particular source of information, and there was thus no sanction for failure to do so, the Minister had the discretion to use any information available to determine whether any quality, reputation or other characteristic existed and was essentially attributable to the geographical origin of the wine or spirit. The party requesting protection for the geographical indication was free to bring to the Minister's attention any sources of information that might be relevant, including those that became newly available. An interested party, that objected to the protection of the geographical indication, could also refer to any source during the objection period.

28. While there was currently no legally binding obligation to use given sources of information, her delegation had already indicated that, should the joint proposal be accepted, Canada could accept an obligation for domestic decision makers to consult the register when making decisions regarding the registration or protection of trademarks and geographical indications.

29. The representative of New Zealand welcomed the Chairman's questions which he said were useful for focusing their ongoing discussions on practical issues and sharing of Members' national procedures. He said that, having just received those questions, he would endeavour in good faith to provide some preliminary responses. His delegation would also refrain from making any judgments on the meaning of some of the terms used in the sub-questions, such as "substantiation" or "legally obliged".

30. He recalled that New Zealand did not have a *sui generis* system, and therefore geographical indications could be protected in New Zealand through different avenues. The principal avenues of protection were through the trademark system or through the general competition and consumer protection law. In the trademark system, geographical indications could be protected, including as certification or collective marks, under the Trade Marks Act 2002, and that avenue had been used by a number of foreign GI owners. In contrast, under New Zealand's general competition and consumer protection law, protection for unregistered trademarks and geographical indications could be obtained through the common law action of "passing off", through consumer protection law or under its Fair Trading Act 1986. That was in fact how "Champagne" had obtained protection in New Zealand in a case that predated the TRIPS Agreement. With regard to the Chairman's first sub-question, he said that those two avenues of protection had to be considered separately.

31. Firstly, under the trademark system, the Intellectual Property Office of New Zealand (IPONZ) was required to consider a number of sources of information, when determining whether there were relative grounds that would prevent the registration of a term under New Zealand's Trade Marks Act 2002. Those sources included New Zealand's national trademark register, in order to determine whether protection was precluded by an earlier trademark that was identical or confusingly similar.

32. A second source of information was New Zealand's national legislation, particularly legislation that would impact on the registration of the term. For example, the Flags, Emblems and Names Protection Act 1981 provided for the non-registrability of certain names.

33. A third source of information, which was probably unique to New Zealand, was information and advice provided to the Intellectual Property Office by the Maori Advisory Committee. The Maori were the indigenous people of New Zealand. One of the ways that Maori traditional knowledge and traditional cultural expressions were respected in the Trade Marks Act was through the prohibition of the registration of a term offensive to Maori. Consequently, in determining whether the use or registration of a term would be offensive to the Maori, the Intellectual Property Office was obliged to take into account the information and advice provided by the Maori Advisory Committee.

34. A fourth source of information would be international obligations, for example those provided by the Paris Convention.

35. In short, those were some of the sources of information which the Intellectual Property Office was obliged to take into account, and failure to take account of those sources of information would provide grounds for a successful judicial review of the decision of the Intellectual Property Office.

36. There was, however, no express legal requirement that obliged the Intellectual Property Office to consult specific sources of information when determining whether a trademark had a distinctive character. As a result the sources of information that would be considered were potentially infinite and at the discretion of the examiner. Consequently, an obligation to consult an international register would thus constitute a significant additional element in New Zealand's domestic system. In terms of sanctions, failure to consult that register would provide grounds for a successful judicial review of the decision of the Intellectual Property Office.

37. Lastly, he said that it should be noted that legislation in New Zealand did not predetermine the weight to be given to any particular source of information. Rather, it considered it important to leave intellectual property examiners with the discretion to weigh all the evidence on a case-by-case basis, and not have their decision biased through legal devices such as presumptions. Consequently, his delegation did not concur with the delegation of the European Union that the consequences of registration on an international register should be prescribed in advance.

38. In relation to unregistered trademarks and geographical indications, he briefly noted that decisions on the protection of unregistered geographical indications and trademarks under New Zealand consumer protection law and competition law were made by the standard courts, the High Court in that case. Consequently, the usual evidential requirements of that Court applied. The litigants were entitled to draw on any sources of evidence that they wished in support of their argument. The Court would consider any evidence before it, but had discretion to weigh that evidence as it saw fit on a case-by-case basis. Failure to take account of the relevant evidence to it would provide grounds for an appeal of the Court's decision.

39. The representative of Switzerland said that her delegation had appreciated the Chair's consultations in the recent days, and welcomed the sub-questions, which would allow more detailed discussions on the significant technical issues. In response to these sub-questions, her delegation would like to share some preliminary information to complement the explanations it had already provided on the manner in which her delegation envisaged setting up a multilateral system at the national level. In line with her delegation's proposal under TN/C/W/52 for the establishment of a register applicable to all products, her delegation's response to his sub-questions would contain general information on the Swiss system, and would be applicable to all products.

40. The Swiss authorities, when making decisions on the protection of geographical indications or trademarks were compelled to use sources of law, including international treaties. That obligation pertained not only to using those sources of information, but also to the legal consequences in taking into consideration that information in order to determine whether a third party had to be protected or not. All other sources of information not associated with this legal obligation were used on a discretionary basis by the authorities in order to take a substantiated decision.

41. As other delegations had stated, the applicant or a third party could, of course, provide information on several occasions. Such information would be duly taken into consideration by the relevant authorities in line with the applicable procedural rules in a specific case. She reiterated that new sources of information, unless based on a legal obligation, would not be subject to that general obligation to use that particular source of information or to take into account any information provided. Such a legal obligation would therefore have to become applicable. She noted that the joint proposal was not sufficient to facilitate the protection of geographical indications because it did not contain such a legal obligation and did not provide for the weight to be given to the information contained in the register. The sanctions for failing to consult or not taking into consideration information in the first category of cases she had enumerated depended on whether the source of the obligation was national legislation or an international instrument. If it was national legislation there were remedies available to contest the decision by the national authority. If the legal obligation came from an international, bilateral or indeed multilateral or plurilateral treaty, a remedy or an appeal could be invoked at the national level, provided mechanisms were provided for in such treaties. Very often diplomatic channels could also be used where an obligation had been violated.

42. For other sources of information which were not prescribed by a legal obligation, there were no sanctions, save under the applicable procedural laws to take into account information provided by the parties to a dispute or by third parties.

43. On a more general plan, she stressed the importance, at the multilateral level and in the context of these negotiations, to have an obligation to consult and use that information on the register, and to set out the legal effects of information on the register in line with the proposal contained in TN/C/W/52. It was her delegation's view that if such a legal obligation was not set at the multinational level, there was a risk that it would be left to the national authorities whether or not to take the information contained in the register into consideration. Therefore her delegation considered, in line with the TN/C/W/52 proposal, that it was crucial to set such obligations at the multinational level, otherwise the register would not have the necessary clout to ensure protection at the national level.

44. The representative of Australia said her delegation supported the three-four-five approach outlined in the Chair's March report and saw particular value in continuing the ongoing technical discussions and sharing of national experiences to deepen Members' understanding of how the various proposals for a register could be implemented in the various national systems. Furthermore, her delegation regarded the Chairman's sub-questions as extremely useful and would welcome any additional questions concerning legal effects. While these questions were still being considered in capital, she wished to share with Members a preliminary good faith response to demonstrate Australia's welcoming of those questions.

45. Australia had several systems for the protection of geographical indications: the Australian Wine and Brandy Corporation, on the one hand, was responsible for the determination of geographical indications for wine and the Trademarks Act, on the other hand, protected geographical indications through certification and collective marks. She recalled that her delegation had provided a fulsome report in the March Special Session and therefore she would refrain from setting out how those systems functioned. Turning to the trademark system, she said that the trademark practice in Australia had evolved over 120 years, so that Australian examiners drew on and relied heavily on that practice. The types of information that were relevant for examiners depended among other things on the class covered by the trademark. If the trademark was a pharmaceutical-related trademark, then certain sources of information would be looked at and if the trademark was registered in class 33, then the specific wine register of the Australian Wine and Brandy Corporation would be a relevant source for trademark examiners to draw upon. In general, however, Internet searches, dictionaries, and public sources of information were relevant when making determinations about whether a term could be protected as a trademark or a geographical indication. In addition, trademark examiners relied on precedents if there were cases of a similar kind, and gazettes were also a useful sources of information. She said her delegation would respond more fully to the Chairman's sub-question in future meetings, and further suggested that a side-by-side comparison of the proposals on the table would be useful to engage substantively in more detail on the different proposals put forward in writing.

46. The representative of Korea said that the establishment of a registry system should be in line with the mandate and consistent with the provisions of the TRIPS Agreement. Above all, the multilateral register should not impose a heavy burden on developing countries, including Korea. In that context Korea considered some elements of the TN/C/W/52 proposal, such as mandatory participation and the legal effects of registration as unduly burdensome for developing countries. Nevertheless, his delegation was open to discuss those issues with the proponents to explore possible solutions. The best way to achieve a convergence in these negotiations was to delve into details. An analytical discussion on the existing positions would not be conducive since the position of each Member was already well known. In that context, his delegation considered that the sub-questions, as proposed by the Chair, on various technical issues could be extremely useful and would highlight the benefits and shortcomings of each proposal.

47. In response to the Chairman's sub-questions, he said that his delegation would do its utmost to provide some preliminary answers. On the first sub-question regarding the sources of information that national agencies were currently legally obliged to take into account for the protection of geographical indications and trademarks he said that Korea's system for the protection of geographical indications was divided into two sub-systems: geographical indications for industrial goods were protected under the relevant trademark rules of the Korean Intellectual Property Office, while agricultural geographical indications were protected under the GI protection system of the Ministry of Agriculture.

48. The relevant rules for the protection of geographical indications of the Korean Intellectual Property Office did not specify any specific sources of information for reference and the relevant national authorities were therefore not legally obliged to take into account any specific sources of

information. However, information available from existing databases, the Internet and articles of international literature would be fully taken into account by the competent officers of the Korean Intellectual Property Office.

49. Regarding the question of sanctions for failure to take into account a valuable source of information, he said that the applicant would always have the right to bring a case before the Korean court, which was the case under the Korean intellectual property system, once the registration process was fully completed. With respect to new additional sources of information he said that these would automatically be covered by such a legal obligation and that the Korean competent officers would take into account any new sources of information, provided certain criteria were met.

50. The representative of Japan expressed the hope that the negotiations in the Special Session would be further enhanced towards significant convergence. To that end, Japan believed that more pragmatic and practical discussion was needed. Recalling that his delegation had already set out how the joint proposal could be domestically implemented, he would further elaborate by responding to the Chair's sub-questions. With regard to the first sub-question on what sources of information the national authority consulted he said that in the examination of trademark applications, the examiner consulted the database, including the list of appellations of origin for wines and spirits registered internationally under the Lisbon Agreement for the Protection of Appellations of Origin and their International Registration. When an examiner found that a trademark application failed to satisfy at least one of the requirements for the registration of a trademark, the application would be rejected. In the course of the examination, the national authority was not legally obliged to consult any specific source of information. As for GI protection, the national authority also consulted relevant information relating to GI registers in foreign countries.

51. The representative of Mexico said that her delegation needed some time to consult with the authorities in the capital to respond to the sub-questions. She would, however, attempt to provide an overview of the system for geographical indications in Mexico. As to the first sub-question, she said that the industrial property law in Mexico defined a geographical indication as a name that indicated a product originating from a given place, the quality and characteristics of which were due exclusively to the geographical environment, including natural and human factors. Mexico also used the definition contained in TRIPS Article 22.1. The industrial property law considered that international treaties to which Mexico was party were valid rules throughout the territory. Those treaties included the Lisbon Agreement, the TRIPS Agreement, and the Paris Convention. Mexico also had a bilateral agreement with the European Union that included chapters on intellectual property rights, including protection for geographical indications.

52. As to the procedures on how to enforce that protection, it was stipulated that an application complying with the IP office's requirements had to be filed. The right would be cancelled only if the office decided that it was to be cancelled, for example because the trademark holder had let the trademark become generic. In Mexico, the parties had the burden of proof for their allegations, in other words the parties had to provide the basis for their applications or requests. However, with regard to annulments or termination of the protection, the burden of proof was reversed and such applications had to be substantiated. She said that her delegation would provide greater details in writing on the system for geographical indications in Mexico.

53. The representative of Chinese Taipei welcomed the Chairman's sub-questions and said that it would be helpful for Members to have a better understanding of how Members operate their system at the domestic level.

54. She gave preliminary responses to the first sub-question regarding domestic practices. Firstly, when making decisions regarding the protection of geographical indications and trademarks, the intellectual property examiner consulted the database containing prior registered trademarks and

other relevant information, including a special folder of names and representations that were not allowed to be registered as trademarks. The special folder contained the notifications received from WIPO under Article 6ter of the Paris Convention, names and logos of government authorities and names of agricultural products. The intellectual property examiners would consult the database when making a decision on whether an application violated the Trademark Act, for example if the sign was identical or similar to a geographical indication for a wine or a spirit of a country or region that protected trademarks and that was designated for the protection of a wine or a spirit.

55. Second, if examiners failed to consult sources of information and that had a substantive effect, the decision would be regarded by the higher level competent authority as violating the Trademark Act and the decision would be revoked. If additional sources of information were available, for example a multilateral system of notification and registration of geographical indications for wines and spirits, newly established on the basis of the joint proposal, those additional sources of information would become available for examiners to consult and thus facilitate the GI protection of wines and spirits. This was how the system operated at the domestic level.

56. The representative of Malaysia welcomed the Chairman's new sub-questions, and would give preliminary responses, pending further input from the capital. There were two ways to obtain recognition of a geographical indication in Malaysia: through registration and through a judicial decision.

57. With respect to the first sub-question, when an application for registration was filed, the Registrar would conduct a formality check on the application. If the formality requirements were met, the application would then be published and any party could then oppose the registration. The opponent and the applicant were required to file supporting evidence by way of statutory declaration in support of their opposition and application. Based on that process, to answer the first question in terms of the sources of information that should be taken into account, the Registrar was required to consider the evidence and submissions as submitted by the applicant and the opponent. It was up to the applicant and the opponent to submit the appropriate evidence and documents as they saw fit. If any evidence became newly available, that information could be included by both applicant and opponent in their submission to the Registrar. The weight to be attached to the evidence was for the Registrar to decide. Additionally, at the discretion of the Registrar, any such document, further document, information or evidence could be requested.

58. There was generally no sanction if the sources of information were not taken into account. However, failure to take into account relevant information could lead to the wrongful inclusion or rejection of a geographical indication from the Register. In that context, if a geographical indication was wrongly included in or rejected from the Register, the decision of the Registrar could be appealed to the High Court. Additionally, the registration of the geographical indication could be cancelled by the Registrar upon the request of any interested parties.

59. The second way of obtaining recognition of a geographical indication in Malaysia was through a judicial decision. In that case, the normal evidential and procedural requirement which applied in a civil case would be applicable. The High Court would make its decision based on law and parties' submissions. The parties could submit any information and evidence to support their case for the court's consideration. Additionally, the court had the power to take judicial notice of any fact in making its decision.

60. The representative of the United States said that the views of his delegation on the proposals on the table were well known as was its willingness to engage in a practical, technical discussion that might assist in moving the process forward. His delegation welcomed questions 1 and 2 of the previous Chair's set of four questions that were intended as an initial step to encourage technical discussion of how Members would implement the mandate for a notification and registration system for geographical indications for wine and spirits.

61. While his delegation had a common interest in understanding the status quo in each Member, it did not share any assumption that might underlie the first sub-question that all Members necessarily had a legal obligation to take some action or otherwise act in some specific manner. Furthermore, his delegation could not agree with any underlying assumption that protection for geographical indications had to be through a "*sui generis*" system, as the TRIPS Agreement explicitly recognized that that might not be the case. He therefore suggested that in future meetings it might be best to rephrase that inquiry to be more precise and avoid any such implication. As those questions had only been circulated the previous week, his delegation needed more time for reflection and consultation with capital. Accordingly, while making a similar disclaimer as that expressed by the New Zealand delegation, his delegation was pleased to share some preliminary thoughts.

62. With respect to the first sub-question he said that the phrase "decisions regarding protection of geographical indications and trademarks" was quite a broad concept and could encompass a number of situations. He recalled that in the United States geographical indications were protected through several mechanisms, including the trademark system, but at this meeting he would look more closely at more basic situations that might be relevant for purposes of the negotiations.

63. The United States Patent and Trademark Office (USPTO) was responsible for issuing registrations for trademarks, collective marks and certification marks, including marks containing or consisting of a geographic element. Where a foreign consortium applied for a registration of its foreign geographical indication as a US certification mark at the USPTO, in order for a certification mark to be registered it must meet the requirements of US law and the relevant rules of practice. In making decisions on registrability, an examining attorney at the USPTO was guided by the trademark statute, the case law interpreting the statute, the USPTO practice manual, and examination guides. With respect to the registrability of a certification mark, the USPTO examiner ultimately had to evaluate a number of aspects relating to the mark, including whether the mark was generic, i.e. whether it was the customary term for the product, or whether the product originated from the place indicated in the certification mark, or whether the mark or something very similar was already registered as a trademark.

64. In making that evaluation, the examining attorneys would use various sources of information, including the USPTO Trademark Search Database, publicly available online sources, and other databases. Examining attorneys also generally searched for what was described in their manual as "relevant evidence", that is to say, evidence, or lack thereof, of how the term was or was not used by industry as well as how it was perceived by the US consumer. Such evidence could be found in newspaper or magazine articles, Internet websites, dictionaries, gazettes, and similar sources. Any relevant evidence provided by the applicant was also considered when making a determination of registrability. In a manner similar to New Zealand, the USPTO would weigh all relevant information, without ascribing any prescribed or predetermined weight.

65. The USPTO was required to properly consider evidence offered by the applicant to rebut a refusal to grant registration for a geographic name. To the extent that an applicant believed the examining attorney had failed to properly consider such evidence, the applicant could appeal to the USPTO's Trademark Trial and Appeal Board, and then either to a US district court or to the Court of Appeals for the Federal Circuit. A third party could also oppose a registration as not having met the appropriate statutory requirements before the Board and appeal that decision to a court.

66. Addressing the second part of the first sub-question, he said it would make sense for new relevant resources to be automatically considered as part of the examining attorney's evidentiary search. Any new, noteworthy resources would be flagged in their examination guides. It appeared that the general outline of the US procedures were not so different from those that had been described by other delegations. In that context, therefore, the GI register for wines and spirits in the form outlined in the joint proposal (TN/IP/W/10/Rev.2) would be a helpful innovation as it would add a

direct, centralized resource in a WTO language that would be updatable, provide a measure of reliability and be broadly available to Members. He added that that was a resource which was not currently available.

67. In concluding, he said that previous interventions had been extremely useful and that he hoped to see the minutes to be able to ascertain the extent of common relevance as well as divergent viewpoints. Finally, having described one of the situations presented in the US legal context, and having heard similar narratives from other Members, he suggested that the sub-questions in the first sub-question might be rephrased and further broken down to elicit more comprehensive and helpful information from Members.

68. For that purpose he suggested the following six sub-questions:

- (a) When considering whether a geographical indication qualifies for protection as a trademark or under another system of protection, what sources of information did the relevant national authorities take into account?
- (b) Was there any record of the information that was considered or taken into account in making a decision?
- (c) If so, was the information available to the public in the examination files?
- (d) When was it possible for a third party to provide information that was not taken into account?
- (e) Could this information be the basis for having a decision changed?
- (f) Did Members have measures in place to ensure that responsible officials or examiners took into account relevant information? What were those measures?

69. The representative of Chile said his delegation had appreciated the informal consultations held prior to this meeting and welcomed the Chairman's sub-questions, which he believed would help focus on the technical issues in these negotiations. For the process to move forward, his delegation would give preliminary replies pending further comments to be received from his capital.

70. With regard to the first sub-question, the Chilean system had two separate registers under its intellectual property law, one for trademarks and one for geographical indications. The latter covered all types of products, and was open to both local and foreign geographical indications. The levels of protection granted by Chilean law to the various products identified by geographical indications was consistent with the TRIPS Agreement, in other words there was an additional level of protection for geographical indications for wines and spirits.

71. He would not dwell on the specific requirements for each procedure, but in general terms intellectual property law in Chile provided for trademarks and geographical indications specific and different conditions for registrability and opposition procedures, where third parties could claim their rights and submit to the Institute of Intellectual Property any type of information to substantiate their rights. However, as was the case in other countries, Chilean law contained no obligation to consult a specific source of information, but rather established criteria which the examiner of the Institute had to follow in order to determine what the relevant information was in each case. Even when there was no legal obligation to consult a specific source of information, obviously all of the binding standards, including international treaties signed by Chile which contained provisions on GIs, were taken into consideration in the register process.

72. With regard to the sanctions for not consulting information, he said that a decision on the registration or rejection of a trademark GI application taken by the national intellectual property institute could be appealed before the intellectual property court and further before the Supreme Court of Justice if substantive rights had been violated in that process.

73. The representative of the European Union said that New Zealand's remark that the manner in which the information of the register was taken into account should not be prescribed was in contradiction with an obligation to take information on the register into account, which was advocated by the proponents of the minority proposal. If the information was not to be taken into account, then the exercise would be pointless. In this connection, he agreed with the Swiss delegation that it should not be up to Members to decide whether or not to take into account information on the register, essentially for the following reasons: firstly, leaving Members to decide would create legal uncertainty and discrepancies, and would of course not be in the interest of the right holders or of business in general; and secondly, the European Union considered that it did not fulfil the mandate which called for a registration system, not a database system.

74. With respect to the new list of questions proposed by the US delegation to amend the Chairman's sub-questions, he said that, while his delegation did not wish to leave any stones unturned, it considered that the purpose of the discussions was to make progress and not to create further questions. It was his view that the questions circulated by the Chair after taking into account the work of his predecessor were fully sufficient and comprehensive.

75. In response to the comment by the European Union, the representative of New Zealand reaffirmed his delegation's support for an obligation to consult the register, an obligation that was embodied in the joint proposal (TN/IP/W/10/Rev.2) proposal, and said that under New Zealand's administrative law an obligation to consult the source of information implied an obligation to take that information into account. His delegation did not consider that taking information into account meant that the relative weight of that information needed to be prescribed, or that any particular source of information needed to be predetermined as a dominant source. Nor did his delegation consider that one particular source of information should bias a decision maker in a particular direction. In short, his delegation was for consulting the register; it was for taking that information into account, but it was against predetermining the weight of that evidence.

76. The representative of the European Union said that he was pleased to note the confirmation by the delegation of New Zealand that the minority proposal contained an obligation to take the register information into account because otherwise it would be without any value. However, when considering the meaning of such an obligation to take into account, no answer was forthcoming except that the weight of the information should not be prescribed, which created legal uncertainty and failed to answer the question. The affirmation that no dominant source of information should be prescribed showed that there was an understanding of what was not meant, but no understanding of what was meant. That lack of understanding of the proposal was a fundamental flaw as without it there was uncertainty as to whether the mandate was fulfilled or not.

77. The representative of Australia expressed her delegation's support for Chile's statement in response to the first question and joined Chile in appreciating the Chairman's informal consultations and his demonstrated commitment to openness and transparency in conducting these discussions. As to the European Union's question on legal effects, she referred delegates to the minutes of the TRIPS meeting of the Special Session held in March 2010 in document TN/IP/M/25, in particular paragraphs 56-64, in which her delegation had given its response concerning legal effects.

78. In addressing the point discussed between New Zealand and the European Union, her delegation was in agreement that upon the introduction of any obligation to consult the register Australia would also bear that obligation in line with her earlier intervention that the trademark

examiner would have to turn to relevant information sources. She recalled that, in Australia, the Australian Wine and Brandy Cooperation Act already had a register of wines which trademark examiners were obliged to consult during a trademark application for wines. If a multilateral register for GIs for wines and spirits was added that would also be something trademark examiners would have to take into consideration.

79. She said that where the difference of views was - and perhaps the confusion – was that the multilateral register, as proposed by the delegation of the European Union, would create a burden to disprove a geographical indication and would seem to have an extra-territorial effect in that way. It would seem strange that, rather than there being a formal application in a domestic system there would be an international presumption that would create an obligation to disprove whether a term was a geographical indication or not, not on the basis of an application but on the basis of the mere fact that it was on a multilateral register. To have a universal presumption in favor of terms on that register would in fact be quite a burdensome requirement.

Second sub-question

80. As regards the consideration of genericness during the application process and when a protected term was challenged, the representative of New Zealand said that his country had a dual system for obtaining protection: firstly through registration of a trademark or a certification mark; and secondly under the general law on consumer protection and competition.

81. With regard to registered certification marks, during the application for protection of a term, the burden was on the applicant to satisfy the examiner that there were no grounds that would prevent registration, such as genericness. The applicant had to prove, through written submissions based on case law or evidence of use during the application process that the term was non-generic.

82. The question of genericness could also be raised by the examiner or by interested third parties who had an opportunity to oppose the registration. The failure of either of those parties to raise genericness would not, however, absolve the GI owner from having to prove that the term was non-generic and deserved protection. If, during the application process, the examiner became aware of a possible issue of genericness as a result of his or her own research, then the examiner would inform the applicant and would reference the relevant source of information. As stated previously, the onus of proof was on the applicant to establish that the trademark was eligible for registration, including that it was non-generic.

83. In the case of third parties, the grounds for opposing an application had to be raised in a signed notice of opposition, supported by evidence. The onus of proof remained on the applicant to establish eligibility for registration, including non-genericness.

84. In relation to the protection of unregistered trademarks and geographical indications through general consumer protection law and competition law, the GI owner bore the burden of proving that the term was not generic. The party opposing protection could provide evidence of genericness if it wished, but failing to do so would not absolve the GI owner from having to prove that the term deserved protection.

85. Finally, in response to part b of the second sub-question, i.e. where a term was already protected, he said that in that case it was still possible in New Zealand for that decision to be challenged and in that situation the burden of proof was actually reversed: the person challenging that protection on the grounds of genericness or any other reason had the burden of making out a prima facie case that the term was not originally registrable.

86. The representative of Hong Kong, China said she believed that the second sub-question was addressed to Members that operated a GI register. Hong Kong, China like other common law systems protected geographical indications as certification and collective marks and therefore the question of whether a mark was distinctive or generic was settled as a matter of general trademark law. During the application process the level of substantiation required to prove the genericness or non-genericness of a geographical indication was that the geographical indication was capable of distinguishing goods of members of the association which was the owner of the collective mark from those of other undertakings, or in the case of a certification mark, capable of distinguishing certified goods from uncertified goods.

87. As for the burden of proof during the application process, the general principle was that he who asserts must prove, that is to say the applicant for the registration of the geographical indication bore the burden of proving non-genericness. In relation to part b of the second sub-question, if a geographical indication protected as a collective mark or a certification mark was challenged in an invalidation proceedings, the level of substantiation required to prove the genericness of a geographical indication was that it was not capable of distinguishing goods of members of the association owning the collective mark from those of other undertakings or, in the case of a certification mark, certified goods from uncertified goods. As to the burden of proof in invalidation proceedings, the general principle was again that he who asserts must prove, that is to say the applicant for the declaration of invalidity of the registration of a geographical indication as a collective mark or certification mark would bear the burden of proof of non-genericness.

88. The representative of the European Union said, regarding the second sub-question concerning the level of substantiation required to raise the issue of genericness and of who bore the burden of proving it, he said that substantiation was of interest to all. It allowed identifying the facts and evidence supporting a statement. This was the case among parties to a procedure. His delegation considered that any administrative decision should be motivated. They should contain not only the references to the applicable legislation, but also to the facts, the arguments, and the evidence that had been used to arrive at the decision. Clear and sufficient demonstration by a party making a claim was absolutely essential in order for the other party to have the possibility to bring counter-arguments appropriately. Motivation of a decision was pivotal to permitting informed choices to be made regarding possible legal challenges.

89. He recalled that the European Union had a dual system, on the one hand, a separate GI system of registration and, on the other, a trademark registration system, and therefore he would deal with each system separately.

90. On sub-question 2.a relating to geographical indications for wines and spirits and the examination procedure, in accordance with EU law, a term might be refused GI protection if it was found that it had become the common name of a wine or spirit in the European Union, even if it related to a place or region where the product was originally produced or marketed. That ground of refusal might be examined ex officio by the Commission services. When third parties relied on this ground, they must submit duly substantiated statements. GI applicants might file observations and evidence to counter claims of genericness. In all cases, the final decision adopted by the Commission services must be motivated.

91. With respect to sub-question 2.b, i.e. in case of a challenge of a protected term, he said that a decision by the Commission services finding genericness or failure to find genericness could be challenged in the court within two months after it had been issued or published. It was for the entity challenging the decision to bring any fact or law to establish that the Commission services were wrong. If there was no challenge brought against the Commission services' decision within these two months, the EU Regulations provided that the protected name could not become generic.

92. A similar distinction should be made between the examination procedure before registration and after a protected term was challenged. Firstly, during the examination procedure, under Article 7(1)(b) and (d) of the Community Trademark Regulation, the trademark examiner would notably verify that the mark was not devoid of any distinctive character or did not consist exclusively of signs or indications which had become customary in the current language or in the bona fide and established practices of trade. Likewise, third parties could file observations based on those grounds and should submit any facts, arguments and evidence in support of their statements. The examiner would consider whether the observations were well founded, and, if so, he would invite comments from the trademark applicant, and might subsequently amend his assessment. In all cases, the examiner was required to provide a motivated decision. To substantiate his decision, in addition to the information provided by the parties, he might also refer to EU legally binding acts or to other available tools such as dictionary entries, information found on the Internet, or the ordinary understanding of a term.

93. In the case of a challenge of the registered trademark, cancellation actions (revocation or invalidity) could be initiated on the ground that the trademark had become generic. In that case the burden of proof was on the challenger, which was also the solution proposed by the TN/C/W/52 proposal.

94. In summing up the matter on the sub-question on genericness, he said that in the European Union the authorities competent either for geographical indications or trademarks adhered to the principle contained in the TN/C/W/52 proposal with regard to the substantiation of genericness. He said that the proposal did not touch upon the substance of the decision as those decisions were left to domestic authorities. His delegation understood and welcomed the fact that some Members might have already applied the principle enshrined in TN/C/W/52. The objective of TN/C/W/52 was however to ensure that this principle, which the European Union considered an essential element of consistent application of law and the only manner to fulfil the mandate, would be applied in the legal systems of all Members. He said that if the system of genericness substantiation as proposed in TN/C/W/52 was already being applied in some Members, it should facilitate their acceptance of it.

95. The representative of Korea said with regard to the part a of the second sub-question relating to the national proceedings and the protection of geographical indications and trademarks, one level of substantiation was commonly required when genericness of a term was claimed. According to the criteria used by the Korean Intellectual Property Office, to substantiate the genericness of a term, the following conditions had to be met: that the terms were freely and widely used for goods among many unspecified people such as producers and suppliers as a consequence of the geographical indication or trademark having lost its function to identify the origin; and that the right holder of the geographical indication or trademark had failed to take any of the necessary actions for protection.

96. With regard to part b of the second sub-question on the burden of proving genericness or non-genericness, both in the process of application for protection and in the process of challenging a protected term, the burden of proof was on the party claiming genericness, i.e. on the party challenging the validity of the GI registration.

97. The representative of Canada said that, with respect to the second sub-question, the Canadian system made a distinction between trademarks and geographical indications regarding the process for the protection of a term.

98. With regard to trademarks, under Section 12(1)(c) of the Trade-marks Act, a term was not registrable as a trade trademark if it was the name in any language of any of the wares or services in connection with which it was used or proposed to be used. During the examination phase, the burden of proof was on the Industrial Property Office to establish, on the balance of probabilities, that an application was not registrable for this reason. In opposition proceedings, the decision whether to

refuse an application on that ground would be based upon the evidence supplied. Typically there would be an initial burden upon the opponent to fill some pertinent evidence but once that was satisfied the legal burden would lie on the applicant to establish on the balance of probabilities that the trademark was registrable.

99. With regard to geographical indications, to obtain protection for GIs for wines or spirits, the burden was on the person seeking GI protection to establish that the term in question was a geographical indication within the meaning of Section 2 of the Trade-marks Act to the satisfaction of the Minister, as required under Section 11.12(3). The definition under Section 2 required that the term fit the definition under Article 22 of the TRIPS Agreement and that the term be protected in the country of origin. Arguably, a term that was generic would not fulfil the requirements of Section 2 and would therefore not qualify as a geographical indication. If the issue was raised, the person seeking GI protection would have to show that the term was in fact not generic. If the Minister was satisfied that the term was a geographical indication and published the term together with the required information in the Canada Gazette, a three-month objection period started during which any interested person could file a statement of objection on the sole ground that the term was not a geographical indication. In that case, the burden to show that a geographical indication was generic shifted to the person who raised the objection.

100. With respect to challenging a protected term, under the Trade-marks Act, once the trademark was registered in Canada, its validity might be challenged under Section 18 of the Trade-marks Act. That might occur as a counter claim to an infringement action or as an originating notice of motion. The validity of a registered trademark could be challenged on four possible grounds, two of which touched on the issue of genericness. Those grounds might be invoked by any interested person that was defined in Section 2 of the Trade-marks Act as including any person who was affected or reasonably apprehended that he might be affected by any entry in the register or by any act or omission or contemplated act or omission under the Trade-marks Act. That included the Attorney-General of Canada. A registered trademark was presumed to be valid, thus the onus was on the interested person to prove that the trademark was invalid on the predominance of evidence basis. The first ground stated that the registered trademark was invalid if it was not registrable at the date of registration. Section 12(1) listed the relative grounds of refusal that determined when a trademark was not registrable, which included the name in any language of any of the wares or services in connection with which it was used or proposed to be used. If a trademark was found to be the name of the ware itself or generic, then the mark was not registrable at the time it was registered and could be declared invalid. The second ground was that the trademark was not distinctive at the time of the court proceedings. Thus, even if the trademark was registerable at the time it was examined and registered, that ground allowed for the possibility for the trademark over time to become no longer distinctive of the wares and services listed in the registration. Arguably, a trademark that had become generic would have lost its distinctiveness. The grounds on which a mark could be challenged under Section 18 of the Trade-marks Act also applied to certification marks.

101. Turning to geographical indications, she said that Section 11.18(2) of the Trade-marks Act gave an exception for the use of customary names. If a protected geographical indication was in fact identical with a term customary in common language in Canada, as a common name for the wine or spirit or a customary name of a grape variety existing in Canada, then the adoption, use or registration of that geographical indication as a trademark or otherwise in connection with the business in respect of a wine or spirit would be allowed. If the adoption, use or registration was challenged it was up to the person alleging that the protected geographical indication was a customary name to prove that.

102. The representative of Australia said she was grateful to the delegation of the European Union for its explanations, but she would also be interested in the full system in that region. She was unsure as to the status of EU Regulation 2081/92, in particular its Article 3, which contained a requirement for the establishment of a register for generic terms and she would welcome any more information about whether or not that was still an obligation and how it operated.

103. Regarding part a of the second sub-question, i.e. the issue of genericness during the application process for the protection of a term, she said that examiners had to consider whether a trademark term was capable of distinguishing a particular good or service in the market place and whether the term was descriptive. They had to ascertain how the term might ordinarily be used or understood in the market place. Therefore, research might include dictionary references, industry information used by multiple traders or from multiple geographic sources to ascertain whether or not a term was descriptive in the market place, information about geographic significance and also links to other entries in the Australian trademarks register. The decision of a trademark examiner was an administrative decision. An adverse decision could be challenged by the applicant through a hearing process. A hearing decision could be appealed to a prescribed court. In those proceedings a term for which protection was applied could be found to be descriptive of an article.

104. Turning to part b of the second sub-question, i.e. the issue of genericness in the context of the challenge of a protected term, she said that in Australia this would be a judicial process. A court could make a definitive finding of genericness, normally as a result of a cancellation action. An agreed person on the register might make an application to a prescribed court to amend or cancel a registered trademark if it became generally accepted within the relevant trade as a sign or term that described, or was the name of, an article, substance or service. The prescribed court might determine the day on which a sign first became generally accepted within the relevant trade as a sign that described or was the name of a certain article, substance or service. The burden of proof, as she had stated previously, was for the challenging party to prove a term was generic, as initially there would be a presumption of validity in favour of the registered trademark in her country.

105. The representative of Japan said that, as a co-sponsor of the joint proposal (TN/IP/W/10/Rev.2), his delegation wished to stress that the object of their discussions was a multilateral system that was within the mandate of the Doha Declaration and the TRIPS Agreement itself. As his delegation had stated at the previous meeting of the Special Session, the joint proposal was the most appropriate solution to the mandate, notably because of its voluntary participation and the level of the burden placed on the participating Members.

106. On the Chair's second sub-question, it was Japan's understanding that it concerned the substantiation of genericness of a term in national proceedings for the protection of geographical indications and trademarks. Generally, in Japan in a procedure for trademark examination or GI protection, a person seeking GI protection was not initially required to substantiate that the geographical indication was not a generic term.

107. The representative of the European Union said, in response to the question of the delegation of Australia on EU law, that Regulation 2081/92 applied not to wines and spirits, but to other food products, unless of course Australia envisaged a register for all food products. He added that Regulation 2081/92 had been repealed in 2006 and replaced by Regulation 510/2006, which still applied only to GI products other than wines and spirits and did not include that provision on a generic register.

108. The representative of Switzerland noted that the level of substantiation to prove that a term was generic was very high for geographical indications in Switzerland. In an examination of the application for the registration of a geographical indication, the proof of genericness or non-genericness of a term for which protection as a geographical indication was being sought, was a collective endeavor. Proof of genericness or non-genericness of a geographical indication had to be provided by the GI applicant. When filing the application, the applicant had to prove that the term to be protected was not generic. Following examination and acceptance of the application it was then published, and during the period of public consultation third parties could challenge the term, including on the ground of genericness. Apart from the procedure involving third parties, the issue of genericness could also be determined by administrative authorities in the context of an examination

procedure or by judges in the context of a judicial procedure, including in appeals. In the system without registration, the issue of genericness would be dealt with only in a court procedure.

109. As the delegation of the European Union had pointed out, from the Swiss point of view it was important that a decision on the genericness of a term be substantiated and motivated. That was why the TN/C/W/52 proposal included a provision for the substantiation of a claim of genericness of a term. The obligation to substantiate the genericness of a term should be included in the multilateral system aimed at facilitating the protection of geographical indications. Her delegation had not yet found any equivalent to that in the joint proposal and therefore continued to consider that it lacked elements that would facilitate the protection of geographical indications.

110. The representative of the United States said that with respect to the second sub-question he would again refer to the situation of a foreign consortium applying for registration of a foreign geographical indication as a US certification mark, with the reminder that his answers were based on an initial review and might be supplemented at a later stage.

111. With respect to part a of the second sub-question, i.e. the issue of genericness raised during the application process, and as noted in his response to the first sub-question, the USPTO examined relevant evidence in making its determination. With respect to genericness, the USPTO bore the burden of demonstrating that a mark was generic by "clear evidence", which was a standard used by the courts under the US system. Such evidence would now include relying on dictionaries and Internet resources. However, the applicant did not have to demonstrate that the mark was not generic; it was the examining attorney that had the burden of demonstrating that it was indeed generic. A 1979 US court decision was instructive on the definition of a "generic term". "Generic terms, by definition, are incapable of indicating source, are the antithesis of trademarks and can never attain trademark status". The court's explanation was helpful and shed light on policy reasons against registrations of generic terms as trademarks. In its view, "the reason is plain: to allow trademark protection for generic terms, i.e. names which describe the genus of goods being sold, even when these have become identified with a first user, would grant the owner of the mark a monopoly, since a competitor could not describe his goods as what they are".

112. With respect to the issue of genericness and extraterritoriality, his delegation agreed with the views expressed by the Australian delegation.

113. With respect to the US system, he said that, while the USPTO had to demonstrate genericness, there was no starting presumption that a term was or was not generic. As he had previously noted, all relevant evidence was examined on a case-by-case basis and depended on the factual circumstances of each situation. In that connection, his delegation fully agreed with the New Zealand delegation, and would only add that, while the USPTO took information into account, that did not necessarily mean that such information was always relevant, probative, or dispositive in each and every legal and factual context.

114. With regard to part b of the second sub-question, i.e. the issue of genericness in the context of a challenge of a protected term, he said that the party claiming genericness, that is the party challenging the mark, bore the burden of proving genericness. That could be only as a ground for cancellation of the registration or as a counter-claim by the respondent. In proceedings between private parties, evidence of the public's understanding of the term might be obtained from any competent source, such as purchasers' testimony, consumer surveys, listings in dictionaries, trade journals, newspapers, and other publications.

115. The representative of the European Union said his delegation agreed that genericness had to be decided on a case-by-case and country-by-country basis and therefore there was no extraterritorial effect in the TN/C/W/52 proposal. Moreover, he was pleased to note an apparent convergence that

had emerged in the course of the meeting, namely that nothing in the US or Canadian system would have to be changed to implement the TN/C/W/52 proposal. It was his understanding that there was already a point of convergence on the issue of genericness assertion and that the system his delegation had co-sponsored was in line with existing legislation.

116. The representative of Chinese Taipei suggested that in their responses to sub-question 2.a Members make the distinction between an ex officio action by competent authorities and a third party action because the answers might be different. He said that the European Union's observation that elements of the TN/C/W/52 proposal were already practiced by many Members might be true with respect to sub-question 2.b, i.e. when a protected term was challenged. As a normal practice under civil law, when examiners had already decided that a term could be protected and a third party challenged such protection by opposition or before a court, then the burden of proof was on the third party. This said, the substance of the Special Session's discussions and the point challenged in the TN/C/W/52 proposal mostly concerned the situation under sub-question 2.a. He was convinced that the ongoing discussions would further clarify those questions.

117. The representative of Canada said, in response to the comment by the delegation of the European Union, that she wished to refer Members to the minutes of the previous TRIPS Special Session, where her delegation had indicated that it was unable to see how the TN/C/W/52 proposal could be implemented in Canada's regime for lack of information. Furthermore, her delegation had indicated that the proposal contained in TN/C/W/52 unfortunately raised more questions than answers. Therefore, to state that Canada would not be obliged to change its regime was not accurate, as her delegation did not actually know what the proposal contained.

118. The representative of the European Union said he was surprised to hear that a proposal as short and concise as TN/C/W/52 was seen as raising questions. He had referred specifically to the questions being discussed at this meeting, and in particular to sub-question 2 on genericness. He had understood that under both the US and Canadian systems, when it came to examination and in the situation mentioned in sub-question 2.b, a challenge of an existing protected term did not put the burden of proof on the geographical indication owner, but on those claiming that the name for which protection was sought or which was already protected was generic. While he stood to be corrected on this understanding, he believed that Members should be happy rather than worried about this convergence.

119. The delegation of New Zealand said that for his delegation the European Union's question of what was the specific meaning of taking information into account was legitimate. Members had now adopted a practical approach to the problem by examining the various systems and practices of Members on how decisions about geographical indications and trademarks were made. He was hopeful that through such an approach they would deepen their understanding of how an obligation to consult the register would actually be implemented in national systems. He had explained in a practical manner how examiners in New Zealand took various sources of information into account. He thought that this practical exchange was much more useful than an abstract debate about the meaning of "presumption", "prima facie evidence" and "proof to the contrary". His delegation looked forward to hearing from many more Members about how their systems dealt in practice with those issues.

120. His delegation considered that the purpose of this process was to obtain a greater understanding of each other's systems in confidence and how information was taken into account in those systems. New Zealand was not at that stage convinced that it was necessary to attempt to codify an international instrument on exactly how a register should be consulted. He understood that the delegation of the European Union felt differently and in its proposal it had prescribed how information should be taken into account. However, as he had previously explained, those prescriptions or commandments would not work in New Zealand, including for reasons of

territoriality. For his delegation, the issue was not about taking the register into account, but about being dictated to by the register. However, his delegation did not wish to exclude the possibility of codifying how the register should be taken into account. If Members wished to pursue that, then New Zealand looked forward to a proposal that indeed had the support of all WTO Members. His delegation was convinced that these discussion, which would have to continue with more detail and involve many more Members, might help draw on this helpful discussion of practical experiences in formulating a more suitable description that worked for all.

121. The representative of the United States said that his delegation agreed with the European Union that genericness was established in a case-by-case examination and would not have any extraterritorial effect in other countries. However, he also agreed with Canada's comments that the TN/C/W/52 proposal was lacking clarity. In their proposal the proponents needed to lay out specific legal requests. It was not appropriate for the Special Session to simply refer to a particular country's law for how the proposal would be implemented. His delegation was in agreement with the path ahead.

122. The representative of Australia said her delegation agreed fully with New Zealand and believed that convergence was indeed good. However, with respect to extraterritoriality, her delegation would refer Members to the European Union's comments in paragraph 20 of the minutes of the March 2010 meeting, saying that under the TN/C/W/52 proposal the entry of a name on the register would trigger two legal effects: "first, the name entered in the register would merely represent prima facie evidence that it was a geographical indication, that the goods originated from a specific place and owed at least one of their characteristics, its quality or its reputation to this origin. He said that beyond that, domestic authorities would have all latitude to decide for or against protection of a term on the basis of contrary evidence provided by themselves or brought by any third party". Therefore it was her understanding that there was all latitude in the domestic systems and Members were not forced to protect a term as a geographical indication on the basis of the register. That point of clarity was useful. However, it seemingly created a burden to disprove a geographical indication on an international basis that was on the register and this was the point of distinction. It would be an additional burden that did not currently exist.

123. In concluding she reiterated her point that a side-by-side comparison of the TN/C/W/52 proposal with the joint proposal in TN/IP/W/10/Rev.2 might provide further clarity.

124. The representative of Canada said she wondered whether the European Union's comment had been made only with respect to the part of TN/C/W/52 which referred to genericness. One of the main problems was that it was difficult to define the terms "genericness" and "substantiation" without the overall context on how they were used and, moreover, Canada's legislation did not provide for such contexts. Her delegation considered that those terms would be defined differently in different Members and that would create uncertainties. This was why her delegation preferred the joint proposal as more precise than the one envisaged in TN/C/W/52.

125. The representative of the European Union said that the representative of Australia had seemingly confused two different issues, one being the effect of the register *per se*, which indeed was addressed in paragraph 20 of the minutes of the previous meeting. However, Australia seemed to have overlooked the comment further on, which read "beyond that domestic authorities would have all latitude to decide for or against protection of the term on the basis of contrary evidence provided by themselves or brought by any third party". He emphasized the words "domestic authorities", which, in his view, was the opposite of extraterritoriality.

126. As the discussion was on the question of who had the burden of proving genericness, he said he failed to see any extraterritorial effects in the W/52 proposal. It proposed that those who claimed that a term was generic had to prove it and he had not heard that contested at this meeting.

127. The Chairman said he would not endeavour to summarize the substance of their discussion, which he believed had been extremely useful. As he had indicated at the outset, his questions had been intended as a starting point and he had taken good note of the comments made and the issues raised by delegations. Given that some delegations had been unable to provide responses and as most of the statements had been preceded by disclaimers or indications that these were preliminary contributions, he suggested that Members further explore those questions and come back with further responses and clarifications, while also building on what had been presented on a preliminary basis.

C. OTHER BUSINESS

128. Regarding future meetings, he informed the delegations that a meeting of the regular session of the TRIPS Council was scheduled for 26-27 October. He suggested that, as in the past, a formal meeting of the Special Session be held back to back with the regular session meeting, namely on 28 October 2010.

129. The Special Session took note of the statements made.
