

# Protection for Geographic Brands in the United States



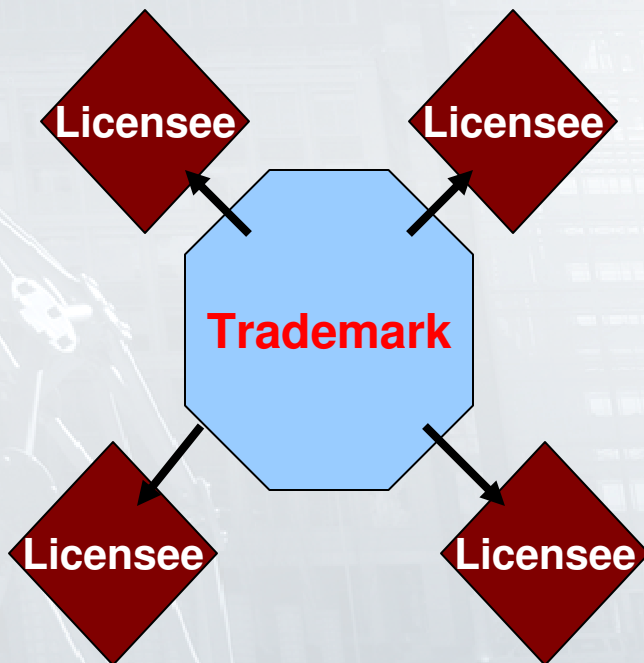
**ORIGIN – June 3, 2010**

**Amy Cotton,  
Office of External Affairs**



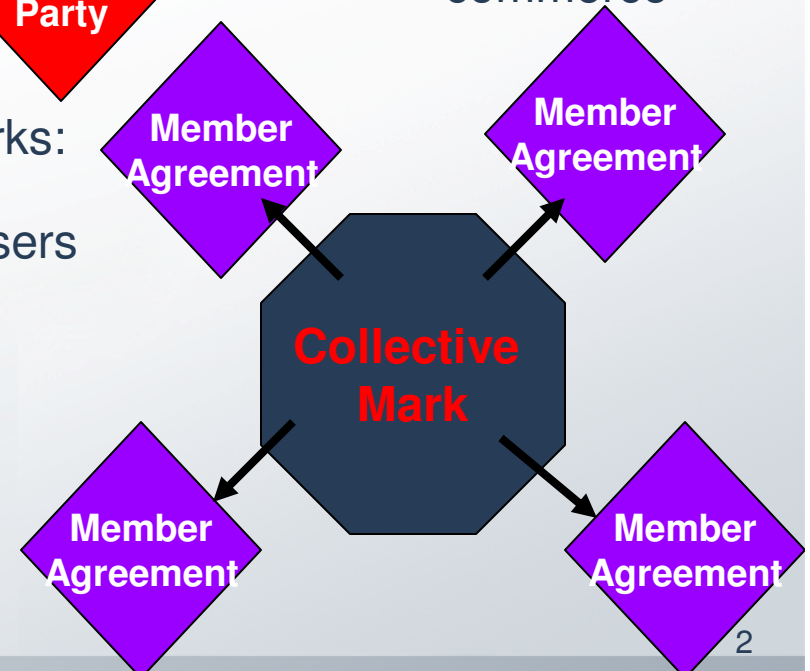
# Geographic Collective Use Marks

Trademarks: requires a showing of extensive continuous and exclusive use in U.S. commerce.



Certification Marks: certifier sets standards that users must meet.

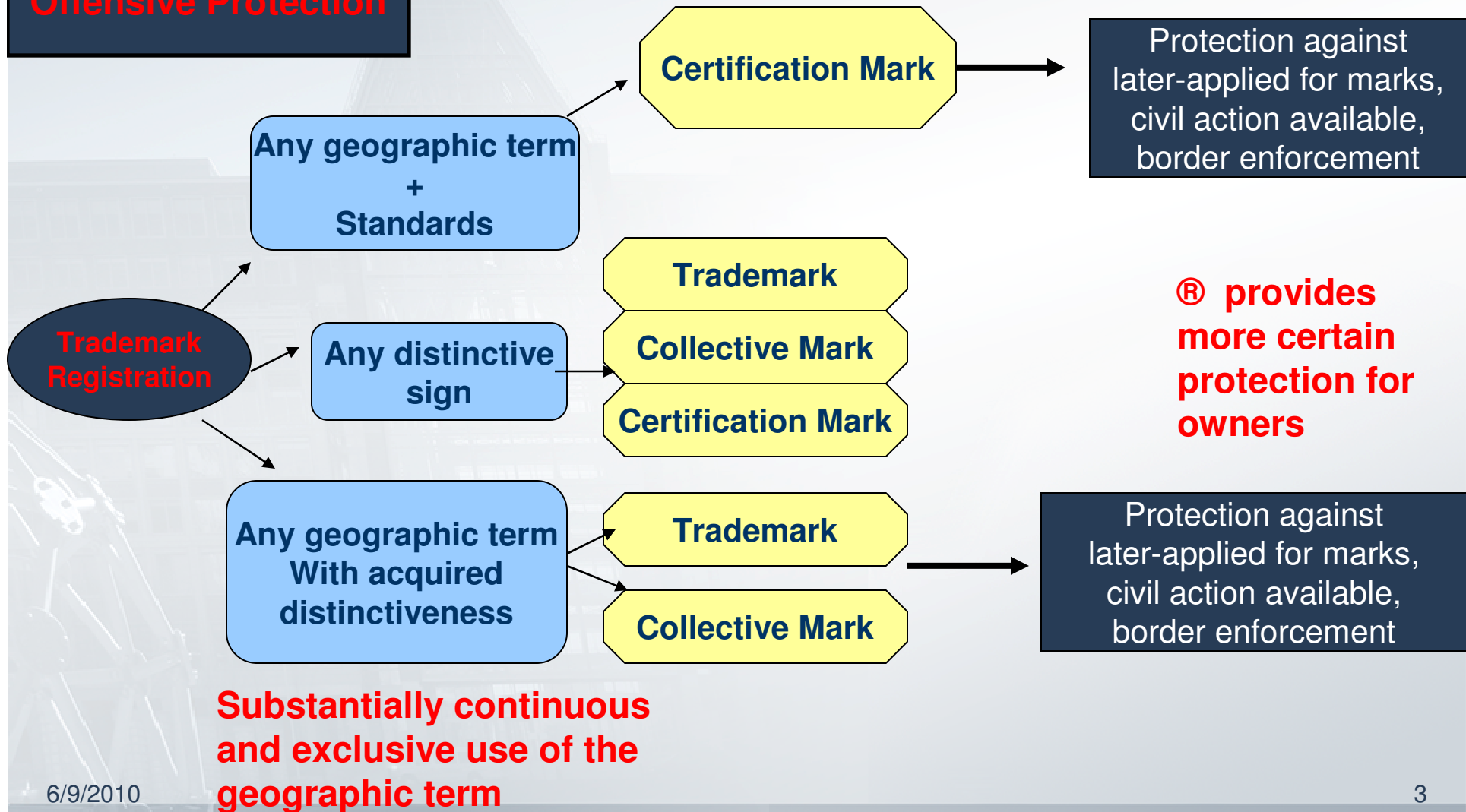
Collective Marks: used by members of a collective – upon a showing of extensive continuous and exclusive use in U.S. commerce





# Geographic Collective Use Marks

## Offensive Protection





# Intellectual Property Rights: Balancing Interests

**IP Rights =  
Private Rights**

TRIPS Preamble: “*Recognizing*  
that intellectual property rights are  
private rights...”

**Private rights  
are territorial**

**IP Rights must  
Have an owner**

Owner must invest in  
commercializing a sign in a  
territory or create reputation  
in a territory to be rewarded  
with exclusive rights.

**Consumers**

**Owners**

**Interested  
Third Parties**

**Territories grant exclusive IP rights  
after balancing interests.**



# TMs and Collective Marks: Collectivization Leads to Control

**Geographic Term**  
(non-distinctive)  
used by a group  
of producers or  
licensees

**Acquired Distinctiveness**  
Through Controlled Use in Commerce

**Delayed Grant of Exclusivity**  
only to those who have exclusively  
and continuously used the geographic  
term as a source identifier.

**Trademark  
or  
Collective  
Mark**

Collectives or cooperatives are usually the owner – already collectivized and subsequently control the use of the term by their members.

**Rewards producers and collectives who have already commercialized a geographic term as a source identifier.**





# Certification Marks: Control Can Lead to Collectivization

**Geographic  
Certification  
Mark**

**No acquired  
distinctiveness  
needed**

**Certification Standards**

**Immediate Grant of Exclusivity**  
to owner, usually a governmental  
body of association of producers  
working on behalf of producers  
in a geographic region.

**Certified  
Parties  
authorized  
to use  
the mark**

**Latecomers to the collective group  
of users are allowed entrance  
– no discrimination.**



# Certification Marks

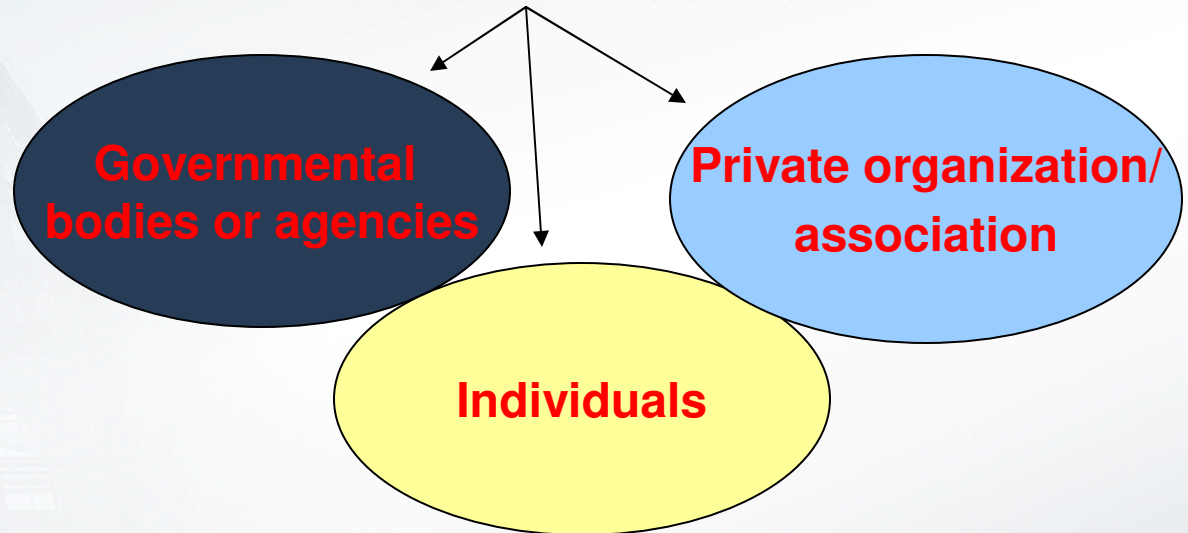
A certification mark is a type of trademark that can certify:

**geographic  
origin**

**materials used,  
quality,  
method of  
manufacture,  
and accuracy**

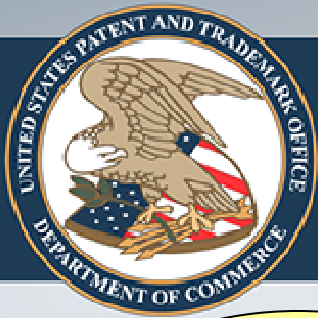
**products made under  
the auspices of,  
or by members  
of a specific  
trade union or  
organization**

Who can own a certification mark?



All of the above must:

- 1) demonstrate ability to control the use of the mark and
- 2) establish that they do not engage in discriminatory practices.
  - e.g., no economic interest in the actual sales of the product



# Certification Partnership Balance

**Use of “term”  
+ standards  
under control of  
Certifier**

**Certifier subject  
to cancellation  
(no licensee estoppel)**

**Certifier cannot  
discriminately  
refuse to certify**

**Mark can’t  
be used other  
than to certify**

**“Anti-Use by  
Owner”**

*(Can be used to  
promote the  
program.)*

**Producers must  
meet standards  
set by certifier**

**Certification  
adds value for  
producers and  
consumers**





# No Licensee Estoppel

Idaho Potato Commission v. M&M Produce Farm and Sales, 335 F.3d 130 (2d Cir. 2003); Idaho Potato Commission v. G&T Terminal Packaging, Inc., 425 F.3d 708 (9<sup>th</sup> Cir. 2005)

## Plaintiff

**US Certification  
Mark®  
IDAHO & design**

**Breach of License (2d & 9<sup>th</sup>)  
Infringement of ®**

**No-challenge provision  
In license unenforceable**

## Defendant

Allegedly failed to keep  
adequate records &  
used unlicensed  
potato repackers

## IPC Arguments to 9<sup>th</sup> Cir:

- Policy underlying certification marks is same as for trademarks – should be treated the same.
- Patent law analysis not appropriate for certification marks under Lanham Act.
- Certification mark holders concerns about enforcement costs.

**9<sup>th</sup> Cir agreed with 2d Cir and held the  
“no-challenge” provision unenforceable:**

- “By preventing mark holders from becoming market participants, it removes incentives for mark holders to engage in anti-competitive conduct. The Lanham Act’s cancellation provisions thus appear designed to promote free competition in the market for certified goods.”
- “The public interest in ensuring free competition in the market for certified good outweighs IPC’s interest in enforcing a contractual provision that would prevent all current and former licensees from challenging its conduct as a certification mark holder.”



# Descriptive Uses Defeat Distinctiveness Claim

Unauthorized prior uses of a geographic term in a trademark-like manner will defeat a later claim to distinctiveness for that geographic term and defeat a claim of exclusivity.

**Non-distinctive (descriptive) uses:  
geographically accurate or not.**

**"Amy's Alexandria  
Oranges"®**  
(from Alexandria)  
("Alexandria Oranges"  
disclaimed)

**"John's Alexandria-like  
Oranges"®**  
(from Fairfax)  
("Alexandria-like Oranges"  
disclaimed)

**"Alexandria"  
Applicant certifies  
oranges from  
Alexandria**

**Application refused based  
on earlier registrations.**



# Private Property Rights

Registered certification mark could potentially impact the validity/scope/use of the prior marks containing the geographic sign without their consent.

**“Amy’s Alexandria Oranges”®**  
(from Alexandria)  
 (“Alexandria Oranges”  
disclaimed)

**“John’s Alexandria-like Oranges”®**  
(from Fairfax)  
 (“Alexandria-like Oranges”  
disclaimed)

**“Alexandria”  
Certifies  
oranges from  
Alexandria**

Amy would potentially have to meet production standards of certifier, even if she didn’t prior to the certification mark registering.

John could never meet the certifier’s production standards and would face enforcement action from certifier, potentially losing the mark entirely.



# Later Applied-for Marks

**® blocks both later-applied for marks under likelihood of confusion principles.**



**Consent or License from ® could be introduced by applicant, but not advisable.**

**Multiple 3<sup>rd</sup> party registrations weakens the distinctiveness of the mark as to certification function.**



# Domestic Reform Interests

## **Balancing Interests**

***Domestic  
TM owners  
and generic  
users***

***U.S.  
Certification  
Mark owners  
& foreign GI  
owners***

?

**The sheer size of the interests on this side suggest that change to the system might be difficult.**

**However, the certification mark owner side has the weight of foreign interests on its side.**





# Want to Know More About GIs?

- <http://www.uspto.gov/web/offices/dcom/olia/globalip/geographicalindication.htm>
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