

Reputation as Expressed in the Canadian Law of Geographical Indications

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ABSTRACT

Reputation is a core concept in geographical indications. It has been a substantive element in defining geographical indications since their international recognition in the 1994 Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS). In addition to TRIPS, which required member states, including Canada, to only regulate geographical indications for wine and spirits, the trade agreements which Canada signed, such as the 2014 Canada-Korea Free Trade Agreement and 2016 Canada-European Union Comprehensive Economic and Trade Agreement (CETA), required Canada to amend its Trademarks Act to include geographical indications for various food and agricultural products. However, none of these agreements required Canada to change the definition of geographical indications. The main argument in this article is that there is no geographical indication without satisfying the evidence of reputation. In Canada, a request to register geographical indication must be submitted directly to the Canadian Intellectual Property Office (CIPO), which then rigorously examines the application. Even though there has not been much litigation involving geographical indications in Canada, it is clear from the legislation that an applicant can provide evidence of reputation during the application process sufficient to support the awarding of geographical indication protection as declared in the Canadian statute. The decision in Canadian 2021 *Champagne v Sugarfina, Inc.* shows that the evidence of reputation was vital in protecting the Champagne geographical indication.

A. THE ARRIVAL OF GEOGRAPHICAL INDICATIONS IN INTERNATIONAL LAW

(a) The origin of the term

Article 10(1) of the original 1883 Paris Convention notes

The provisions of the preceding Article shall apply to any goods which falsely bear as an **indication of source** the name of a **specified locality**, when such indication is joined to a trade name of a fictitious character or used with fraudulent intention.¹

However, despite inclusion of “indications of source” and “specified locality” to any goods of industrial property, the 1883 Paris Convention did not include any provisions related to their governance.

The concepts of indications of source and appellations of origin had been emerging in Europe (and, particularly,

in France) since the eighteenth century.² Particularly in the case of the initial French preoccupation with protecting “Champagne” through legislation in the nineteenth century, Dev Gangjee has noted that “[r]eputation and quality were not central to the enquiry”³—“the initial emphasis [was] on physical geography in wine regulation systems.”⁴

The name Champagne (a wine region in France) and wines produced from the specific type of grapes grown in the Champagne region have been legally protected in the European countries since the 1891 Madrid Treaty.⁵ Article

¹ Paris Convention for the Protection of Industrial Property 20 March 1883, as revised at Brussels on December 14, 1900, at Washington on June 2, 1911, at The Hague on November 6, 1925, at London on June 2, 1934, at Lisbon on October 31, 1958, and at Stockholm on July 14, 1967, and as amended on September 28, 1979, 828 UNTS 305 [Paris Convention] <https://www.wipo.int/wipolex/en/text/288514> accessed 10 September 2023 (emphasis added).

² Dev Gangjee, ‘The Appellation of Origin in France’ in *Relocating the Law of Geographical Indications* (Cambridge University Press 2012).

³ Dev Gangjee, *Relocating the Law of Geographical Indications* (Cambridge University Press 2012) 97.

⁴ *ibid.*, 125.

⁵ Madrid Agreement for the Repression of False or Deceptive Indications of Source of Goods 14 April 1891 [Act revised at Washington on June 2, 1911, at The Hague on November 6, 1925, at London on June 2, 1934, and at Lisbon on October 31, 1958] [Madrid Agreement] <https://wipo.int/wipo.int/en/text/286776> accessed 10 September 2023. The 1891 Madrid Agreement came only eight years after the Paris Convention. Since the inception of the Madrid Agreement, the term “indication of source” has

1 of the Madrid Treaty provides that "[a]ll goods bearing a false or deceptive **indication** by which one of the countries to which this Agreement applies, or a place situated therein, is directly or indirectly indicated as being **the country or place of origin** shall be seized on importation into any of the said countries."⁶ Standards defining the quality of wine production and marking the zone of the Champagne region were further regulated by French laws in the twentieth century, which led to the establishment of the principle of Appellation d'Origine Contrôlée (AOC) and the establishment of the Institut national de l'origine et de la qualité (INAO) which regulates and controls the origin and quality of the Champagne wine to this day.

The opening paragraph of a case brought before the Trademarks Opposition Board of the Canadian Intellectual Property Office (CIPO)⁷ notes that

[t]he *Institut national de l'origine et de la qualité* (INAO) is a French government agency that has for responsibility, ... to define the controlled designations of origin (*appellation d'origine contrôlée* (AOC)) ... [while] the *Comité interprofessionnel du vin de Champagne* (CIVC) is a French organization ... of the Champagne winemaking region in France and

has for mission ... to insure the **recognition and the protection around the world of the Champagne controlled designation of origin** ... including the requirements that these wines meet ... their **geographical origin and conditions of production**.⁸

In addition to geography, Gangjee notes a "gradual recognition of human factors"⁹ including recognition that "historic ties serve as an anchor [but] ... the emphasis on human intervention and methods of production implies that tools and techniques can migrate, perhaps with perfect fidelity."¹⁰

The legal protection of the "appellation of origin" that began in France led eventually to the internationally recognized protection of "geographical indications" at the end of the twentieth century under the TRIPS Agreement.¹¹

Part II of the TRIPS Agreement (Standards Concerning the Availability, Scope and Use of Intellectual Property Rights) contains a discrete section, Section 3 (comprised of articles 22, 23 and 24) dealing with geographical indications.¹²

Article 22 provides the first definition of "geographical indications" in any multilateral international instrument. It reads as follows:

Geographical indications are, for the purposes of this Agreement, indications which 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 geographical origin.¹³

This definition does not impose any legal obligation upon member states. It is Article 23 that requires TRIPS member states to legally regulate protection of geographical indications – and only geographical indications specific to wines and spirits:

[e]ach Member shall provide the legal means ... to prevent use of a geographical indication identifying wines for wines not originating in the place indicated by the geographical indication in question ... even where the true origin of the goods is indicated or the geographical indication is used in translation

appeared in Article 10 of the Paris Convention and has remained almost unchanged into the latest 1967 Stockholm revision of the Paris Convention, which reads as follows:

Article 10 [False Indications: Seizure, on Importation, etc., of Goods Bearing False Indications as to their Source or the Identity of the Producer]:

(1) The provisions of the preceding Article shall apply in cases of direct or indirect use of a false **indication of the source** of the goods or the identity of the producer, manufacturer, or merchant.

(2) Any producer, manufacturer, or merchant, whether a natural person or a legal entity, engaged in the production or manufacture of or trade in such goods and established either in the locality falsely indicated as the source, or in the region where such locality is situated, or in the country falsely indicated, or in the country where the false **indication of source** is used, shall in any case be deemed an interested part [emphasis added].

It was through in the 1925 Hague revision of the Paris Convention that, in Article 1(1)(2), the phrase "indications of source or appellations of origin" appeared for the first time. In the latest 1967 Stockholm Revision of the Paris Convention, it reads as follows:

Article 1(1)(2) The protection of industrial property has as its object patents, utility models, industrial designs, trademarks, service marks, trade names, indications of source or appellations of origin, and the repression of unfair competition.

⁶ Madrid Agreement, art 1(1). Full text of Article 1 reads:

(1) All goods bearing a false or deceptive indication by which one of the countries to which this Agreement applies, or a place situated therein, is directly or indirectly indicated as being the country or place of origin shall be seized on importation into any of the said countries.

(2) Seizure shall also be effected in the country where the false or deceptive **indication of source** has been applied, or into which the goods bearing the false or deceptive indication have been imported.

(3) If the laws of a country do not permit seizure upon importation, such seizure shall be replaced by prohibition of importation.

(4) If the laws of a country permit neither seizure upon importation nor prohibition of importation nor seizure within the country, then, until such time as the laws are modified accordingly, those measures shall be replaced by the actions and remedies available in such cases to nationals under the laws of such country.

(5) In the absence of any special sanctions ensuring the repression of false or deceptive **indications of source**, the sanctions provided by the corresponding provisions of the laws relating to marks or trade names shall be applicable [emphasis added].

⁷ *Institut national de l'origine et de la qualité and Comité interprofessionnel du vin de Champagne v Sugarfina, Inc.*, 2021 TMOB [Trademarks Opposition Board] 238 [*Champagne v Sugarfina, Inc.*].

⁸ *Champagne v Sugarfina, Inc.*, [2021], para 1 [emphasis added].

⁹ Dev Gangjee, *Relocating the Law of Geographical Indications* (Cambridge University Press 2012) 125.

¹⁰ *ibid.*

¹¹ Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS), 15 April 1994, Marrakesh Agreement Establishing the World Trade Organization, Annex 1C, 1869 UNTS 299; 33 ILM 1197 [entered into force 1 January 1995] [TRIPS Agreement].

¹² TRIPS Agreement, arts 22-24.

¹³ *ibid.*, art 22(1) [emphasis added].

or accompanied by expressions such as “kind”, “type”, “style”, “imitation” or the like.¹⁴

Irene Calboli has noted, however, that

TRIPs’ inclusion of the word “reputation” in the definition of art. 22(1) clearly validated not only the trend of products not entirely made in the GI-denominated regions, but also the **possibility of securing a monopoly on the exploitation of the value of the reputation associated with GIs on a commercial scale.** Not surprisingly, in an increasingly competitive (and less subsidised) marketplace for both agricultural and non-agricultural products, the value of GIs as signifiers of quality, tradition, and, in turn, reputation, can be paramount to securing a large market share against competing products.¹⁵

The subsequent and final article dealing with geographical indications (Article 24) is titled “International Negotiations: Exceptions”. Its first paragraph states “[m]embers agree to enter into negotiations to increase the protection of individual geographical indications under Article 23”.¹⁶

(b) Beyond wines and spirits

The question of expansion of geographical indications beyond wines and spirits led to one of the longest international negotiations that took place during the formation of the World Trade Organization, a round of negotiations known as the Doha Round.¹⁷ These negotiations over the expansion of geographical indications were described as an “Old World – New World” contest between the “Old World” countries of Europe, with centuries’ long traditions (especially in wine making), and the “New World” countries relatively new to wine making, such as Canada, the United States, and Australia but also New Zealand, Argentina, Chile and South Africa.¹⁸

Some countries, particularly an enthusiastic group of “Old World” countries, insisted any expansion of geographical indications be also regulated to a ‘higher level of protection’ than was already the case with wines and spirits.¹⁹

The Doha Round²⁰ did advance the agenda on geographical indications to exploring possibilities for creating an internationally acceptable common approach to regulating various “foodstuff”²¹ (in addition to the already established protection for selected wines and spirits, predominantly from wine regions across Europe).

Eventually, negotiations that focused on creating a multilateral register for the geographical indications for wines and spirits (already protected in the TRIPS Agreement, Article 23) were separated from the negotiations with respect to extending the TRIPS Agreement of geographical indications beyond wines and spirits to encompassing food and agricultural products.²²

The initiative to add a required geographical indication protection for food and agricultural products into the TRIPS Agreement came from Europe, the birthplace of “appellation of origin.”²³ The concept of appellation of origin is analogous in some ways to the concept of geographical indication: international protection of appellations of origin predates protection of geographical indications: the Lisbon Agreement for the Protection of Appellations of Origin and Their International Registration, agreed in 1958 but only entered into force, for its members, in 1983.²⁴ Canada has never been, and is still not, a member.

¹⁴ *ibid.*, art 23.1.

¹⁵ Irene Calboli, ‘In Territorio Veritas? Bringing Geographical Coherence into the Ambiguous Definition of Geographical Indications Origin’ (2014) 6(1) WIPO Journal 57, 67 (emphasis added). She goes on to note that “This status quo, however, runs directly against the rationale for GI protection—providing accurate information to consumers about the geographical origin of the products, while offering incentives to local communities to invest in local production.” (emphasis added).

¹⁶ TRIPS Agreement, art 24.1.

¹⁷ *The Doha Round Texts and Related Documents* (WTO 2009) https://www.wto.org/english/res_e/booksp_e/doha_round_texts_e.pdf accessed 10 September 2023.

¹⁸ In this article, the “Old World” term generally refers to Europe. It is used in conversation about the “Old World – New World” contest relevant in making decisions about granting the geographical indications protection domestically and in international negotiations. For example, Europe is a natural adopter of geographical indications because of its long history, while, on the other hand, “New World” countries are relatively new to wine making that has been known for centuries in the countries of the “Old World”. The discussion about “Old World – New World” has been treated in Sara Zborovski & Patrick Duke, ‘Shining a Light on the Protection of Geographic Indications in Canada: The Battle Between GIs and Generic Terms’ (2013) 29(2) CIPR 201; and in Michele

Ballagh, ‘Geographical Indications Versus Trade-Marks: Collective Versus Private Rights?’ (2009) 25(1) CIPR 137, 143.

¹⁹ World Trade Organization, TRIPS: Geographical Indications: Background: Extending the “Higher Level of Protection” Beyond Wines and Spirits (2008) https://www.wto.org/english/tratop_e/trips_e/gi_background_e.htm accessed 10 September 2023.

²⁰ The Doha Ministerial Declaration adopted 14 November 2001, WT/MIN(01)/DEC/1 in *The Doha Round Texts and Related Documents* (WTO, 2009), para 18.

Paragraph 18 reads as follows:

18. With a view to completing the work started in the Council for Trade-Related Aspects of Intellectual Property Rights (Council for TRIPS) on the implementation of Article 23.4, we agree to negotiate the establishment of a multilateral system of notification and registration of geographical indications for wines and spirits by the Fifth Session of the Ministerial Conference. We note that issues related to the extension of the protection of geographical indications provided for in Article 23 to **products other than wines and spirits** will be addressed in the Council for TRIPS pursuant to paragraph 12 of this Declaration https://www.wto.org/english/res_e/booksp_e/doha_round_texts_e.pdf accessed 10 September 2023 (emphasis added).

²¹ The term “foodstuff” appears in documents of EU institutions. See Council Regulation (EC) 178/2002 laying down the general principles and requirements of food law, establishing the European Food Safety Authority and laying down procedures in matters of food safety [2002] OJ L031, c 1, art 2.

²² World Trade Organization, TRIPS: Geographical Indications: Background: Multilateral register for wines and spirits. [“The work began in 1997 under Article 23.4 of the TRIPS Agreement and now also comes under the Doha Agenda (the Doha Declaration’s paragraph 18)”] https://www.wto.org/english/tratop_e/trips_e/gi_background_e.htm accessed 10 September 2023.

²³ A term defined in the 1958 Lisbon Agreement for the Protection of Appellations of Origin and Their International Registration [31 October 1958, amended 28 September 1979, entered into force 4 November 1983, last revised 1 January 1994] [Lisbon Agreement]. There are currently thirty member countries.

²⁴ Although Canada is not signatory to the Lisbon Agreement, certain regulatory regimes analogous to the type of protection granted under

The enthusiasm from European countries (but also other countries worldwide) in the Doha Round to include in the TRIPS Agreement protection of geographical indications beyond wines and spirits (i.e., for various agricultural products and food) was understandable considering the production of handicrafts and various food and agricultural products where their centuries-long renommé was directly associated with the quality or reputation built upon the terroir of their origin. The idea of adding appellations of origin to TRIPS was also supported by several developing and least developed countries.²⁵ These countries viewed the expansion of geographical indications as an opportunity, especially for their small food and agricultural producers, to seize a valuable niche in the global market. These countries recognized that expanding the protection of geographical indications beyond wines and spirits (especially in those countries where wine making was not part of traditional culture) could become a powerful instrument in securing a better position in international trade (through acceptable and recognizable identification of their unique agricultural and food products), therefore creating a broader social and political space for them on the world map. In most cases, least developed countries already have traditional, predominantly agricultural products having a "quality, reputation or other characteristic" attributable to the territory of their origin. On the other hand, many of these least developed countries lacked adequate domestic regulatory instruments to protect those products even within their own national boundaries. The lack of domestic legal instruments for protecting geographical indications creates a considerable obstacle in preparing these products for competitive global markets.²⁶

(c) "Old World" versus "New World"

At a time when the least developed countries were recognizing possibilities to access global markets through an accessible, standardized geographical indications registry, WTO member states with advanced economies, such as Canada, had a different view on expanding geographi-

cal indications.²⁷ Regardless of their advanced economies, in terms of geographical indications, the countries of the "New World" could not respond to the "Old World" with reciprocity in terms of a number of products capable of being promoted for geographical indication protection.

Canada-European Union Comprehensive Economic and Trade Agreement (CETA)²⁸ provides an example of the disparity between a "New World" nation, Canada, and the European Union's 28 "Old World" countries²⁹: in Annex 20-A to CETA, the 2017 trade agreement between Canada and the European Union, Part A contains a list of 171 products originating in the European Union, while part B, Geographical Indications Identifying a Product Originating in Canada lists no products at all.³⁰

WTO members like Canada, Australia and New Zealand opposed the proposal for broader inclusion of products for inclusion as geographical indications in a revised TRIPS Agreement that are already covered in the original TRIPS Agreement: these countries saw the expansion of geographical indications protection beyond wines and spirits as an administrative burden as well as a limitation on free production, export, and trade.³¹

In the production of goods aspiring to geographical indications protection, the balance between human input and a "quality, reputation or other characteristic" originating in the specific geographic region (i.e., strictly tied to the nature-related features of the locality) was another issue for the 'New World' countries. Knowledge of production processes has been transferred from the 'Old World' and recreated in 'New World' territories – but geographical indications will not protect (indeed, will be a barrier to) these products when emanating from the 'New World'.³²

While protection of geographical indications for wines and spirits was relatively smoothly accepted worldwide through the TRIPS Agreement, global expansion of geo-

the Lisbon Agreement have been introduced by Canadian provinces. Protection of 'appellations' for wines have been introduced by Ontario under its Vintners Quality Alliance Act, 1999, SO 1999, c 3 (VQA Ontario Appellations of Origin, <https://vqaontario.ca/ontario-appellations/>, accessed 10 September 2023) and by British Columbia under its Wines of Marked Quality Regulation, BC Reg 168/2018, pursuant to the Food and Agricultural Products Classification Act, SBC 2016, c.1. In April 2022, Nova Scotia passed the Nova Scotia Wine Authority Act, SNS 2022, c 6. In Québec, on the other hand, an appellation of origin for Québec wines has been secured by obtaining the geographical indication "Vin du Québec", listed in the Canadian government's CIPO database (and thus enforceable) as of 1 June 2022.

²⁵ The WTO recognizes as least developed countries (LDCs) those countries which have been designated as such by the United Nations. There are currently 49 least developed countries on the UN list, 30 of which to date have become WTO members https://www.wto.org/english/thewto_e/minist_e/min01_e/brief_e/brief03_e.htm accessed 10 September 2023.

²⁶ Envisioning the importance of the expansion of geographical indications for economic growth, cultural development, and a way to reduce poverty, Uganda, for example, adopted The Geographical Indications Act No 8 of 2013, a *sui generis* system for the protection and registration of geographical indications.

²⁷ Michelle Agdomar, 'Removing the Greek from Feta and Adding Korbel to Champagne: The Paradox of Geographical Indications in International Law' (2008) 18(2) *Fordham Intell Prop Media & Ent LJ* 54, 543.

²⁸ Canada-European Union Comprehensive Economic and Trade Agreement (CETA), 30 October 2016 (entered into force 21 September 2017), arts 20.16-20.23 [CETA].

²⁹ The number of EU member countries is down to 27 since the United Kingdom left the EU in 2020.

³⁰ CETA, Annex 20-A, Part A -- Geographical Indications Identifying a Product Originating in the European Union; Part B -- Geographical Indications Identifying a Product Originating in Canada <https://www.international.gc.ca/trade-commerce/trade-agreements-accords-commerciaux/agr-acc/ceta-aecg/text-texte/20-A.aspx?lang=eng#> accessed 10 September 2023. This data reflects the number of products as they were at the time the agreement was signed (in 2017): it is expected that these numbers will change as new products are added to the two lists over time.

³¹ 'Extending the "Higher Level of Protection" Beyond Wines and Spirits' ("They caution that providing enhanced protection would be a burden and would disrupt existing legitimate marketing practices. They also reject the "usurping" accusation, particularly when migrants have taken the methods of making the products and the names with them to their new homes and have been using them in good faith"). https://www.wto.org/english/tratop_e/trips_e/gi_background_e.htm#protection accessed 10 September 2023.

³² Irene Calboli, 'In Territorio Veritas? Bringing Geographical Coherence into the Ambiguous Definition of Geographical Indications Origin' (2014) 6(1) *WIPO Journal* 57, 65-66.

geographical indication protection beyond wines and spirits has faltered. The lengthy Doha Round of negotiations failed to secure widespread multilateral international agreement on expanded geographical indications. International expansion of categories of protection through geographical indications, at this point, has been limited to bilateral and smaller multilateral free trade agreements between countries.³³

Daniel Gervais noted, after geographical indications entered the TRIPS Agreement but in light of the failure of a further attempt to enhance multilateral geographical indication protection during negotiations for the Lisbon Agreement, that

Reputation could be considered at first glance as a soft, subjective criterion. However, it can be measured. Reputation is the result of years of work in association with a product that has created a mental link between that product and its geographical origin, but reputation is also a cause that can be measured by its effects. For example, consumer surveys, price differentials attributable to the perceived advantage of the product because of its origin, etc. The other criteria mentioned in TRIPS Article 22.1 are “harder” and perhaps easier to prove, namely the quality and (other) characteristics of the product itself. But even “quality” may be defined in a number of ways according to a consumer’s priorities. In the same vein, at least the selection of which (other) characteristics are relevant may be subject to the same criticism. In other words, while all the criteria mentioned in Article 22 are potentially partially “subjective,” they can be considered by way of rational demonstration and comparative analysis. Presumably, if potential buyers of a product want it because of a quality or characteristic associated with it stem from its geographical origin (whether the cause is human or natural factors or a combination of both), then that product could be said to have a given reputation. The difference in treatment of reputation between Lisbon and TRIPS would then not be *functionally* different.³⁴

B. REPUTATION IN GEOGRAPHICAL INDICATIONS IN CANADIAN LAW

(a) In the Trademarks Act³⁵

In the light of its obligations arising from the TRIPS Agreement, Canada, in 1996, amended its Trade-marks

Act definition section (Section 2), to include, for the first time, a definition of “geographical indications”. That definition read as follows:

geographical indication means, in respect of a wine or spirit, an indication that

(a) identifies the wine or spirit as originating in the territory of a WTO Member, or a region or locality of that territory, where a **quality, reputation or other characteristic** of the wine or spirit is essentially attributable to its geographical origin, and

(b) except in the case of an indication identifying a wine or spirit originating in Canada, is protected by the laws applicable to that WTO Member³⁶

In the same amendment, the term “reputation” was added as part of new section 11.12(3)(e) of the Trade-marks Act:

(3) For the purpose of subsection (2), the statement by the Minister must set out all of the following information in respect of an indication:

---(e) the quality, **reputation** or other characteristic of the wine or spirit that, in the opinion of the Minister, qualifies that indication as a geographical indication;³⁷

While global multilateral international negotiations have failed since the TRIPS Agreement to extend standards respecting geographical indications beyond those for wines and spirits, the failure of those negotiations has not prevented WTO members from entering into bilateral and multilateral agreements in which geographical indications respecting food and other agricultural products have been agreed. The first step in this direction for Canada was the 2014 Canada-Korea FTA, followed by the 2016 CETA.

In the Canada-Korea FTA, the term “reputation” appears only in the definition of geographical indications (the text of that definition is almost identical to the definition of geographical indications in the TRIPS Agreement).³⁸ Article 16.10 of the Canada-Korea FTA articulates further legal obligations regarding geographical indications for the parties.³⁹

As a result of the Canada-Korea FTA and CETA, Canada amended its Trade-marks Act provisions respecting

³³ See the Canada-Korea Free Trade Agreement, 22 September 2014 (entered into force 1 January 2015), art 16.10 [Canada-Korea FTA].

³⁴ Daniel Gervais, ‘The Lisbon Agreement’s Misunderstood Potential’ (2009) 22(1) IPJ 57, 61 (emphasis in original).

³⁵ Canada made significant changes to the trademarks statute in 2019. These changes included eliminating the hyphenated term “trade-marks” and replacing it with “trademarks.” Therefore, in this article, all citations from the statute before 2019 refer to the Trade-marks Act as the name of the statute then was.

³⁶ Trade-marks Act, RSC 1985, c T-13, s 2 [1996-2012] (emphasis added).

³⁷ *ibid*, s 11.12(3)(e) (emphasis added).

³⁸ Canada-Korea FTA, art 16.10, footnote 3:

Geographical indications are, for the purposes of this Article, indications which identify a good as originating in the territory of a Party, or a region or locality in that territory, where a given quality, **reputation** or other characteristic of the good is essentially attributable to its geographical origin (emphasis added)

³⁹ Canada-Korea FTA, art 16.10 (footnotes omitted).

1. Canada shall, with respect to the geographical indications of “GoryeoHongsam”, “GoryeoBaeksam”, “GoryeoSusam”, and “IcheonS-sal” and their translations, respectively, “Korean Red Ginseng”, “Korean White Ginseng”, “Korean Fresh Ginseng” and “Icheon Rice”, provide the legal means for interested parties to prevent

geographical indications. The definition of ‘geographical indication’ was changed to the current definition:

geographical indication means an indication that identifies a wine or spirit, or an agricultural product or food of a category set out in the schedule, as originating in the territory of a WTO Member, or a region or locality of that territory, if a quality, reputation or other characteristic of the wine or spirit or the agricultural product or food is essentially attributable to its geographical origin⁴⁰

This definition incorporates any “agricultural product or food of a category set out in the schedule.”⁴¹ The schedule currently consists of a list of 24 categories of food and agricultural products.⁴²

Section 11.12(3)(e) of the Trade-marks Act, quoted above as containing the term “reputation”, was amended, in light of the Canada-Korea FTA, to reflect the inclusion of agricultural products and food. It now reads as follows:

(3) For the purpose of subsection (2), the statement by the Minister must set out all of the following information:

(e) the quality, reputation or other characteristic of the wine or spirit or the agricultural product or food that, in the Minister’s opinion, qualifies that indication as a geographical indication⁴³

As set out in the Canada-Korea FTA, Canada was required to protect a number of Korean food products: a list was added in 2017 to the Trade-marks Act at s 11.23.⁴⁴

[a] the use of any means in the designation or originates in a geographical area other than the true place of origin in a manner that misleads the public as to the geographical origin of the good;

[b] and [c] omitted

2. Korea shall, with respect to the geographical indications of “Canadian Whisky” and “Canadian Rye Whisky”, provide the legal means for interested parties to prevent

[a] the use of any means in the designation or originates in a geographical area other than the true place of origin in a manner that misleads the public as to the geographical origin of the good;

[b] and [c] omitted

⁴⁰ Trademarks Act, RSC 1985, c T-13, s 2 (emphasis added).

⁴¹ *ibid.*

⁴² Trademarks Act, RSC 1985, c T-13, sch.

⁴³ Trademarks Act, RSC 1985, c T-13, s 11.12(3)(e) (emphasis added)

⁴⁴ Trade-marks Act, RSC 1985, c T-13, s 11.23 [added by SC 2017, c 6, s 67]:

Canada — Korea indications

Paragraphs 11.18(2)(a) and (c) and section 11.21 do not apply with respect to an indication that is a protected geographical indication and that is included in the following list:

- (a) GoryeoHongsam;
- (b) GoryeoBaeksam;
- (c) GoryeoSusam;
- (d) IcheonSsal;
- (e) ginseng rouge de Corée;
- (f) ginseng blanc de Corée;
- (g) ginseng frais de Corée;
- (h) riz Icheon;
- (i) Korean Red Ginseng;

After Canada signed the Comprehensive Economic Agreement between the European Union and Canada in 2016 (an agreement which entered into force in 2017),⁴⁵ in addition to the list of 24 agricultural products and food categories already added to its trademark statute (following an earlier Canada-Korea Free Trade Agreement), Canada added 172 specific geographical indications identifying various categories of agricultural products and food originating in the countries of the European Union.⁴⁶ It though was noted that “[i]n the Canada-EU CETA deal, Canada accepted GIs for many European-based foods, although it won an exception for existing Canadian feta cheese makers.”⁴⁷

The provision of the Canadian Trademarks Act (s 11.22) now states, however, that the list of wines, spirits, agricultural products or foods from Korea whose geographical indications are to be protected in Canada can be “amended from time to time.”⁴⁸

In CETA Chapter 20 Intellectual Property, Sub-section C – Geographical Indications, Article 20.16 – Definitions, it is provided that

For the purposes of this Sub-section:

geographical indication means an indication which identifies an agricultural product or foodstuff as originating in the territory of a Party, or a region or locality in that territory, where a given quality, **reputation** or other characteristic of the product is essentially attributable to its geographical origin; and **product class** means a product class listed in Annex 20-C⁴⁹

When Canada became a member of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), which came into effect 30 December 2018 and now comprises Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, and Vietnam, it took on, amongst many other things, an obligation relating to geographical indications that, again, expressly links geographical indications to reputation:

Chapter 18 – Intellectual Property

Section A: General Provisions

...

- (j) Korean White Ginseng;
- (k) Korean Fresh Ginseng;
- (l) Icheon Rice.

⁴⁵ See again CETA, Annex 20-A, Part A- Geographical Indications Identifying a Product Originating in the European Union; Part B – Geographical Indications Identifying a Product Originating in Canada, <https://www.international.gc.ca/trade-commerce/trade-agreements-accords-commerciaux/agr-acc/ceta-aecg/text-texte/20-A.aspx?lang=eng#> accessed 10 September 2023.

⁴⁶ See Trade-marks Act, RSC 1985, c T-13, sch 6.

⁴⁷ Ed White, “Geographical indications’ can have mixed results’ (2021) The Western Producer <https://www.producer.com/markets/geographical-indications-can-have-mixed-results/> accessed 10 September 2023.

⁴⁸ Trademarks Act, RSC 1985, c T-13, s 11.22.

⁴⁹ CETA, Chapter 20: Intellectual property, Sub-section C – Geographical Indications, art 20.16 (emphasis added).

Article 18.1: Definitions

...

geographical indication means an indication that identifies a good as originating in the territory of a Party, or a region or locality in that territory, where a given quality, **reputation** or other characteristic of the good is essentially attributable to its geographical origin;⁵⁰

Canada, Mexico and the United States have entered into agreement known by its acronym CUSMA,⁵¹ which includes “TRIPS-Plus”⁵² provisions for geographical indications, including, in Section A: General Provisions:

Article 20.1 Definitions

1. For the purposes of this Chapter: **geographical indication** means an indication that identifies a good as originating in the territory of a Party, or a region or locality in that territory, where a given quality, **reputation**, or other characteristic of the good is essentially attributable to its geographical origin;⁵³

When the United Kingdom left the European Union at the start of 2020, Canada and the UK agreed by December 2020 to the Canada-United Kingdom Trade Continuity Agreement, which entered into force on 1 April 2021.⁵⁴ This Canada-UK agreement incorporated the text of CETA and did not make any substantive changes to the provisions already instantiated in the CETA.

None of these trade agreements to which Canada has become signatory since TRIPS⁵⁵ have required Canada to make any changes to its Trademarks Act that have had any impact regarding the concept of reputation as already expressed in Canada’s geographical indications law.

(b) Protection of geographical indications

Canada protects geographical indications by applying numerous provisions of its Trademarks Act. For example, section 11.12 empowers the Registrar to supervise the list of geographical indications. It reads as follows:

11.12 (1) There shall be kept under the supervision of the Registrar a list of geographical indications and, in the case of geographical indications identifying an agricultural product or food, translations of those indications.⁵⁶

The prohibition against adopting geographical indications for wine and spirits “in connection with a business, as a trademark or otherwise” is set out in section 11.14, and the prohibition against adopting geographical indications for agricultural products and food as trademarks is in section 11.15 of the *Trademarks Act*.⁵⁷

The Canadian Intellectual Property Office (CIPO) is the government body that processes a request⁵⁸ that a geographical indication be entered on Canada’s list of geographical indications.⁵⁹ Tesh Dagne indicated in 2016 that

[i]n Canada, there [had] not been significant initiative to use GIs as instruments of marketing regional identity in agricultural production. In recent years, however, the province of Québec has become a leader in the use of GIs after it launched the *produits du terroir* initiative.⁶⁰

On the CIPO website, a current search of the Canadian Trademarks Database for the category “geographical indications” retrieved 878 entries (data current as of 1 November 2023). Geographical indications for wines and spirits and agricultural and food products were amongst those retrieved. Four entries were found to have “removed” status notifications and three were in the process of “advertising”. The full list of geographical indications on Canada’s list of recognized geographical indications has 184 entries on it.⁶¹

(c) Geographical indications in Canadian case law

Considering that geographical indications entered the Canadian intellectual property legal environment relatively recently (first only for wines and spirits (following the 1994 TRIPS Agreement), and even more recently following the 2014 *Canada-Korea Free Trade Agreement* and the 2017 *Comprehensive Economic and Trade Agree-*

⁵⁰ Consolidated TPP Text -- Chapter 18-Intellectual Property <https://www.international.gc.ca/trade-commerce/trade-agreements-accords-commerciaux/agr-acc/tpp-ptp/text-texte/18.aspx?lang=eng> accessed 10 September 2023.

⁵¹ Canada – United States – Mexico Agreement (CUSMA) entered into force 1 July 2020.

⁵² “TRIPS-Plus” is an informal term for protection of intellectual property rights that goes beyond the requirements in the TRIPS Agreement.

⁵³ CUSMA, Chapter 20 – Intellectual Property Rights – Section A: General Provisions, art 20.1: Definitions (emphasis added).

⁵⁴ Canada-UK Trade Continuity Agreement, entered into force 2021 (Canada-UK TCA) https://www.international.gc.ca/trade-commerce/trade-agreements-accords-commerciaux/agr-acc/cuktca-accru/agreement_trade_continuity-accord_continuite_commerciale.aspx?lang=eng accessed 10 September 2023.

⁵⁵ In addition to the Canada-Korea FTA, and CETA, Canada has also entered into CUSMA and CPTPP – all discussed above.

⁵⁶ Trademarks Act, RSC 1985, c T-13, s 11.12.

⁵⁷ Trademarks Act, RSC 1985, c T-13, ss 11.14, 11.15.

⁵⁸ Process to register a geographical indication in Canada is found on the CIPO website <https://www.ic.gc.ca/eic/site/cipointernet-internetopic.nsf/eng/wr04244.html> accessed 05 November 2023.

⁵⁹ CIPO provides a searchable trademarks database with geographical indications as additional search option <https://ised-isde.canada.ca/cipo/trademark-search/srch> accessed 05 November 2023.

⁶⁰ Tesh W Dagne, ‘The Narrowing Transatlantic Divide: Geographical Indications in Canada’s Trade Agreements’ [2016] 10 *European Review of Intellectual Property Law* 598, 609.

⁶¹ The complete list of geographical indications recognized in Canada - with the option to select the list of Canada’s geographical indications - is available through the CIPO trademarks database <https://ised-isde.canada.ca/cipo/trademark-search/srch> accessed 05 November 2023.

ment between Canada and the European Union), it may be understandable that litigated disputes involving geographical indications appear to be scarce.

Although geographical indications fall under Canada's federal statute (Trademarks Act), Renata Watkin proffers an interesting constitutional argument based on the concept of "reputation" that is inherent in the protection of geographical indications. She argues that "[t]he assessment of the "essentially attributable characteristics" of origin-specific products seems to fall under provincial jurisdiction."⁶² She continues that "[a]ssessing reputation would arguably involve concurrent or overlapping federal-provincial jurisdiction as both federal trademark law and common law tort of passing off protect reputation."⁶³ Watkin summarizes that "[w]here a product's renown is linked to a production method, the determination as to whether the method itself is distinctive is a matter of exclusive provincial jurisdiction."⁶⁴

To register a geographical indication in Canada requires a "responsible authority" to apply for registration directly to the Canadian Intellectual Property Office, which then rigorously examines the application. It is not known how many details contained in those applications are evidence of "reputation," mainly because the definition in the Trademarks Act reads "if a **quality, reputation or other characteristic** of the wine or spirit or the agricultural product or food is essentially attributable to its geographical origin."⁶⁵ Because the requirement for registration is not simply for "reputation" but is for "reputation or other characteristic", it is not possible to isolate those applications which dealt with reputation from those that dealt with other characteristics.

Considering relatively recently established legal obligations for the protection of geographical indications, there appears to be little litigation concerning the prohibitions for the use of geographical indications legislated in Canada's Trademarks Act (sections 11.14 and 11.15).

There are, however, cases in which Canadian Trademarks Opposition Board of the Canadian Intellectual Property Organization (established under Canadian Trademarks Act)⁶⁶ have denied trademark registration to an applicant because the applicant was attempting to register (as a trademark, not a geographical indication), a mark that included a protected geographical indication. The case regarding the use of the term "Champagne", *Institut national de l'origine et de la qualité and Comité interprofessionnel du vin de Champagne v Sugarfina, Inc.*, as mentioned at the very beginning of this article, is such a case. During the hearing, the Trademarks Opposition Board established that "the Opponent [Institut national

de l'origine et de la qualité and Comité interprofessionnel du vin de Champagne] essentially argues that:

- Champagne wine has a considerable, if not legendary, **reputation** which extends to comestible products and so even when the word CHAMPAGNE is used in the context of such products including those covered by the application for the Mark, Canadian consumers would be aware that it is indicative of a specific wine, with specific features, from a specific geographical area, produced according to specific standards;

And that ---

- The Applicant's [Sugarfina, Inc.,] goods used in association with the Mark are in fact bear-shaped candies ("gummy bears") having Champagne wine as one of their ingredients.⁶⁷

...

Iana Alexova, of Trademarks Opposition Board, who conducted the hearing refused application of the Sugarfina, Inc., pursuant to section 38(12) of the Trademarks Act. She was "satisfied that a fair review of the whole of the Opponent's evidence establishes that the average Canadian consumer would be familiar with the word "champagne" being used in respect of wine and would likely associate it to a sparkling wine from the wine-making region of Champagne in France."⁶⁸ She was, on the other hand, "far from convinced that whatever **reputation** the Opponent has established for Champagne wine in any way extends to food products."⁶⁹

C. CONCLUSION

This article demonstrates that reputation is a core concept of geographical indications, the evidence of which has been given in the Canadian law of geographical indications. The term 'geographical indication' has a statutory definition, which Canada added to its trademarks legislation following the requirement established in the TRIPS Agreement. The definition of geographical indication includes "reputation," which has become a prominent requirement for geographical indications protection in Canada. A geographical indication must have a strict connection with a specific locality. This link separates the concept of geographical indication from the concept of trademark, though, as demonstrated in this article, geographical indications are associated with Canada's trademark law. In addition, for a geographical indication to be registered in Canada, the application must include evidence of reputation before a geographical indication can

⁶² Renata Watkin, 'Placing Canadian Geographical Indications on the Map' (2018) 30(2) IPJ 271, 284.

⁶³ *ibid.*

⁶⁴ *ibid.*

⁶⁵ Trademarks Act, RSC 1985, c T-13, s 2, "geographical indication" (emphasis added).

⁶⁶ Trademarks Act, RSC 1985, c T-13, s 63(3).

⁶⁷ *Champagne v Sugarfina, Inc.*, [2021], para 22.

⁶⁸ *Champagne v Sugarfina, Inc.*, [2021], para 33.

⁶⁹ *Champagne v Sugarfina, Inc.*, [2021], para 34 (emphasis added).

be accepted for registration. In contrast, a trademark can be first registered and then acquire reputation.

Furthermore, this article has demonstrated that international trade agreements Canada signed after the TRIPS (such as the Canada-Korea FTA and CETA) used the definition of geographical indications, which always include reputation.

On a general note, this article compared the international dimension of geographical indications with the unique Canadian perspective. The article highlights reputation as the critical component in determining geographical indications protection. Though the case law on geographical indications in Canada is scarce, the concept of reputation associated with geographical indications is omnipresent. The *Champagne v Sugarfina Inc.* example showed that reputation was a crucial argument in the Trademarks Opposition Board of the Canadian Intellectual Property Organization's decision not to allow a trademark registration to Sugarfina Inc. because it conflicted with an already established reputation of Champagne as geographical indication. The case was also an example of a uniquely Canadian approach to regulating geographical indications. The federal statute regulates geographical indications in Canada, which gives the Trademarks Opposition Board of the Canadian Intellectual Property Organization power in matters concerning geographical indications disputes.



Darinka Tomic

Darinka Tomic obtained her PhD from Western Law (Canada) in 2022. Her doctoral thesis concerns reputation, rather than intellectual property designation, as an underlying aggregating link amongst moral rights, prohibited marks, and geographical indications. Her master's thesis, also defended at Western Law in 2017, concerns the right to food and intellectual property in the United Nations, including international human rights and international trade. She is the author of the chapter "Challenging Intellectual Property: Intellectual Property and the Right to Food" in the *Nouveaux paradigmes dans la protection des inventions, données et signes – New Paradigms in the Protection of Inventiveness, Data and Signs* (Éditions Yvon Blais 2019). Her research interests further the right to food and intellectual property in space law. Before coming to Western Law, Darinka served in the Legislative Assembly of Ontario for fifteen years. She is currently a professor at the School of Legal, Public and Office Administration at Seneca Polytechnic College at York University.

