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IV OriGIn General Assembly  
*Protecting Geographically Distinctive Products  
in the United States*

24-26 June, 2009  
Teruel (Spain)

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# Protecting Geographically Distinctive Products in the United States



**June 2009**  
IV OriGIn General Assembly

## Available Protection in the U.S.

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### Choices for Protecting a Distinctive Product:

- **Trademark** - generally indicates a single commercial source
- **Certification mark** - goods or services meet the standards of a third party certifier
- **Collective mark** - owned by a collective and usable only by members - of limited use but similar to certification marks

These marks can be obtained either through

- common law by use
- by registration, or by both.

## Available Protection in the U.S.

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- **Unfair Competition**. In addition, there are various claims under federal and state statute and common law, such as the Trademark (or Lanham) Act Section 43(a), for false designation of origin – amplified for famous marks (which distinctive products often are) - tarnishment, dilution, passing off, and similar claims.
- **Special regime for alcoholic beverages**, including labeling requirements. TRIPS Art. 23; 27 C.F.R. §§ 4.24 (generic, semigeneric, nongeneric) and 4.25a (appellations of origin for wine); Agreement Between the United States of America and the European Union on Trade in Wine.
- **U.S.D.A. Marketing orders** for fruits, vegetables and crops (e.g., Vidalia onions), applicable only in certain limited circumstances, and available only for U.S. products. 7 U.S.C. § 601, et seq.

# Trademark

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- Trademarks consist of a word, name, or symbol
- In general, a trademark indicates a single source, usually commercial, of goods or services, in many cases indirectly from that source through a related entity. A trademark owner controls quality by direct use, ownership or effective control of indirect users or through license arrangements with quality control provisions. For this presentation, traditional single-source trademarks identifying geographically distinctive products, owned or licensed by the user, are referred to as “commercial trademarks”
- No set standards
  - Primarily concerned with trademark owner’s reputation, as well as consumer protection

# Issues Regarding Trademarks

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- **In particular for purposes of using trademarks as geographic identifiers, “commercial trademarks”, like all trademarks, cannot be the following:**
  - Descriptive
  - Generic
  - Geographically deceptive
  - Confusingly similar to prior trademarks
- **A key restriction is that a “commercial trademark” cannot be primarily geographically descriptive of the goods in question (unless there is a showing of acquired distinctiveness, i.e., proof that the mark has become distinctive as applied to the applicant's goods or services in commerce)**

# Issues Regarding Trademarks

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- **Primarily Geographically Descriptive**

- Registration will be refused if the mark is primarily geographically descriptive of the origin of applicant's goods and/or services. Trademark Act §2(e)(2), 15 U.S.C. §1052(e)(2); TMEP §§1210.01(a) and 1210.04 *et seq.*
- A three-part test is applied to determine whether a mark is primarily geographically descriptive of the goods and/or services within the meaning of Trademark Act §2(e)(2):
  - (1) the primary significance of the mark must be geographic, i.e., the mark names a particular geographic place or location;
  - (2) purchasers would be likely to make a goods-place or services-place association, i.e., purchasers are likely to believe the goods or services originate in the geographic location identified in the mark; and
  - (3) the goods and/or services originate in the place identified in the mark.



# Issues Regarding Trademarks

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- **Examples:**

- In re JT Tobacconists (TTAB 2001) (MINNESOTA CIGAR COMPANY held primarily geographically descriptive of cigars)
- In re California Pizza Kitchen Inc. (TTAB 1988) (CALIFORNIA PIZZA KITCHEN held primarily geographically descriptive of restaurant services that originate in California)
- In re Handler Fenton Westerns, Inc. (TTAB 1982) (DENVER WESTERNS held primarily geographically descriptive of western-style shirts originating in Denver).
- **BUT** SIDAMO (Reg No. 3381739), HARAR (Reg Nos. 3457979 and 3440595) and YIRGACHEFFE (Reg No. 3126053), coffee growing regions in Ethiopia, have been successfully registered by the Ethiopian Government.



# Issues Regarding Trademarks

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- **Primarily Geographically Deceptive and Misdescriptive**

- If permitted would ensure mislabeling in a registered mark
- True of all trademarks, including certification marks.
- Registration will be refused if the mark is primarily geographically deceptive or misdescriptive or geographically deceptive of the origin of applicant's goods and/or services. Trademark Act §2(e)(2):
  - (1) the primary significance of the mark is a generally known geographic location;
  - (2) the goods or services do not originate in the place identified in the mark;
  - (3) purchasers would be likely to believe that the goods or services originate in the geographic place identified in the mark. Note: If the mark is remote or obscure, the public is unlikely to make a goods/place or services/place association; and
  - (4) the misrepresentation is a material factor in the consumer's decision to buy the goods or use the services.

# Issues Regarding Trademarks

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## **Example:**

- In re Wada (TTAB 1998) (“NEW YORK GALLERY WAYS” held geographically deceptively misdescriptive for handbags, luggage and related items).

# Issues Regarding Trademarks

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- **In order to include a clear geographic reference in a “commercial trademark”, consider a design or logo which shows, rather than states, the geographic origin.**
  - Examples of Designs  
(for geographically distinctive trademarks)
  - Tabacalera Don Elias TM Reg. No. 2494589  
IC 34 for cigars from the Dominican Republic



Either avoid name of place and use a symbol; or

Use a name, which will have to be disclaimed, and add a design or symbol which can be exclusive.

# Issues Regarding Trademarks

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- New York Burger Co. Brands LLC TM Reg. 3275106  
IC 30 for specialty sandwich for consumption on or off the premises



- HEB Grocery Company, LP  
TM Reg. No. 2890551  
IC 29 for fresh and frozen meat



## **Certification Mark**

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- **Certification marks, a specific type of trademark, are the form taken by most GIs in the US**
- **They serve a unique purpose within US trademark system**
- **Certification marks exist in over 60 countries**
- **US has approximately 175 live geographic-oriented certification marks**
- **European Union had approximately 798 registered GIs (excluding wines and spirits) as of September 2008**

## Certification Mark

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- Under the Lanham Act, certification marks are for use by a person other than the *owner*. Certification marks do not indicate the commercial source of the goods
- Generally, the mark certifies the origin, material, mode of manufacture, quality, accuracy or other characteristics of the product. They specifically cover indications of regional origin, although that is only one of a number of qualities which may be certified
- A certification mark may certify geographic origin, quality, or both

## Certification Mark

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- **Certification marks have most of the characteristics of trademarks, including the right to sue for infringement or oppose registration of conflicting marks (not necessarily identical) based on likelihood of confusion**
- **The Trademark Trial and Appeal Board recently confirmed that an opposition could proceed based on likelihood of confusion: India Tea Board (owner of world and design marks for DARJEELING) vs. Darjeeling Nouveau (TTAB Aug. 23, 2006)**



## Certification Mark

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- **Closely related is a collective mark, which is used by (and only by) members of a collective themselves**
  - Cannot be generic, descriptive, or geographically deceptive/misdescriptive
  - All bars to registration of trademarks also apply to collective marks
- **Note: a certification mark owner may not be able to apply for a GI in the European Union -- EC No 510/2006, Article 5 (Application for registration) provides in paragraph 2: “A group may lodge a registration or application only for the agricultural products or foodstuffs which it produces or obtains”**
  - Consider a dual-entity structure

# Certification Program

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## *Registration*

- **The application for registration for a certification mark will specify**
  - (1) the applicant, who must have authority to control use of the geographical term.
  - (2) the goods.
  - (3) the qualifications and standards for certification, which may include regional origin and quality, although quality is not a required element. A particular quality is often inherent in geographic origin.
- **The applied for mark may include a design or logo.**

# Certification Program

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## ***Structure***

- **Ownership by an entity other than producers/sellers of the certified product**
  - Government or governmental agency. TMEP §1306.02(c), TMEP §1306.02(c)
  - Cooperative, association or consortium. TMEP §1306.03
- **Separate related entity may be useful**
  - Separate cooperative, association or consortium formed by same producers forming the coop which owns the certification mark. TMEP §1306.03

# Certification Program

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## *Requirements*

- **The owner of a certification mark must control the use of the mark – i.e., ensure that it is applied only to conforming goods. Trademark Act §4; 15 U.S.C. §1054**
- **The owner must not permit the use of the mark for purposes other than to certify. TMEP §1306.01(b) *In re Monsanto Co.*, 201 USPQ 864 (TTAB 1978) (The TTAB refused certification mark registration for WEAR DATED where the applicant licensed others to manufacture the same type of products as were certified under the same mark. A mere variation of the background design between the trademark and certification mark was insufficient to differentiate the marks.)**

## Certification Program

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- **Black Hills Jewelry Mfg. Co. v. Gold Rush, Inc. (8th Cir. 1980) (A producer of goods cannot be the owner of a certification mark for those goods)**
- **The owner may not discriminate in certifying qualifying goods**
- **Although the Federal Trade Commission does not enforce certification marks, it may petition for a mark's cancellation for violation of any of the above requirements. Trademark Act §14**

# Certification Program

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## **Recap of causes for cancellation:**

- Lack of control over the mark
- Production or marketing by owner of goods and services under the mark
- Allowing the mark to be used for purposes other than certification
- Discriminately refusing to certify conforming goods

# Certification Program

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## ***Standards***

- **The owner must adopt standards if there is a quality element to the certification**
- **Where do the standards come from?**
  - They may be designated and adopted by the owner (e.g. a cooperative, association or consortium)
  - They may incorporate standards set forth in a statute or regulations



# Certification Program

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## ***Examples of Certification Standards:***

- **Darjeeling Tea (both geographic origin and quality):**
  - Cultivated, grown or produced in the tea gardens in the designated geographic areas
  - Processed and manufactured in a factory located in the designated geographic areas
  - Upon testing, “is determined to have the distinctive and naturally occurring organoleptic characteristics of taste, aroma and mouth feel typical of tea cultivated, grown and produced in the region of Darjeeling, India.”

# Certification Program

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- **Hawaiian Coffee:**

- Multiple regional certification marks (Kona, Maui and others)
- Multiple standards depending upon grade of coffee
- The government of Hawaii has prepared a summary chart of these standards, reproduced on the next page, available at <http://www.hawaiiag.org/hdoa/pdf/qad-greencoffeestd.pdf>

# Certification Program

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## ***Compliance with Standards***

- **The owner must also establish a means for ensuring compliance with the standards, both on the producer side and on the marketplace side**
- **May be designed by the owner or imposed by local law – e.g. Hawaii**
- **Means of ensuring compliance may take a variety of forms**
  - Compulsory internal certification
  - Monitoring of internal sales and distribution
  - Export Controls
  - All of the above

# Certification Program

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## *Licenses*

- **Many, but not all, certification mark programs include a licensing aspect**
- **May depend on the number and nature of resellers**
- **May include a royalty**
  - Is there any limit?

# Certification Program

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## *Enforcement Program*

- **Some degree of enforcement is necessary in order to fulfill the requirements of the Lanham Act (e.g., control as discussed, preventing use of certification mark for purposes other than certification)**
- **Question: Is it the responsibility of a certification mark owner to ensure, by an opposition proceeding, that the certification mark is not used as a trademark by a third party? E.g., was Darjeeling Tea required to oppose Darjeeling Nouveau?**

## Certification Program

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- **A line of cases gives an idea of the required extent of an enforcement program (not a very high threshold)**
  - Midwest Plastic Fabricators, Inc. v. Underwriters Lab. Inc. (Fed. Cir. 1990) (“control” means that the mark “owner must take **reasonable steps**, under all the circumstances of the case, to prevent the public from being misled”)
- **Engineered Mechanical Services, Inc. v. Applied Mechanical Technology, Inc. (M.D. La. 1984) (“The owner of a mark is not required to constantly monitor every nook and cranny of the entire nation and to fire both barrels of his shotgun instantly upon spotting a possible infringer....”)**

## Certification Program

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- **Tea Board of India v. Republic of Tea, Inc. (TTAB Aug. 23, 2006)** (“Even if control is not maintained and misuse occurs, it must be shown that the misuse was of such significance to permit an inference that the mark is generic.”)
- ***Compare* In re Cooperativa Produttori Latte E Fontina Valle D’Aosta, 230 U.S.P.Q. 131 (TTAB 1986)** (control not adequate given evidence of use of “fontina” on products from other regions and in a generic manner) ***with* Roquefort v. Faehndrich, 303 F.2d 494 (2d Cir. 1962)** (no evidence that Roquefort was so widely used as to become generic where owner of mark diligently protected its use)



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# Conclusions

## **Key Distinction of U.S. Protection**

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- **In the US, the producer is on its own**
- **The state and federal governments register trademarks, moderate disputes in the courts, provide statutory and common law actions which will allow private enforcement of rights**
- **But, with the exception of alcoholic beverages and mislabeling rising to criminal levels, government enforcement is usually unavailable**

## **Key Distinction of U.S. Protection**

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- **Producers, governments and governmental agencies need to understand the US system and these choices and work their way through a complex system, because the end result – a protected geographic designation with an effective enforcement program – can be of high value to the producer's local economy and tradition and the consumer's interest in appropriate marketing.**

## Proposals for Making U.S. Certification Marks More Attractive and User Friendly

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### 1. Registration Restrictions

- The PTO to be instructed to police its approval of new registrations which conflict with existing certification marks. Applications for trademarks for the same or similar goods that *include* a registered certification mark to be administratively denied registration.

## Proposals for Making U.S. Certification Marks More Attractive and User Friendly

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### PROS

- This step would limit the obligation on owners to challenge even the most obviously offending marks. Official guidelines in the TMEP (Trademark Manual of Examining Procedure) could be implemented.

### CONS

- Potential of creating a virtual *per se* standard for rejecting third party applications that incorporate a pre-existing certification mark, without consideration of the existence or absence of a likelihood of confusion. But note that this issue may be mitigated by the rules on geographic distinctiveness.
- The PTO can already refuse registration of a trademark based upon registration of a pre-existing certification mark whenever there exists a likelihood of confusion, as it did in the *Darjeeling* case.

### 1A. Modified Registration Restrictions

- TMEP to contain specific guidelines directing Trademark Examiners to search the Principal and Supplemental Registers for certification marks and take them into consideration, particularly when the applied-for mark contains “like” or “style” or “kind”.

## Proposals for Making U.S. Certification Marks More Attractive and User Friendly

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### **PROS**

- Less controversial

### **CONS**

- There are indications that this approach is already embodied in actual administrative practice and there are still instances where needless oppositions must be conducted.

### 2. Extended Protection for Certification Marks

- The U.S. to extend certification mark protection to include prohibiting the use of trademarks including phrasing such as "like" or "style" or "kind." (This level of protection is already mandated by TRIPS for wines and spirits.)



## Proposals for Making U.S. Certification Marks More Attractive and User Friendly

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### PROS

- The increased protection for certification marks would generate increased rewards for producers, offsetting some of the enforcement costs and encouraging more producers to seek certification marks.

### CONS

- This proposal is controversial and would require Congressional action, giving rise to opposition by producers who take advantage of the availability of this type of designation.

### 3. Enforcement Costs

- The applicable laws and regulations in the U.S. to be amended to reduce the prohibitive cost of enforcement and opposition proceedings. One means of doing this would be to allow for the award of attorney's fees to the prevailing party in oppositions.

## Proposals for Making U.S. Certification Marks More Attractive and User Friendly

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### PROS

- Ideally, attorney's fees would be available in any opposition proceeding, which they are not, giving rise to numerous frivolous oppositions. But at a minimum they should be available in cases in which the applicant might be found to have applied for the mark in bad faith, seeking to trade off of the prior certification mark. Although there may be other ways to seek monetary compensation in case of infringement, there is a separate interest in maintaining the integrity of the registers.

### CONS

- Currently, defendant's profits, damages, and the costs of the action are available in district court trademark litigations, and attorney's fees are available under "exceptional" circumstances (although the award of attorney's fees is quite rare). Non-monetary sanctions, already available for procedural violations, could be applied.

### 4. Ownership

- Law to be amended to permit the owners of a certification mark to use the mark.

## Proposals for Making U.S. Certification Marks More Attractive and User Friendly

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### PROS

- Allowing the mark's owner to use the mark would allow the owner to finance some of the expenses of maintaining and enforcing the mark through sales of its own product. This would also eliminate the potential conflict with the EU system for GIs. The United States created the anti-use rule to prevent a conflict of interest between the owner and its licensees or permitted users. This goal can be achieved by other means that would not impose such a strict and unique financial restraint on the owner. Discrimination in certifying is already grounds for cancellation.

### CONS

- This proposal would require significant changes in the current law. If this proposal is adopted, then the certification mark holder will be allowed to certify its own goods. This raises the question of who will oversee the certification process objectively.

# Offices Worldwide

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Questions?