Lesser Known Intellectual Property Treaties of the Americas

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Much of international intellectual property law in the 21st Century has been shaped by the TRIPS Agreement, and those treaties incorporated by reference, in particular the Berne Convention on the Protection of Literary and Artistic Works ("Berne") and the Paris Convention for the Protection of Industrial Property ("Paris"). This focus ignores other earlier treaties which remain valid and may provide useful sources for IP protection that is either missing or uncertain in TRIPS and its associated treaties. Many of these "lesser known" treaties can provide a valuable adjunct to international protection by either filling gaps in analysis or providing alternative bases for relief against unauthorized uses. Some of these "lesser known treaties" also provide support for the development concerns of countries, including offering the potential for both stronger protection of local brands, and broader public interest based exceptions to copyright protection. Probably the three most useful of these lesser known treaties for countries in the Western Hemisphere are the Inter American (Pan American Trademark) Convention ("IAC"); the Lisbon Convention ("Lisbon") and the Universal Copyright Convention ("UCC").

From the point of view of local brand protection, the IAC is often overlooked in favor of the more well known TRIPS Agreement. Signed by 10 countries: Columbia, Cuba, Guatemala, Haiti, Honduras, Nicaragua, Panama, Paraguay, Peru, and the United States, the IAC has the potential to fill critical gaps in trademark protection under Paris and TRIPs by supporting an extended "priority" right, even if a mark has not achieved "well-known" mark status under Paris, Article 6bis. Article 7 of the IAC specifically provides that "[a]ny owner of a mark *protected in one of the Contracting States* … shall have the right to oppose [the] use, registration or deposit [of a conflicting mark] upon proof that the person who is using such mark or applying to register … it, *had knowledge* of the existence and continuous use in any of the Contracting States of the mark on which opposition is based upon goods of the same class[.] [T]he opposer may claim for himself the preferential right to use such mark in the country where the opposition is made or *priority to register* … it in such country …" (emphasis added) Article 8 of the IAC provides a parallel right to cancel registrations where a mark has been refused registration due to the presence of another, unauthorized mark. So long as the owner seeking protection under the IAC can meet the same requirements of prior "legal protection," identity and "knowledge," it could obtain cancellation of the interfering mark.

On their face, Articles 7 and 8 provide a strong extended right of priority beyond the six month period allowed under Paris. This priority right exists even if you haven't used or registered the mark in the country in which the opposition occurs. Furthermore, unlike Article 6bis of Paris, which grants a similar right of opposition and cancellation, there is no requirement that the mark be "well-known" or have achieved any particular level of notoriety, so long as the interfering mark owner has "knowledge" of the other mark. There is also no obligation to prove "bad faith" in the adoption or registration of the interfering mark. Significantly, the right is not limited to registered marks either. The term "legal protection" would include unregistered marks in countries, such as the United States, which grant mark owners rights to protect their marks regardless of whether or not they are registered.

The IAC has already proven useful in a number of countries, including in the United States, in contesting the registration of conflicting marks, in the absence of evidence of mark notariety. Thus, for example, in Colombia, Herbal Sensations, the US owner of the mark FATTACHE for dietary supplements. successfully opposed registration of the identical mark for identical goods by relying on the extended priority rights of the IAC. Even though Herbal Sensations had not previously registered the FATTACHE mark either in Colombia or in the Andean Community, its US registration was sufficient to meet the "protection" requirement of Article 7. Herbal Sensations demonstrated the applicant's prior knowledge of its mark through proof of a terminated contract between the two parties, including an express recognition by the applicant of the prior US registration.

The status of the IAC as a continuing binding obligation on the US Patent and Trademark Office has been called into serious question in two recent cases involving the rights of Cuban mark owners to rely upon the IAC in support of their pre-existing trademarks. Courts clearly recognized the binding nature of the IAC on US agencies and courts in early cases under the treaty. Thus, for example, in *Bacardi Corporation of America v. Domenech*, 311 US 150 (1940), the Supreme Court unequivocally stated: "The [IAC] on ratification became a part of our law. No special legislation in the United States was necessary to make it effective." It went on to note that the provisions of the IAC should be liberally construed to give full effect to it provisions, stating: "According to the accepted canon, we should construe the treaty liberally to give effect to the purpose which animates it. Even where a provision of a treaty fairly admits of two constructions, one restricting, the other enlarging rights… the more liberal interpretation is to be preferred."

Subsequent cases, however, arising after the establishment of US embargo regulations governing transactions with Cuban entities and nationals, called into question the continuing applicability of the IAC. In *Havana Club Holding, S.A. v. Galleon S.A.,* 203 F.3d 116 (2d Cir. 2000), the plaintiff HCH sought an injunction against the defendant's use of the Havana Club mark in the United States. The plaintiff specifically relied upon Articles 7, 8 and 20 (prohibiting unfair competition) of the IAC as a basis for support for these claims. Similarly, in *Empresa Cubana Del Tabaco v. Culbro Corp*. 399 F3d 462 (2d Cir. 2005), the plaintiff relied upon claims for relief under Articles 7 and 8 of the IAC in its fight over ownership rights to the mark Cohiba for cigars in the United States. In both cases the courts limited the application of the IAC to those rights granted under specific statutory provisions of the US Federal Trademark (Lanham) Act, and ultimately denied relief because the parties lacked standing as a result of the Cuban Asset Control (Embargo) Regulations ("CACR").

In *Havana Club*, the court not only held that the CACR abrogated US obligations under the IAC, it held that enactment of the Lanham Act in 1945 served to limit claims for relief under the IAC to the specific statutory provisions of US domestic law. Consequently, HCH could only assert its rights under the IAC if such rights were contained within a specific provision of the Lanham Act. Lacking standing under the Lanham Act due to the Cuban embargo, the plaintiff's case failed. In *Empresa Cubana*, the court reiterated the need for parties to rely upon particular provisions of the Lanham Act to enforce claims under the IAC, even though the Lanhan Act fails to accommodate the broader based "priority" protection arguably available under Articles 7 and 8 of the IAC. Section 44(d) of the Lanham Act reflects the traditional priority obligations of the Paris Convention, including an obligation that priority will only attach upon applications filed in the United States within six months of the first application. Despite this time limit, the court nevertheless held "Congress implemented Articles 7 and 8 [of the IAC] through the Lanham Act."

While the utility of reliance on the IAC in civil litigation may be questionable as a result of these two decisions, it remains a vibrant basis for challenging registrations *in the US Patent and Trademark Office.* Thus, for example, in *Diaz v. Servicios De Franquicia Pardo's SAC*, TTAB 2007 (US), an opposition to an application to register the mark PARDO for chicken in the United States was dismissed based on the applicant's right to the Pardo mark under the IAC. There was no question that the applicant was the prior user of the mark for chicken restaurants in the United States. Such prior use should have provided sufficient grounds to oppose the registration. However, the applicant had a pre-existing trademark registration in Peru and could meet the knowledge requirement of the IAC because the opposer Diaz had lived in Peru within 20 blocks of applicant's Pardo's Chicken Restaurant. This decision not only reaffirms the vitality of the IAC in trademark registration processes, it underscores its continuing significance in providing a basis for protecting rights in unregistered marks even in the absence of any particular level of fame.

Similar to the IAC, Lisbon, currently administered by the World Intellectual Property Office (WIPO) may provide protection for those countries which have significant geographically based products that could benefit from strong protection for appellations of origin. Presently, the Lisbon Agreement has only been signed by six countries in the Western Hemisphere: Cuba, Costa Rica, Nicaragua, Haiti, Mexico, Peru. The Lisbon Agreement arguably provides a more restrictive scope of protection for "geographic source indicators" than TRIPS. TRIPS Article 22 protects "geographical 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." By contrast, Lisbon provides protection for 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 or human factors." (emphasis added). This emphasis on geographic names, and on environmental uniqueness, *may* make the protection of what Lisbon refers to as "appellations of origin" potentially less attractive as a tool for providing strong protection for local geographically based goods. However, while the potential scope of protectable "geographic designators," such as champagne for sparkling wine, may be narrowed by the limitation to environmental sources of uniqueness (including human skill), Lisbon does provides a potentially stronger protection to covered terms because it does not allow them to become generic, except in the home country. Article 6 of Lisbon provides: "An appellation which has been granted protection in one of the countries of the Special Union … cannot be deemed to have become generic, as long as it is protected as an appellation of origin in the country of origin." By removing the ability of the countries where the "designated" good is sold from denying protection, Lisbon takes away one of the potential "weaknesses" of TRIPs.

Article 24 plainly provides TRIPS Members do not have to protect a term if it “is identical with the term customary in common language as the common name for [the relevant] goods or services in [its] territory.” This avoids the unfortunate situation where a group of producers advertise the uniqueness of their particular product, such as Chablis for white wine from the Chablis region of France, and then discover that the term is unprotectable in a country where the product is being sold because it is considered generic (such as in the United States).

Despite the potential utility of Lisbon for strengthening protection for geographic based designators, its adoption poses several problems. The first major problem is coverage. Unless your country has either signed the Lisbon Agreement or has entered into bilateral agreements which include its provisions, your geographical source designators will not receive the heightened protection against genericide in a country of use. More problematic is the potential collision between the absolute protection for meanings in the country of origin in Lisbon and obligations under Article 24 to give precedence to trademarks when conflicts arise. According to Article 24, where a trademark pre-dates the protection of a geographical indication, measure to protect such indication “shall not prejudice eligibility for or the validity of the registration of a trademark, or the right to use a trademark, on the basis that such a trademark is identical with, or similar to, a geographical indication.” The absolute protection of geographic designators under Article 6 appears to violate this rule, particularly in light of a WTO Dispute Panel report involving a similar provision in EU Regulations governing the use of the appellations of origins for agricultural products and foodstuffs. Nevertheless, Lisbon provides a useful view of how to protect the investment in a type of “branding” of locally produced goods.

The last “lesser” known treaty is the UCC. Administered by UNESCO, it has been acceded to by the following countries in the Western Hemisphere: Bolivia, Brazil, Colombia, Costa Rica, Dominican Republic, Ecuador, El Salvador, Mexico, Panama, Peru, Trinidad & Tobago, United States, Uruguay, and Venezuela. Although in light of Berne and TRIPS, the UCC is often overlooked, it recognizes a compulsory license for translation rights for developing countries that may be worth considering. Under Article Vbis a member country may avail itself of this translation right on notification. This right consists of a ”nonexclusive license from the competent authority … to translate the work .. and publish the work so translated.”   Under the provisions of Article Vter, anyone seeking to exercise this compulsory translation right must wait 3 years after publication of the work, unless they intend to translate it “into a language not in general use in one or more developed countries that are party to the Convention.” For those who seek such a translation right, the waiting period is reduced to one year. Similar to other compulsory license provisions, those who seek to exercise this compulsory translation right must exercise “due diligence” in seeking authorization from the copyright holder and must provide “just compensation” to the copyright owner. While this particular license is limited to translations “for the purpose of teaching, scholarship and research.” Article Vquater, however, provides for a compulsory license if copies of a translation “have not been distributed in that State to the general public or in connection with systematic instructional activities at a price reasonably related to that normally charged in the State for comparable works.” Such non-exclusive license may be granted subject to the same limitations as translation licenses.

Whether or not accession to the “lesser known” treaties is advisable, their distinctive provisions at least should provide the grounds for serious consideration of what types of additional protections and exceptions should be available to meet the development goals of the countries of the Western Hemisphere.