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UNDERSTANDING GEOGRAPHICAL INDICATION AND ITS LEGAL FRAMEWORK IN INDIA

More often than not, we come across consumers preferring ‘Darjeeling’ tea over common black tea, ‘Scotch’ over regular whiskey (or the fact that only whiskey produced in Scotland can be called ‘scotch’), ‘Roquefort’ over common blue cheese. This preference mainly arises due to the presence of a tag known as a geographical indicator. A Geographical Indicator (GI) Tag essentially increases the prominence of a product it is associated with.

What is a Geographical Indicator?

‘Geographical Indication’ (GI) refers to a distinctive name, sign, or a symbol placed on products that comprise certain attributes, qualities, and characteristics corresponding to a particular geographical location.

A Geographical Indicator portrays how a product has special characteristics is from a definite geographical territory. It consists of the name of the place of origin of the good such as ‘Kashmir’ pashmina, ‘Thanjavur’ paintings, ‘Malabar’ pepper, etc. It is used to identify natural or manufactured or agricultural goods. Fundamentally, products that procure a GI tag can be categorized into four main categories; Agriculture, Handicraft, manufactured, and foodstuff. Alphonso Mangoes, Chanderi Saree, Mysore Sandalwood oil, and Hyderabad Haleem could be the respective examples for the above-mentioned categories. It is to be noted that the manufactured goods containing a GI tag should be produced or processed at their place of origin.

LEGAL DEFINITION AND NEED FOR PROTECTION:

Internationally, Article 22.1 of the World Trade Organization (WTO) Agreement on Trade-Related Aspects on Intellectual Property Rights (Hereby referred to as TRIPS) has defined

Geographical Indication as "Indications which identify a good as originating in the territory of a member, or a region or a locality in that territory, where a given quality, reputation or characteristic of the good is essentially attributable to its geographic origin". The aspect of the TRIPS Agreement will be further discussed down below.

Nationally, the law of Geographical indicators is encompassed under the Geographical Indications of Goods (Registration and Protection) Act, 1999, to comply with the TRIPS agreement. This Act seeks to provide for the registration and protection of Geographical Indications relating to goods in India. The Controller General of Patents, Designs and Trademarks administers the act¹. He is also the Registrar of the Geographical Indications Registry. The laws provided under this act apply to all of India. Apart from providing protection, this act manages to prescribe the procedure and conditions for registration, stipulates the duration, enables damages for recovery in case of infringement of the exclusive rights of authorized users. It also contains the exclusions i.e., lays out the indications that cannot be registered.

Section 2(e) of the act defines Geographical indication as, "Geographical Indication, in relation to goods, means an indication which identifies such goods as agricultural goods, natural goods or manufactured goods as originating, or manufactured in the territory of a country, or a region or locality in that territory, where a given quality, reputation or other characteristics of such goods is essentially attributable to its geographical origin and in a case where such goods are manufactured goods one of the activities of either the production or of processing or preparation of the goods concerned takes place in such territory, region or locality, as the case may be²."

Significance of registration in India :

Geographical indicators represent unique characteristics and commendable quality of goods originating from a specific place. False use of these indicators possesses a threat of jeopardizing the reputation of the place and producers and may heavily affect the sales of the product. This calls for a need for protection and registration of Geographical Indication. Registration of geographical indicators ensures that only authorized users (or other producers from the same

¹ Section 3 of Geographical Indications of Goods (Registration and Protection) Act, 1999

² Section 1(3)(e) Geographical Indications of Goods (Registration and Protection) Act, 1999

geographical territory) have an exclusive right to usage of the GI tag. It also provides better legal protection as it can be used as *prima facie* evidence³ for action for infringement.

Geographical Indications Of Goods (Registration And Protection) Act, 1999:

Under this Act, Darjeeling Tea has become the first product to obtain a GI Tag in India. India follows the International Classification system where there are classes between 1 to 34. The Act contains IX Chapters comprising of the register and conditions for registration (sections 3-10), procedure and duration of registration (Sections 11-19), the effect of registration (Sections 20-24), offenses, penalties, and procedure (sections 37-54), etc. It also contains certain special provisions to trademarks (sections 25 and 26) that provide protection to trademarks and prohibit the usage of the geographical indication as trademarks. The act also talks about homonymous geographical indications.

Difference between a trademark and a geographical indicator:

Before understanding the legal framework of the act protecting Geographical Indicators, it is vital to understand the distinction between the two. While a geographical indicator is used to identify a good with special characteristics originating from a definite territory, a trademark is a sign, a symbol, or a phrase that is mainly used to distinguish goods and services produced by one enterprise from those of others i.e., it is proprietary in nature. A geographical indicator tends to include the name of the place of origin of the goods while a trademark does not. A trademark gives an entity the right to prevent others from using it whereas a geographical indicator is collectively used by all the producers making the product in the location designated by the Geographical Indicator.

Qualifications to apply for Geographical Indicator:

Under section 11, Any association of persons or producers or any organization or authority established by or under any law for the time being in force representing the interest of the producers of the concerned goods, who are desirous of registering a geographical indication concerning such goods shall apply in writing to the Registrar in such form and such manner and accompanied by such fees as may be prescribed for the registration of the geographical indication⁴.

³ Section 23 of Geographical Indications of Goods (Registration and Protection) Act, 1999

⁴ Section 11 of Geographical Indications of Goods (Registration and Protection) Act, 1999.

Process of Registration of Geographical indicator:

Filing the application:

Section 11 of the Geographical Indications of Goods (Registration and Protection) Act, 1999, which further has seven sub-sections, lays out the procedure and the process to successfully register a Geographical Indicator. The first step would be filing an application for registration. It must be made in the prescribed format i.e., the right form between G1-G4 must be filled based on the circumstance before the Registrar of Geographical Indications. As mentioned above, the registration can be made by any group producers or association of persons or authority or by an authority established under law. The prescribed amount of fees should also be paid during the filing of the application.

What the application contains:

Section 11 (2) of the Geographical Indications of Goods (Registration and Protection) Act, 1999, talks about the contents of the application. It should firstly contain a statement explaining how the geographical indicator serves to designate the goods as originating from the concerned territory of the country or region or locality in the country in respect of specific quality, reputation, or other characteristics of which are due exclusively or essentially to the geographical environment, with its inherent natural and human factors, and the production, processing or preparation of which takes place in such territory, region or locality. It should also mention the class of goods the product if question belongs to. Certified territories of the maps should also be provided.

It should further contain the details pertaining to the appearance of the geographical indication (i.e., if it is comprised of words or figurative elements or both), the particulars of producers, the number of producers, a textual description of the proposed boundary, the growth attributes, special skills (if any), particulars of inspections (if necessary), etc. It should specify the standard benchmark or other characteristics of the GI and lastly an affidavit made by the applicant claiming to represent the interest himself.

Examination by the Registrar:

The next step of the procedure is governed by section 11(5) of the Geographical Indications of Goods (Registration and Protection) Act, 1999. It explains how the Registrar will make scrutiny for deficiencies. If there are any discrepancies to be found, the registrar grants the applicant a month from the date of application to remedy them so as to continue the procedure.

It is also important to note how the registrar has the exclusive power (subject to the provisions of this act) to refuse the application, make amendments, apply conditions, set boundaries and limits, and take actions that he seems fit. In the case of refusal, the registrar specifies the grounds for non-acceptance through a written document. The applicant is expected to file a reply within two months of the refusal. As the last step, the Registrar shall, within three months of acceptance may advertise the application in the GI Journal⁵. Lastly, if there is no opposition, the Registrar will proceed to grant a certificate of registration to the applicant and authorized users⁶.

Other important aspects of Registration:

Duration: Under Section 18 (1) of the Act, the registration of a Geographical Indicator is valid for a period of ten years and can be renewed from time to time.

Renewal: Under section 18(3), the registrar can renew the registration of the geographical indicator for a period of ten years, if an application is made in the prescribed form and if the prescribed fee is paid within six months from the expiration of the last registration of the geographical indication.

Removal: Failure of submission of a receipt of application and failure of making the payment of subscribed amount may lead to the removal of geographical indication from the Register. However, for the purpose of any application for the registration of another geographical indication for one year (i.e., a year after the expiration), may be considered to be a geographical indication already on the register, unless there seems to be no bona fide trade use of the geographical indication which has been removed within the two years immediately preceding its removal and no deception or confusion would be likely to arise from the use of the geographical indication⁷.

Restoration: Upon completion of a period of ten years, failure of the non-payment of the subscribed amount for renewal, a geographical indication may be removed under section 18 of the Act. However, the registrar, after a span of six months or within a year from the expiration of the last registration, restores the geographical indication upon submission of receipt of application and payment of the subscribed fee. The restoration may either happen generally or

⁵ Section 13 of Geographical Indications of Goods (Registration and Protection) Act, 1999.

⁶ Section 16 of Geographical Indications of Goods (Registration and Protection) Act, 1999.

⁷ Section 19 of the Geographical Indications of Goods (Registration and Protection) Act, 1999.

be subjected to a few conditions or limitations that should be obeyed during the next span of ten years.

Effect of Registration to the Authorized Users:

Any group of producers or an organization is not entitled to institute any proceeding to prevent or to recover damages for the infringement of geographical indication unless the indication is registered⁸.

Rights conferred by Registration:

Section 21 of the Geographical Indications of Goods (Registration and Protection) Act, 1999, explains the rights that be exercised by an authorized user upon the registration of a geographical indication. They are mentioned below:

- (a) The right to obtain relief in respect of infringement of the geographical indication in the manner provided by the act.
- (b) The exclusive right to the use of the geographical indication in relation to the goods in respect of which the geographical indication is registered.

Registration also acts as prima facie evidence for the validity of a Geographical Indication, and it cannot be transferred, mortgaged, assigned, or licensed, except in case of inheritance of the mark upon the death of an authorised user⁹.

Infringement of a registered Geographical Indication:

Section 22 of the Act¹⁰ lays down the scenarios in which infringement occurs. the Infringement can occur when a user, who is unauthorized makes use of the geographical indication. This may take place in three scenarios:

- a) when the designations or presentation of goods suggest or indicate that such goods originate from a geographical area other than the true place of origin of the goods in question, in a way that would mislead the consumers in regard to the geographical origin of such goods.
- (b) when a user makes use of a geographical indicator in such a manner which constitutes an act of unfair competition including passing off in respect of registered geographical indication. Considering the broadness of the term ‘unfair competition, the GI Act specifies how this clause

⁸ Section 20 of the Geographical Indications of Goods (Registration and Protection) Act, 1999.

⁹ Section 24 of the Geographical Indications of Goods (Registration and Protection) Act, 1999.

¹⁰ Section 22 of the Geographical Indications of Goods (Registration and Protection) Act, 1999.

means an act of competition that is deemed to be contrary to honest practices in the commercial or industrial matters i.e. if the act manages to create confusion with the goods of that of the authorized user, etc.

(c) when a user uses another geographical indication to the goods which, although literally true as to the territory, region, or locality in which the goods originate, falsely represents to the persons that the goods originate in the territory, region or locality in respect of which such registered geographical indication relates.

Penalty for the false usage of Geographical Indicator:

Section 39 of the Geographical Indications of Goods (Registration and Protection) Act, 1999, stipulates the situations when an unauthorized user has falsely taken advantage of a registered Geographical Indicator. This section explains how a user could falsify a geographical indicator or falsely apply the Geographical indicator to goods; dispose of or have in possession machinery, blocks, or plates that exist for the purpose of falsifying a geographical indication; falsely applies to his own goods an indication from other country where the goods registered under the indications are produced (can be addresses, name of the place, etc.) or lastly tampers with, alters or effaces an indication of origin which has been applied to any goods with an intention to defraud shall be punished under the above-mentioned section. If his intention to commit the act has been proved, the offender shall be punished with imprisonment for a term that is not necessarily less than a period of six months and may extend up to three years along with a fine. The minimum amount of fine that can be imposed can be at least fifty thousand but not be more than that of Two Lakh Rupees.

Penalty for selling goods to which false Geographical Indication is applied:

Section 40 of the Geographical Indications of Goods (Registration and Protection) Act, 1999, explains how if a person sells or lets for hire or has in possession for sale goods to which he had falsely applied geographical indicators shall be punishable with imprisonment of six months that may be extended up to a period of two years along with a fine of Fifty thousand that may be extended up to two lakh rupees.

Penalty for falsely representing a geographical indication as registered:

Section 42 of the Geographical Indications of Goods (Registration and Protection) Act, 1999, specifies how if a person makes the representation of a registered geographical indicator, when the indication is in fact not registered may be punished with imprisonment and fine with the

same term as mentioned for the two instances above i.e., imprisonment of six months that may be extended up to a period of two years along with a fine of Fifty thousand that may be extended up to two lakh rupees.

Occurrence of Forfeiture of Goods:

When a person is convicted for committing an offense under sections 39, 40 and 41 of Geographical Indications of Goods (Registration and Protection) Act, 1999, the Court directs the forfeiture to Government of all goods and things by means of, or in relation to, which the offense has been committed.

Understanding Homonymous Geographical Indicators

The geographical indicators that are pronounced or spelled the same but identify products that originate from different places (most probably in different countries) are known as homonymous geographical indicators. The coexistence of the Homonymous geographical indicators is possible when they do not fail to follow certain conditions. For instance, additional information must be provided in regard to the origin of the product so as to avoid misinforming the consumers and enable them to buy the intended product. A Geographical Indication may be refused protection if, due to the existence of another homonymous indication, its use would be considered potentially misleading to consumers with regard to the product's true origin¹¹.

From a legal point of view, homonymous geographical indicators can be subjected to provisions of section 7 and under section 10 of the Geographical Indications of Goods (Registration and Protection) Act, 1999. The registration may happen when the registrar is content after the application of the practical conditions under which the homonymous indication in question shall be differentiated from other homonymous indications. The Act also ensures "equitable treatment of the producers of the goods concerned, that the consumers of such goods shall not be confused or misled in consequence of such registration"¹².

Challenges caused to the Geographical Indicators post the GI Act:

Now that the essential elements of the Geographical Indications of Goods (Registration and Protection) Act, 1999, have been explained, it is vital to understand the challenges the act is imposing.

¹¹ WIPO, Geographical Indication- An Introduction. 2012.

¹² Geographical Indications of Goods (Registration and Protection) Act, 1999

The GI Act has been instrumental in extending the rules of Geographical Indication to goods produced in India. Unlike the TRIPS agreement, the GI Act does not limit the special protection to wines and spirits, it provides protection to all kinds of goods as explained above. That being said, it has become difficult for the producers of agricultural products to obtain GI protection. Section 9 of the Act, which prohibits registration of GIs which are determined to be generic names or indications of goods, says that an indication becomes generic when it goes back to the public domain and is not or has ceased to be protected in their country of origin, or which has fallen into disuse in that country¹³. The discretion to decide the genericness of a geographical name has been exclusively given to the country of origin by the TRIPS, therefore making the government and WTO members in charge of making the decision. It would be ideal to keep the scope of genericide as narrow as possible¹⁴. The Courts of India should be given the opportunity to decide whether a geographical Indication has become generic. The decision should be based only on the situation in India and not all the places of consumption because, considering the number of areas of consumption, any geographical indication is bound to be considered generic. In India, Registration not being mandatory is also a cause of concern.

Background on the TRIPS Agreement:

The protection of Geographical Indicators under the TRIPS Agreement had become an area of contention mainly because of two aspects. The first being extension of a higher level of enhanced protection to products other than wines and spirits establishment of a multilateral system of notifications and registration of wines¹⁵. Thus can be understood better with a little perspective on the history of provisions for Geographical Indication presented on the TRIPS Agreement.

In 1986, the Uruguay Round of GATT negotiations began. This was the time when India's development policy-making process was at a critical point. These negotiations ultimately led to the establishment of WTO (World Trade Organization) in 1994. While India remained passive during the initial rounds of the negotiations, it later wanted to extend protection under 'Geographical Indication to other products along with wines and spirits at Doha Declaration. Twenty-three countries including Bulgaria, Turkey, Jamaica, Tunisia, Thailand, Sri Lanka, etc. wanted the same i.e., to extend a higher level of protection to other products by

¹³ Shilpi Kumari, Geographical Indications Laws In India: Challenges And Issues - Intellectual Property – India, 2021.

¹⁴ Id

¹⁵ C. Niranjan Rao, Geographical Indications in Indian Context: A Case Study of Darjeeling Tea.”. 2005

extending the ambit of Article 23 to cover all goods and not just wines and spirits. They believed that a higher level of protection would improve their marketing strategies as their products would be differentiated more effectively from their competitors.

There were some countries that opposed the idea. They argued that the existing level of protection provided by Article 22 of the TRIPS Agreement was adequate. Article 22 provides a basic definition and general level of protection for the geographical indicators. and. The countries contended that providing enhanced protection would be a liability and would interrupt current appropriate marketing practices. Countries such as Argentina, Australia, Chile, Canada, Guatemala, United States, and Uruguay continued to be strongly opposed to any 'extension'. Due to the wide divergence of views among WTO members, not much progress has been achieved in the negotiations and the same remains as an 'outstanding implementation issue'¹⁶.

International Challenges for Geographical Indication :

In recent times, Geographical Indications are considered to be an emerging trend in Intellectual Property Rights (IPR). IPR protection has become very prominent. Developed countries possessing a vast expanse of intellectual properties such as high knowledge-based technologies, aim to safeguard their self-interest by the IPR conventions. It is their belief that the IPR protection is seemingly inadequate which could possibly lead to Intellectual Property piracy. This ultimately led to the Developed countries possessing geographical indication products to personally enacted laws in their countries to protect their genetic resources.

For instance, Thailand had enacted a sui generis Geographical Indication protection system. The aim of this system is to mitigate the problem of exploiting origin-based names. Further, the Act was enacted not only due to the requirements of the multilateral trading framework but also due to biopiracy related to its widely known Thai jasmine rice. The biopiracy issue was seen as the main driving force accelerating the process for enacting the GI law¹⁷. However, as observed by Sudhir Ravindran and Arya Mathew in their publication, "increased trade liberalization through bilateral FTAs and RTAs with economies such as the United States and the attempt to protect its national "assets" by obtaining a patent for the rice genes in the USPTO have created a situation that has started to challenge GI protection in Thailand"¹⁸. This is mainly

¹⁶ Sudhir Ravindran; Arya Mathew "The Protection of Geographical Indication in India – Case Study on 'Darjeeling Tea'", (2009).

¹⁷ Id

¹⁸ Id

caused due to the limited protection period for patents registered in the United States, which is only up to twenty years.

Conclusion:

Internationally, the current situation of extending special protection under Article 23 of the TRIPS Agreement has been placed in a state of limbo. To eradicate the above-mentioned issues, it is imminent to initiate negotiations that not only involve the ongoing request pertaining to the extension of protection of geographical Indicators but other pressing issues too. It is to be noted that the outcome of such negotiations might be unexpected. In the context of India, as WTO members are not obligated to ensure Article 23 (special protection) to all Indian GI, it is ultimately leaving room for their misappropriation in the international arena.

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