

Analysis Of Geographical Indications and Its Infringement and Remedies with Case Studies

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ABSTRACT:

In the field of Intellectual Property Rights, the Concept of Geographical indications (GIs) are a unique form of intellectual property that protects products originating in a specific geographical region. After the WTO TRIPS's the concept of GI is mostly implemented in all countries with strict adherence to TRIP's. This Paper makes an in-depth examination into geographical indications, throwing insight on the nature of infringement and applicable remedies. It is need of hour to check the importance of geographical indications (GIs), the issues associated with infringement, and the legal systems in place to protect the integrity of regional products. By investigating current instances and changes, this study intends to provide insights into the changing landscape of Geographical Indications and the means available to combat infringement. Refereed case studies helpful to find out the solutions on the infringement with the wide reasoning given by the Honorable Judges of the Supreme Court and High Court.

Keywords:

Geographical Indications, Intellectual Property, Infringement, Remedies, Registration, Protection, Legal Framework, Trademarks, Consumer Protection.

1. INTRODUCTION

A geographical indicator is a kind of intellectual property right that is primarily used to protect products based on their geographical origin, with the assumption being that the qualities of the product are derived from the location of production.

Geographical indication (GI) protection has long been one of the most contentious IPR (Intellectual Property Rights) problems under the WTO's Agreement on Trade Related Aspects of Intellectual Property Rights (TRIPS). TRIPS defines GI as any indication that identifies a product as originating in a specific location, where a product's quality, reputation, or other attributes are mostly due to its geographical origin. A geographical indication (GI) also grants a territory (town, province, or country) the exclusive right to use a term for a product with specified qualities that are unique to its place. The Geographical Indications of Goods (Registration and Protection) Act of 1999 protects GIs in India. Registration of GIs is not required in India. If registered, it will provide better legal protection, making it easier to file an infringement case.¹

Geographical indications (GI) are issued to identify products that are closely associated with the region or a specific geographical area in which they are found/originated/manufactured.

The protection is granted to businesses and facilities established in that specific area, and they may use the

¹ Prof. Dr. Jyoti Rattan, 'Intellectual Property Rights Volume-1' Bharat Publication, 2nd Edn. 2024

'geographical indicator' on exclusive items produced in that area. This enables the owners of GI to take fast action against any prospective or actual breach of a registered Geographical Indication.²

2. HISTORICAL BACKGROUND

In 1999, in accordance with its obligations under the TRIPS Agreement, India passed the Geographical Indications of Goods (Registration and Protection) Act, 1999 (hereafter referred to as the Act) and the Geographical Indications of Goods (Registration and Protection) Rules, 2002. The revised Act took effect on September 15, 2003. Prior to this, in the absence of legislation, the Indian judiciary protected geographical indications using the passing-off principle. They have heard petitions in matters involving the infringement of geographical markings that mislead the consumer as to the location of origin or constitute unfair competition. In such circumstances, they have provided remedy, including an order that prevents the defendant from using such signals.

DEFINITION OF GI

Section 2(e) of the Act defines 'geographical indications' in relation to goods to mean: "An indication which identifies such goods as agricultural goods, natural goods or manufactured goods as originating, or manufactured in the territory of a county, 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 origin and in the case where such goods are manufactured goods one of the activities of either the production or of processing or preparations of the goods concerned takes place in such territory, region or locality, as the case may be."³

3. NEED FOR LEGAL PROTECTION OF GI

Given its commercial potential, GI's legal protection is extremely important. Without adequate legal protection, competitors who have no real rights to the GI may be able to exploit its reputation. Such unfair commercial activities result in financial loss for the real GI right-holders while also misleading customers. Furthermore, such tactics may erode the GI's goodwill and reputation over time.

4. WHO CAN APPLY FOR REGISTRATION?

A geographical indication can be registered for various reasons by :-

- any associate of persons;
- producers; or
- any organization or authority established by or under any law representing the interest of the producers of the concerned goods.

WHOM TO APPLY?

The application must be made to the Registrar of Geographical Indications appointed under subsection (1) of Section 3 of the Trademarks Act, 1999, who is the Controller-General of Patents, Designs, and Trademarks. He will be assisted by such number of officers as the central government thinks fit. In Chennai, a fully operational modern patent office and the country's first geographical indication (GI) registry were established, marking a significant advancement in this field. This registry will meet and supplement the standards stated in the Act.

² V.K. Ahuja 'Law Relating to Intellectual Property Rights' Lexis Nexis ,3rd Edn.2024

³ Online Bare Act, www.Indiacode.nic.in.

WHERE TO FILE THE APPLICATION?

Every application shall be filed in the office of the Geographical Indications Registry within whose territorial limits, the territory of the country or the region or locality in the country to which the geographical indications relates is situated.

5. WHAT IS INFRINGEMENT?

When someone uses a registered geographical indicator that they are not legally entitled to use, this is termed an infringement. The use of a registered geographical indicator to imply or suggest that goods originate in a location other than their genuine origin, or to exhibit goods in a way that misdirects consumers to that location, constitutes an infringement by an unauthorised user. A registered geographical indication is infringed upon by a person who, without being an authorized user thereof, uses such geographical indication in the designations or presentation of goods in a way that indicates or suggests that such goods originate in a geographical area other than the true place of origin of such goods in a way that misleads the public as to their geographical origin.⁴

Therefore, the infringement of registered GI occurs when a person: (Sec 22)

1. Uses the GI on the goods or suggests that such goods originate in a geographical area other than the true place of origin of such goods in a manner which misleads the public; or
2. Uses the GI in a manner that constitutes an act of unfair competition; or
3. Uses another GI to the goods in a manner which falsely represents to the public that the goods originate in the territory, region or locality in respect of which such registered GI relates.

The fundamental essentials for proving the act of infringement are:

- If the person, who is the competing party or opponent of the party does any mala fide act or unlawful practice thereby causing public deceit and confusion concerning the already registered product.
- If the person brings false allegations or claims against the proprietor of the registered GI with the purpose of defaming and discrediting the original product.
- If the person misuses the characteristics and other essentials of the registered Geographical indications.
- If the person uses the registered geographical indications as an act of unfair competition.

The rights holder must provide proof in the complaint that-

- The use of the rights holder's geographical indicator on allegedly infringing items can lead to public uncertainty about their origin. The alleged infringement involves a mark that is identical or similar to the rights holder's geographical indication.
- The illegal act infringed on the right holder's exclusive use of rights, resulting in financial loss or damage to their goodwill and reputation.

Upon becoming aware of any infringement, the rights holder may send a cease and desist notification to safeguard its geographical mark against unapproved usage. After that, the rights owners may choose to file a criminal or civil lawsuit against the infringer, depending on the infringer's response.

6. REMEDIES FOR INFRINGEMENT OF A GEOGRAPHICAL INDICATION- Sec 67

The remedies accessible for the protection of GI may extensively be grouped into two classifications.

1. Civil
2. Criminal

⁴ J.P. Mishra, 'An Introduction to Intellectual Property Rights', Central Law Publication, Edn. 2023

CIVIL REMEDIES

Holders of registered GI can file infringement or passing off procedures against an infringer. The infringer may file a claim in a court with jurisdiction comparable to the district court. The following are the civil remedies for GI infringement.

- A. Injunction
- B. Penalty/ Damages
- C. Delivery of the infringing labels and indications containing products

a. Injunction

Injunctions can be temporary or permanent. The court may order an ex parte injunction.

- 1. for document discovery,
- 2. preservation of infringing items or evidence, and other connected matters.
- 3. prohibiting the defendant from disposing of assets that could harm the plaintiff's capacity to obtain damages, costs, or other pecuniary remedies (if awarded).

Injunction is a more effective remedy that can protect the plaintiff from further injury.

b. Damages/Penalty:

The remedy of damages or accounts of profit is accessible to keep infringers from infringement. This is an alternative remedy. Damages or statements of profit may be excluded. Where the petitioner demonstrated to the court that he was unconscious and there was no reasonable reason for that, presuming that the aggrieved party's GI was recorded while he was concerned with using it; and when he became aware of the presence and nature of the GI, he stopped using it. In *Scotch Whisky Association v Golden Bottling Limited*, where Scotch whisky had a GI tag and the offended parties claimed that the respondents infringed on their GI tag by selling their whisky as 'Red Scot', the court ruled that the offended party's rights had been violated.

c. Delivery-up of the infringing labels and indications

The court has the ability to order the defendant to give up infringing labels and indications for destruction or erasure. The court, after considering all relevant circumstances, may or may not order such a remedy. All of the remedies listed above are also accessible for passing off action. Passing off proceedings are taken to prevent the infringement of unregistered geographical indications.

CRIMINAL REMEDIES:

Criminal remedies are more effective than civil remedies since the former can be dealt with quickly. The pending civil litigation does not warrant the stay of a criminal procedure involving the same matter. Because criminal procedures directly attack an infringer's honour and social status, he may seek an out-of-court settlement to protect his reputation. Chapter VIII of the Act addresses offenses and penalties for such offences.

The Act contains penal provision for violation of various provisions relating to geographical indications given below.

- a. Falsifying and deceptively applying geographical indications to goods.
- b. Selling goods to which false geographical indications is applied.
- c. Deceitfully representing a geographical indication as registered.
- d. Improperly describing a place of business as connected with the geographical indications registry.
- e. Falsification of entries in the register.

7. PUNISHMENT

The punishment for the aforementioned violations range from six months to three years in prison, and a fine of at least Rs. 50,000, which can further go up to Rs. 2 lakhs. However, for appropriate and specific causes stated in writing, the court may impose a lesser punishment. The Act also increases penalties for second or subsequent convictions. In such cases, the term of imprisonment shall not be less than one year, but may be extended to three years, and the fine shall not be less than one lakh rupees, but may be increased to two lakh rupees. The courts have the authority to award a reduced punishment after citing appropriate and specific grounds in the verdict.

PROTECTION OF SOME REGISTERED GI

There is evidence in the Indian setting that the government or religious board strictly protects the GI. For example, the Karnataka state government jealously protects the GI on Mysore silk, with Mysore Silk products supplied exclusively through government sales emporiums and no other person granted a franchise. The Darjeeling tea GI is protected by the Tea Board. The Thirupathy Devosam Board has assured that the Thirupathy laddu is exclusively offered at specific locations in Thirupathy. However, the majority of GI proprietors lack such competence to protect the GI due to a range of issues. While the watchdog mechanism set up by the Tea Board has been largely able to prevent misuse of GI and copyright in the case of Darjeeling tea, yet infringement does take place.

8. CASE STUDY

DARJEELING TEA CASE

This case study focuses on the protection of Darjeeling tea under the Geographical Indication (GI) Act at both the local and international level. It exposes the story of Japanese enterprises that have already been licensed by the Tea Board of India illegally using and registering the 'Darjeeling and Darjeeling logo' in Japan.

India is the world's greatest tea producer, accounting for around 31% of the world's favorite hot drink with a total output of 846 million kg in 2002.

Darjeeling tea stands out among Indian teas for its particular consistency and taste, as well as its over a century-long global reputation. Broadly speaking, two factors have contributed to such a superb and distinct taste: geographical origin and manufacture.

Tea Board of India vs. Mitsui Norin KK, Japan⁵

In this case, India's Tea Board opposed the application for 'Divine Darjeeling' in Class 30 (Darjeeling tea, coffee, and chocolate manufactured in Darjeeling, India). The opposition was mostly due to three reasons:-

1. "Divine" is a laudatory word, so the symbol for protection is simply
2. "Darjeeling," which is not distinguishable. - "Divine Darjeeling" is misleading in terms of "Darjeeling coffee and cocoa," as the Darjeeling district does not grow coffee or cocoa.
3. Darjeeling tea is a geographical indication that should be protected under international conventions, including TRIPS, as Japan is a member.

The Japan Patent Office Opposition Board dismissed the Tea Board of India's invalidation proceedings, citing the fact that the 'Divine Darjeeling' mark as a whole was neither misleading or deceptive about the quality of the items. However, the non-use cancellation action was successful because the licensed proprietor failed to provide adequate proof to substantiate the use of the mark in Japan.

⁵ Tea Board of India vs. Mitsui Norin KK, Japan

RASAGOLA CASE

Banglar Rasogolla v. Odisha Rasagola (2017)⁶

In November 2017, the West Bengal State Food Processing and Horticulture Development Corporation Limited registered G.I. as Ras Banglar Rasogola. It was believed that Bengal had won the long-running conflict between Odisha and Bengal over who would own the famed dessert. The legal battle for G.I. registration began when objections were filed, and it was claimed that this well-known dessert originated at the Jagannath temple in Puri, Odisha. In February 2018, an application was made to withdraw the registration of G.I. status. Meanwhile, in July, the G.I. Registry announced that Odisha had registered G.I. under the name 'Odisha Rasgola', prompting the publishing of multiple stories. Odisha did not lose up on the race and won it. It is critical to note that the G.I. registry has not registered the term all Rasogola / Rasgola'. It has prefixed two terms specifically for the G.I. tag, one 'Banglar' and the other 'Odisha', to indicate that 'rasogola / rasgola' is a common phrase that anybody can use in their profession or business. Thus, under the law, neither of the two states has a monopoly on the term 'Rasogola / Rasola'.

As a result, it is legal to sell sweets to anyone in the trade under the names Rasgulla, Rasgola, or any other synonym. The use of the terms "Odisha rasgola" and "Banglar rasogola" by anybody other than authorized users is prohibited by law.

POCHAMPALLI IKAT GI CASE

In 2005, the registered proprietors of Pochampalli Ikat GI ⁷ discovered that a Mumbai-based businessman was passing off machine-made saris as Pochampalli Ikat across a large retail network. M/S Anand & Anand, a law firm, was hired to contest the infringement at a lesser cost to the weavers, and the process began. However, during the discussion with the proprietors, the manufacturers' association, and the cooperative society, it was revealed that an out-of-court settlement had occurred, resulting in the manufacturer destroying the unsold stock and promising that machine-made ikat saris would no longer be sold as Pochampalli.

The association maintained that the infringement was caused by a failure to implement the inspection framework (Vinayan 2013). They also pointed out that in the absence of an out-of-court settlement, the Pochampalli case would have set a model for punitive actions against infringement in cases of GI registered non-agricultural products.

TIRUPATHI LADDU – THE SAVOURY FROM ANDHRA

The Tirumala Tirupati Devasthanam sought for the registration of the Tirupathi Laddu with a GI tag under class 30. It earned its GI tag in 2009. The Laddu's holiness, prestige, and distinctiveness stem from its offering as naivedyam to the Lord. This laddu is typically served as prasadam to devotees when they worship Lord Venkateshwara, the presiding deity of Sri Vari Temple in Tirupathi, Andhra Pradesh. Mr. R.S. Parveen Raj,⁸ a Trivandrum resident, filed a PIL against the GI Tag for the 'Tirupati Laddu' with the Madras High Court in 2009. He based his lawsuit on three claims. The first reason is because the GI was awarded to a single producer, the second is a lack of individuality, and the third is the general nature of the name. The petition was denied because an alternative and more effective forum for resolving such a disagreement existed. Under the G.I. Act, such a petition might have been filed with either the G.I. Registry or the IPAB.

⁶ Banglar Rasogolla v. Odisha Rasagola (2017)

⁷ Pochampalli Ikat GI case

⁸ Tirupathi, Andhra Pradesh. Mr. R.S. Parveen

THE CASE OF NAVARA RICE – TAMIL NADU VS. KERALA

Navara Rice is one of the many types of rice found in India and is a unique grain plant in the *Oryza* group. It originated from Kerala and is well known for its medicinal properties. The granting of GI of this product in 2007 to *Navara Rice Farmers' Society*⁹ has incensed other growers of the crop in Kerala and Tamil Nadu. However, it is stated that only farmers belonging to this society can sell their produce as *Navara rice*.

Sridhar, from Kerala-based NGO *Thanal*, who works with farmers on sustainable agriculture, says, “*Nobody has evidence on the historical origin of Navara rice. Besides, you cannot grant GI on seeds, because with migration, seeds also migrate and adapt to local ecology with genetic changes.*” He calls for more clarity in GI laws.

THE FAMOUS KOLHAPURI CHAPPALS

In the year 2019, The Controller General of Patents, Designs, and Trade Marks (CGPDTM) granted Geographical Indication (GI) tag for Kolhapuris, the ethnic leather chappal to Kolhapur, Sangli, Solapur and Satara districts of Maharashtra and Belgaum, Dharwad, Bagalkot and Bijapur districts of Karnataka. There was a joint bid for GI tag of Kolhapuri Chappals by the Sant Rohidas Leather Industries & Charmakar Development Corporation Limited of Maharashtra (LIDCOM) and the Dr. Babu Jagjeevan Ram Leather Industries Development Corporation of Karnataka (LIDKAR) in 2009, which fructified in 2018 into GI tag being granted in favor of the artisans of the two states.

The reason for granting the GI for Kolhapuri Chappals to two states and 8 districts within them was because of the large demand for Kolhapuris and the reduction of supply of leather in Maharashtra. The second problem has been of change of taste amongst the youth in India and across the globe. The last reason was the rise in competition. The most proverbial threat of „Chinese imitation“ always looms large.

BANGANAPALLE MANGO

'King of Fruits' refers to mangoes from Banganapalle that acquired a G.I. tag in the year 2017. The government-approved logo depicts a yellow-colored sparkling fruit with the words "Banglapple Mango from Andhra Pradesh," and farmers with images of a man and a woman. Anyone can now apply to become the first authorized user to sell or produce, and they must obtain a No Objection Certificate (NOC) from the Commissioner of Horticulture Development Agency, Government of Andhra Pradesh, Department of Horticulture. Many sages refer to the fruit by many names, including Beneshan, Banahan, Benishan, Chapati, Safeda, Banganapalli, Banginapalli, Banganapalle, and others. The fruit's key selling point is its ability to keep quality in cold storage for three months. According to documents presented to the Registry, the distinguishing feature of Banganapel mangoes is that they have very light markings on their skin, stones that are diagonal in shape, and very thin seeds with sparse and soft fibres. The government also referred to Kurnool district's original center as Nandyal Mandal in Banganapalle, Penam, and Telangana, as well as Khammam, Mahbubnagar, Rangareddy, Medak, and Adilabad districts. According to an affidavit filed in 2011, Rani Kumudini, then Commissioner of Andhra Pradesh, estimated that around 7,68,250 families were involved in the cultivation of Banganapalle mangoes. An estimated 24.35 lakh metric tons of mangoes were grown in Andhra Pradesh each year, with approximately 5,500 tons of Banganpal mangoes sold to nations such as the United States, United Kingdom, Japan, and the Gulf countries.

⁹ Navara Rice Farmers' Society case

9. CONCLUSION

A geographical indication does not simply identify a quality, reputation or characteristic of a product. It carries with it the entire production system rooted in a territory and associated with local stakeholders. This makes geographical indications a tool for local and sustainable development. Besides its “intellectual property” dimension, it also provides many other stimuli for social and economic development. Geographical indications reflect a system of production anchored to a territory and its local resources, and as such they can contribute to a process of adding value to the origin and its impact in terms of local sustainable development, by combining the economic and heritage dimensions. This involves considering a number of technical factors to implement and manage this at the local level. Because of these reasons the registration mechanism of GIs need to adopt “Linking people, places and products” approach. The Indian GI Act, which came into force, along with the GI Rules, with effect from 15 September 2003, has been instrumental in the extension of GI status to many goods so far. The central government has established the Geographical Indications Registry with all-India jurisdiction, at Chennai, where right-holders can register their GI. But this mechanism needs to be people friendly and eco-friendly in the days to come.

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