

LAW OF GEOGRAPHICAL INDICATIONS IN INDIA: AN EVOLVING INTELLECTUAL PROPERTY

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The Geographical Indications (GI) were first recognized as a separate type of Intellectual Property Rights (IPRs) by the Agreement on Trade Related Aspects of Intellectual Property Rights (TRIPS). The TRIPS form part of the World Trade Organization (WTO) Agreements and were signed after the Uruguay Rounds in 1994.

GI UNDER TRIPS

The definition of “geographical indications” under TRIPs states that GIs are “*indications that identify a good as originating in the territory of a Member, or a region or locality in that territory, where a given quality, reputation or other characteristic of the good is essentially attributable to its geographic origin.*”

1. **Article 22** of the TRIPS Agreement compels governments of all member States to provide for a legal mechanism under its municipal law regime that allows the proprietor of a registered GI to prevent infringement of GI, that is, the use of marks to mislead and deceive the public as to the geographical origin of the good. This includes preventing the use of a name of a geographical territory, which although literally true, “falsely represents” that the product comes from somewhere else.

The same article also provides the governments with an option to refuse to register a trademark or to invalidate an existing trademark if it misleads the public as to the true origin of a good.

2. **Article 23** provides additional protection for GIs tagged to wines and spirits. The article compels all governments of member States to enact a municipal law under which the

- owners of GI will have the right to prevent the use of a GI identifying wines not originating in the place indicated by the GI. This applies even when the public is not being misled, when there is no unfair competition and where the true origin of the good is indicated or the GI is accompanied by expressions such as “kind”, “type”, “style”, “imitation” or the like.

Article 23 also says that governments may refuse to register or may invalidate a trademark that conflicts with a wine or spirits GI whether the trademark misleads or not.

- Article 24** of TRIPS provides numerous exceptions to the protection of GI. The exceptions are particularly relevant for GIs for wines and spirits. For example, members are not obliged to protect a GI where it has become a generic term for describing the product in question. Measures to implement these provisions should not prejudice prior trademark rights that have been acquired in good faith, and, under certain circumstances, including long-established use, continued use of a GI for wines or spirits may be allowed on a scale and nature as before.

GI BEFORE TRIPS

Before signing of the TRIPs, GIs were protected under the following agreements:

- Article 1 of the Paris Convention, 1883**, which allowed the protection of indications of source of products and prevention of unfair competition. Article 10 of the Paris Convention provided for prohibition of direct or indirect use of a false indication of the source of goods or the identity of the producer, manufacturer or merchant.
- The Madrid Agreement, 1891** endorsed the same provisions as enumerated by the 1883 Paris Convention. It also stated that when the special qualities of a product are due to its source of origin, such a source could be indicated to describe and ensure the quality of that product.

The term “indication of source” was used in the Paris Convention and the Madrid Agreement. There is no definition of “indication of source” in the two treaties. However, an indication of source may be defined as an indication referring to a country, or to a place in that country, as being the country or place of origin of a product. The indication of source relates only to the geographical origin of the product and not to another kind of origin. This definition does not capture any unique quality or characteristics of the product on which indication of source is used.

“Appellation of origin” is well-defined in the Lisbon Agreement of 1958. The Lisbon Agreement establishes an international system of protection for appellations of origin which are already protected under the national law of one of the States party to that Agreement. Protection is subject to the international registration of that appellation of origin. Article 2(1) of the Lisbon Agreement defines the term “appellation of origin” as follows: *“Appellation of origin means the geographical name of a country, region, or*

locality, which serves to designate a product originating therein, the quality and characteristics of which are due exclusively or essentially to the geographical environment, including natural and human factors.” Under this definition, an appellation of origin can be defined as a specialized indication of source because the product for which an appellation of origin is used must have quality and characteristics which are due exclusively or essentially to its origin. Examples for protected appellations of origin are “Bordeaux” for wine, “Noix de Grenoble” for nuts, “Tequila” for spirit drinks, or “Jaffa” for oranges.

- 3. The Lisbon Agreement, 1958**, provided for the first time for the protection of Appellations of Origin and their international registration. It is the true precursor to the provisions under TRIPS. The Lisbon Agreement for the first time recognized that both natural and human factors could be involved in ensuring qualities of a good even when it originated from a particular region. It therefore proposed the inclusion of any product which would qualify for such protection including handicrafts, art, pottery, textiles etc.

INDIA BEFORE THE GI ACT

The development of a legal regime for GI protection is a recent event in India. The Geographical Indications of Goods (Registration and Protection) Act was enacted in 1999. The same came into force in September 2003. Before the enactment of this Act, there was no separate law specifically for GIs.

However, the concept of GI protection existed in three alternative ways. These were part of the existing legal system and allowed holders to prevent misuse of GIs.

1. Under the consumer protection laws 2. Through passing off action in courts

The principle of passing-off states that ‘No-one is entitled to pass off his goods as those of another’. The purpose of having legal remedies for passing off, is to protect the name, reputation and goodwill of traders or producers against any unfair attempt of others to free ride on them. India, like other common law countries, does not have a statute specifically dealing with unfair competition. Acts of unfair competition are prevented and stopped by action against passing off.

Action against “passing off” is based on usage and common knowledge about the characteristic features and quality or reputation that the concerned product has already earned in the market either by publicity or in the market. Indian courts have maintained an action of passing off to protect various GIs.

*Scotch Whisky Association v. Pravarra Sahakar Karkhana Ltd.*¹ is a leading case on this subject. The plaintiff, Scotch Whisky Association, is a company incorporated in United Kingdom. It instituted the passing off action against the defendants, a manufacturer of various brands of Indian Whisky like ‘blended scotch whisky’ or Blended with Scotch’ under various brand names like ‘Drum Beater’ and ‘God Tycoon’. The Bombay High Court held that the Plaintiff had “*sufficient interest to prevent passing off of Indian Whisky manufactured by the defendant and to prevent damage to reputation and goodwill of Scotch whisky. The defendants were passing off their goods*

¹ AIR 1992 Bom 294.

as blended Scotch whisky which in fact they were not.” An interim injunction was issued against the defendants. The Court further ruled that the defendants had resorted to unfair means by using the words ‘Blended with Scotch’ and indulged in colorable imitation and unfair trading in an attempt to harvest unjust benefits by appropriation of plaintiff’s goodwill. The defendant was prohibited from advertising or offering for sale or distributing in any country.

3. Through certification trademarks

The certification trademarks were widely used to recognize and protect the indication of sources. In India, the most common geographical name protected under certification trademarks was “Darjeeling Tea”.

A certification trademark is a mark, the use of which is governed by the proprietor of the mark. A certification mark certifies the goods as to their origin, material, mode of manufacture, or performance of services, quality accuracy or other characteristics. It is these factors that the use of the mark is allowed. Under the certification mark system, the proprietor of the mark proposes to merely govern the use of the mark. He himself does not use. He furnishes the application of registration of the mark, subject to a set of elaborate regulations detailing the process of certification for the use of the mark in relation to the goods in question.

It is imperative that the person claiming proprietorship over a certification mark does not use the same for goods or services in which he has an interest. Certification marks are usually held by a central agency or association to administer the mark in question. It acts as the certifying authority that authorizes the use of the mark by producers and manufacturers in relation to their own goods. ‘Certification trademarks’ are registerable under the Trade Marks Act of India. India has an established “silk mark” to certify genuineness of silk textiles in India and Darjeeling, a certification mark for a specific type of tea produced in Darjeeling. The products have to satisfy the set quality standards. Similarly, “WOOL MARK” certifies that the goods bearing it are made of 100% wool. The “LABEL ROUGE” is used for high quality agricultural products in France.

LAW OF GEOGRAPHICAL INDICATIONS IN INDIA

India, as a founding member of the WTO, signed the TRIPS Agreement in 1994. The same came into effect on 1 January, 1995. Pursuant to this a became a party to the *sui generis* law was enacted to introduce a mechanism for creation and protection of Geographical Indications as a separate variety of Intellectual Property.

Geographical Indications of Goods (Registration and Protection) Act, 1999 (the GI Act), read with the Geographical Indications (Registration and Protection) Rules, 2002 (the GI Rules), govern GIs in India. The law came into force in 2003. It was enacted for three reasons:

Reason #1: To govern the GIs of goods across the country in the interest of producers of these goods.

Reason #2: To guard the misuse of GIs in the interest of consumers, that is, to protect them from deception.

Reason #3: To promote India specific goods bearing GI tag of India, in the export market.

A. GI Act: An Overview

The GI Act chiefly provides for registration and better protection of geographical indications relating to goods. It prohibits unauthorized persons from using geographical indications thereby preventing its misuse. This protects the interest of producers, manufacturers and thereby the consumer. Moreover, unless a GI is protected by its country of origin, there is no obligation on other countries to extend protection. Article 22 of the TRIPs agreement works on the principle of reciprocal protection.

The GI Act is divided into nine chapters:

- Chapter-I is a preliminary chapter, which inter alia, defines the terms used in the Act.
- Chapter II deals with the appointment, powers and establishment of Registry. It also provides for registration for particular goods and areas and prohibits certain registrations.
- Chapter III provides the procedure and duration of registration.
- Chapter IV gives the effect of registration
- Chapter V contains special provisions relating to trademark and describes the concept of prior user
- Chapter VI provides the procedure for rectification and correction of the Register
- Chapter VII relates to appeals and the Appellate Board
- Chapter VII details the penalties and procedure
- The last Chapter IX deals with miscellaneous matters

B. Salient Feature of GI Act

1. The Act provides definitions and interpretation of several important terms like geographical indications goods, producers, package, registered proprietor, authorized user etc.
 - Section 2(1)(e) defines Geographical Indications as “*an indication which identifies such goods...as originating, or manufactured in the territory of country, or a region or locality in that territory, where a given quality, reputation or other characteristic of such goods is essentially attributable to its geographical origins.*” In case of such goods being manufactured goods, “*one of the activities of either the production or of processing or preparation of the goods concerned*” has to take place in such territory, region or locality, as the case may be.
 - Section 2(1)(f) defines goods as “*agricultural, natural or manufactured goods or any goods of handicraft or of industry and includes foodstuff.*”
 - Section 2(1)(g) defines indications to include “*any name, geographical or figurative representation or any combination of them conveying or suggesting the geographical origin of goods to which it applies.*”

- Section 2(1)(n) defines a registered proprietor as “any association of persons or of producer or any organization for the time being entered in the register as proprietor of the geographical indication.”
 - Section 2(1)(b) defines an authorized user to mean “*the authorized user of a GI Registered under Section 17.*”
“Any person claiming to be a producer of the goods in respect of which a geographical indication has been registered may apply for registration as an authorized user.”
2. The Act provides for the establishment of a GI Registry under section 5 and 6. The government had notified a Geographical Indications Registry at the Intellectual Property Office Building, G.S.T. Road, Guindy, Chennai. The registry has a pan-India Jurisdiction. Application or any other document is to be filed directly in the GI Registry. It may be done physically or by post.
 3. The Act provides for maintenance of a Register of Geographical Indications in two parts. Part A is to contain all registered GIs and part B is to contain details of the registered authorized users
 4. Under section 11 (3), GI Act provides for registration of GI of goods that are divided into different classes with different fees prescribed for application.
 5. The Act provides for filing of four types of applications for registration of GI:
 - Ordinary Application: An Application which is filed to register a GI of Indian origin
 - Convention Application: An Application filed for registration of a GI from a convention country (member country of the TRIPS), along with proof of registration / filing of that GI in the Home Country.
 - Single Class Application: An application which has been filed to register for a specification of goods included in one class.
 - Multi Class Application: A single application filed for registration of GI for different or more than one classes of goods.
 6. Under section 9, the GI Act prohibits registration of certain GIs. Among other things, registration of GIs containing scandalous or obscene matter, generic names, etc., are not registered.
 7. The Act provides for conditional registration of proposed GI and imposes a compulsory advertising requirement. The objective is publication to invite objections post which the registration is accepted or cancelled. The same requirement is imposed for proposing changes to an already registered GI.
 8. The Act makes a distinction between producers of goods, registered proprietors of the GI and authorized users of GI. Producers may either register themselves as proprietors or
 9. authorized users. Both proprietors and users can initiate infringement action. The registration of GI and registrations as proprietor and authorized users is maintainable for a duration of ten years post which they can be renewed.

10. The Act contains multiple provisions for the renewal, rectification and restoration of GI and its authorized use
11. Under section 22 (2), the Central Government may notify certain goods for which it may prescribe a higher level of protection.
12. The GI differs from other IPs on a very key factor. While other IP's like trademarks, patents, copyright, etc., become the personal property or the company, inventor or author respectively, GI's remain the property of the public belonging to the territory to which the GI is associated. Hence the GI Act, under Section 24, prohibits assignment, transmission, licensing, mortgage, etc., of the GI.
13. Under section 25, the GI Act prohibits of registration of geographical indications as a trade mark
14. Appeal against registrar decisions can be filed before the Appellate Board. The Appellate Board is same as the one set up under section 83 of the Trade Marks Act, 1999.
15. The Act provides for various Provisions offences and penalties, effects of registration and the rights conferred by registration
16. Section 85 provides for the principle of reciprocity. It also provides for power of registrar, maintenance of index, etc.
17. Section 10 provides for registration of homonymous GI. There are GIs with the same spelling and pronunciation but different meanings.

C. Rights conferred by the GI Act

Registration of a GI allows the proprietor and the authorized user to exercise the following rights:

- Right to file a suit and obtain relief in cases of infringement of the GI
- Exclusive right to use the GI in relation to the goods pertaining to which the GI is registered.
- The Act allows two or more authorized users of a registered GI to have co-equal rights **D.**

Reliefs and Remedies for GI Infringement

A suit alleging infringement of a GI may be filed in a District Court or a High Court having jurisdiction.

The Courts may provide the following reliefs:

- Injunction.
- Discovery of documents.
- Damages or accounts of profits.
- Delivery-up of the infringing labels and indications. They may be erased or destroyed.

The following remedies are available for GI infringement:

- Both civil and criminal remedies are available
- Criminal action lies in case of falsification and false application of GI • Civil action lies in case of infringement of a registered GI

E. Indian Case Studies

1. **Pochampally Ikat:** Pochampally Ikat was first registered as a word wide GI Registration No. 562 in 2004. Post this the government of Andhra Pradesh registered another GI tag 2017 by registering the Pochampally Ikat Logo. Pochampally Ikat is visually identified by the çakra design which is a diamond with square, or its derivatives, having different edges.
 - Pochampally Ikat originates from the region of Nagolda and parts of Warangal districts in the state of Telengana. It is a design of diffused diamond and chakras that is weaved on natural cotton or silk or a combination of both.
 - The process involves tying and dyeing of the threads in the visualized design post which the threads are weaved into the fabric.
 - The product is highly demanded in both the domestic and international market. After registration of Pochampally Ikat(word) in the year 2004, the artisans grabbed the attention of media. A robust promotion mechanism was put in place which lead to increase in the market of Pochampally Sarees.

2. **Banaganapalle mangoes:** The product received its GI tag in the year 2017. The logo decided by the government features a bright yellow fruit around which the tagline says "Banganappalle Mangoes of Andhra Pradesh," with images of a man and a woman appearing to be farmers.
 - Anyone wanting to sell or cultivate the mangoes must now apply to become authorized users. They need to obtain a no-objection certificate (NOC) from Horticulture Development Agency, Represented by Commissioner of Horticulture, Government of Andhra Pradesh.
 - The unique selling proposition of the fruit is that it can preserve its quality under cold storage up till three months. The documents submitted to the Registry stated '*The prominent characteristic of Baganapalle mangoes is that their skin has very light spots, stone is oblong in shape and has very thin seed with sparse and soft fiber all over*'.
 - The Government stated the primary center of origin to be Kurnool District comprising Banaganapalle, Paanyam and Nandyal mandals and Khammam, Mahabubnagar, Rangareddy, Medak, Adilabad districts in Telangana as secondary centers of origin.
 - Nearly 7,68,00 families are engaged in the production of Banaganapalle mangoes. Approximately 24.40 lakh metric tons of mangoes are cultivated every year in Andhra Pradesh and about 5,500 tons of Banganappalle mangoes are exported to countries like the U.S., U.K., Japan and the Middle East.

3. **Gobindobhog Rice:** The West Bengal government was granted GI Tag for vide registration No. 531. The rice is a native, aromatic, non-basmati premium variety rice from

4. West Bengal, which is being cultivated in the area since 300 years. It is short white grains, sticky rice having a sweet buttery flavor and pleasant aroma. It is named after Govindajiu, the family deity of Setts of Kolkata. The rice is the chief ingredient used in offerings made to the deity.

- The application for registration was filed by the state government of West Bengal in August, 2015. The Gobindobhog Rice is native to the Burdwan district of West Bengal. The region is known as the rice bowl of West Bengal due to this reason.
 - The rice is predominantly cultivated in East Burdwan district - in the southern basin of the Damodar River in the Raina 1, Raina 2 and Khandaghosh blocks. It was cultivated in an area of 35 hectares last year. Of this, 20 hectares were spread over of Raina 1 and Raina 2 blocks.
 - The unique selling proposition of this type of rice is that it is cultivated late. It is sown after the rainy season, and therefore it is not affected by monsoons. It is also less prone to pest infestation. The price of the variety is high and so is its productivity, that is, yield rate is high as compared to other varieties of rice.
 - The state government by registering the GI tag, have ensured that the different varieties of rice from the same region cannot be branded as 'Gobindobhog Rice'. The tag is also expected to give a positive thrust to the marketability of the Gobindobhog Rice in the domestic and international market which would result in better profits for the state and also more importantly for the stakeholders involved.
- 4. Khandhamal Haldi:** Turmeric has been grown and used in Asia for a long time. Historically, it has been used as a major ingredient in Ayurvedic, Unani and traditional Chinese medicinal preparations. On January 11, 2018, Kandamal Apex Spices Association (KASAM) filed application for Kandhamal Haldi for GI registration vide application no. 610.
- Kandhamal Haldi is part of the Curcuma botanical group, which is a part of the ginger family called the Curcuma Longa.
 - Kandhamal is a district in Odisha which is centrally located. Annually about 14,900 hectares of turmeric is grown in the district with a production of about 34270 MT.
 - Khandhamal stands second in the district wise coverage of turmeric in India next to Karimnagar district of Andhra Pradesh.
 - KASAM in its application has highlighted that turmeric is the main cash crop on which the economically backward tribal farmers of the district depend. Further Kandhamal turmeric is farmed organically without the use of any chemical fertilizers and pesticides.
- 5. Banarasi Brocade and Sarees:** The GI application for Banarasi Brocade is a joint application filed by 9 organisations. The Banarasi Brocade refers to weaving of brocades with intricate designs using gold and silver threads. It has been in Benaras since 14 century
- 6. AD.** However, today, the product is under threat and GI is not proving to be a sufficient enough protection. Cheap imports of raw material have led to the sale of Kela saris, in the name of Banarasi saris. These use banana tree resin to create threads which are then polished to give the look of silver or gold thread. Cheap Chinese imitation saris are flooding the market. Additionally, the domestic competition has increased tenfold rise in the district

of Varanasi itself. The GI holders themselves are engaged in producing cheap imitation products in large numbers to meet the growing demand and combat the competition in the market.

GI enforcement under the law is not being opted for because of an absence of will on the part of GI holders to take action against the imitators. Despite the stakeholders being aware of the disastrous impact of sales of fake saris, there is a forced silence.

ADVANTAGES OF GI AND THE CHALLENGES AHEAD

Applications for GI registration are usually made by groups of cultivators or manufacturers of the product in question. It is also filed by an arm of the state or Central government on their behest .

Advantage #1: One clear advantage of registering a GI is that it brings everyone dealing with the product together. All who have claim on the product can be recognized in the GI Registry.

Advantage #2: GI has proved to be an essential tool to protect the interests of small and marginal farmers, craftsmen and manufacturers,

Advantage #3: The GI is also helpful in preserving the link of a product to a specific region. It helps in safeguarding the culture and tradition attached to the region.

However, India is yet to leverage the full potential of a GI. The European Union as a trade bloc, among other nations, has made best use of GI as an IP tool.

Challenge #1: GI has not proved to be a financially remunerative IPR like patents. The Darjeeling Tea has gained some commercial ground in the international market. The Mysore Agarbathi is however, not a success story yet. It accounts for a 15 to 20% of a 6,000 crore industry.

Challenge #2: GI in India is not followed by a rigid quality control maintenance mechanism. The GI Act lays no emphasis on inspection and monitoring mechanisms for GI protection.

Rule 32(6)(g) of the GI Rules and Form GI-1 as part of the same rules makes a cursory reference to inspection mechanism. While Rule 32(6)(g) requires an applicant to list particulars of the inspection structure, “if any”, to regulate the use of the GI, Form GI-1 asks for the details of an “Inspection Body.” This has not proved to be sufficient enough to maintain export quality.

Challenge #3: There is no mechanism to institute a GI infringement suit by a proprietor against a co-proprietor. As in the case of Banarasi Brocades, there is no scope for protection when authorized users and GI holders chose to dilute the GI.

CONCLUSION

GIs have travelled a long way since 1994 to be recognized under legal regimes, both international and municipal. In India, GIs are still IPRs at nascent stage. There is immense scope for their commercial exploitation and legal protection. With more cases being filed for GI infringement and protection, the law governing the same is bound to gain strength.

The strengthening of GI regime can however, be catalyzed by the government. The recent government policy of promoting one product from one district across India, is a tailor made scheme

for GI strengthening. With a little support from the government, the GI space is set to grow and evolve into its European counterpart.

