

19 January 2024

"Prosecco" Upheld as a Registrable Geographical Indication

Case Update: Consorzio di Tutela della Denominazione di Origine Controllata Prosecco v Australian Grape and Wine Incorporated [2023] SGCA 3

The "Prosecco" saga has finally reached its conclusion before the Singapore Court of Appeal after 4 years. The Opposition against the GI was initially refused before the Intellectual Property Office of Singapore's (our report <u>here</u>), and later reversed and allowed on appeal before the Singapore High Court (our report <u>here</u>)

Before an expanded 5 member Court of Appeal and with the additional assistance of independent counsel, the Court of Appeal has now reversed the High Court Decision and refused the Opposition, thereby allowing the Application GI "Prosecco" to proceed to registration.

Facts of the Case

To recap, the Producer's Consortium for Prosecco of Italy (the "**Applicant**") sought to register as a geographical indication ("**GI**") the name "Prosecco" in respect of wines (the "**Application GI**"). This application was opposed by Australian Grape and Wine Incorporated (the "**Opponent**"), the representative body for grape growers and winemakers in Australia. The opposition was initially based on 2 grounds under the Geographical Indications Act 2014 ("**GIA**") but the only one in issue before the Court of Appeal was the Section 41(1)(f) Ground, namely:

The Application GI "contains the name of a plant variety ... and is likely to mislead the consumer as to the true origin of the product" ("**Section 41(1)(f) Ground**");

<u>Section 41(1)(f) Ground – Even though Prosecco referred to a plant variety, it is not necessarily misleading as</u> to the true origin of the product

The Court of Appeal engaged in a full analysis of the Section 41(1)(f) Ground by employing established principles of statutory interpretation and reviewing the legal origin of GI law in Singapore. Ultimately, the Court established the following framework for assessing an enquiry under the Section 41(1)(f) Ground.

Under the Section 41(1)(f) Ground, there are 2 limbs to be satisfied

Firstly, the Court accepted that under the Section 41(1)(f) Ground, there are 2 conjunctive requirements namely:

that the Application GI contained the name of a plant variety; and

that the Application GI was likely to mislead the consumer as to the true origin of the product

While this was not contested by either party, the focus of the discussion revolved around how each particular limb was to be interpreted.

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Whether the Application GI contained the name of a plant variety

In determining whether the Application GI contained the name of a plant variety, the parties disagreed as to whether the enquiry should be conducted as an objective assessment, or a subjective assessment (that the average Singaporean consumer would view the name as referring to a plant variety).

The Court eventually held that the enquiry only required an **objective** factual assessment of whether the Application GI contained the name of a plant variety which is recognized as a name of a plant variety by a not insignificant population of people. In coming to this conclusion, the Court conducted a thorough review of the overarching law and background surrounding the protection of GIs, as well as the relevant parliamentary debates, and found that the assessment for the first limb must be **objective** in nature as:

- 1. It is possible for a word to be viewed/ used as a GI and/or a plant variety.
- 2. It is also possible for a GI to be registered even if contains the name of a plant variety.
- 3. A registered GI need not prevent use of the name of a plant variety.
- 4. The recognition of the need to protect the use of such names (names that are plant varieties but may also be a GI) in the course of trade indicates that the query as to whether the name is one of a plant variety must be an objective one and not connected with the subjective beliefs of consumer.

Following from the above, the Court found that this ground was established on the evidence which included:

- 1. Historical references to "Prosecco" as the name of a grape variety;
- 2. Recognition by various authorities and official bodies of "Prosecco" as the name of a grape variety; and
- 3. Various legislative decrees, international treaties and agreements that recognize "Prosecco" as the name of a grape variety.

The Court made the above finding despite the fact that it was established the "Prosecco" grape variety was renamed as "glera" in the EU.

Thus, the subjective knowledge of the relevant Singapore consumer need not be established in the first limb of the Section 41(1)(f) Ground. Having said that, it does appear that an analysis of the subjective knowledge of the Singapore consumer is nevertheless considered in the second limb.

Whether the consumer will be misled as to the true origin of the product

In assessing the second limb, the Court first established that the term "true origin" must refer to "true geographical origin". This is because:

 the function of a GI is to indicate the geographical origin of the product and the GIA recognises that "Prosecco" may be used as a registered GI, but also as the name of a grape variety in the course of trade. The confusion inquiry in s 41(1)(f) of the GIA thus examines whether "Prosecco" can still continue to function qua GI, notwithstanding its other, permissible, use in the course of trade. 2. in applying established statutory interpretation principles, the Court also identified various instances where the draftsman of the GIA had regarded the term "true origin" as having the same meaning as "true geographical origin" which was evident from how Singapore had implemented its international obligations under the TRIPs Agreement and the EUSFTA.

As to whether the consumer is likely to be misled, the Court reiterated that the touchstone of the matter was consumer confusion. To that end, the Court accepted the High Court's framing of the issue as "whether the GI sought to be registered is likely to mislead consumers into thinking that the product could only originate from the specified region when, in fact, its true origin could be other geographical locations where the plant variety used to make the product is found".

Following from the above, the Court held that the following non exhaustive factors were relevant:

- 1. Whether the average Singapore consumer here is even aware that the name in question is indeed the name of a plant variety if not the consumer will likely only view the name as a GI and there would be no confusion.
- 2. Whether the Singapore consumer is aware that the plant variety is involved in the production of the product over which GI protection is sought if the consumer does not know that the plant in question is involved in the production of the GI product, they will not be confused into thinking that the name had something to do with the plant variety as opposed to indicating true geographical origin.
- 3. The third factor concerns the GI that is sought to be registered and the message that is conveyed. For example, an application for "Italian Prosecco" as a GI would convey a very different message from "Prosecco".

On the facts, the Opponent was not able to establish that the Singaporean consumer would be misled as to the true geographical origin of "Prosecco" for the following reasons:

- 1. The Opponent did not produce evidence of consumer surveys, which would have been a more direct way of demonstrating whether the Singapore consumer would have been misled by the Application GI.
- 2. The Opponent chose to rely on advertising materials as well as statistics showing the increase in the volume of Australian "Prosecco" imported into Singapore, but the Court found these were only useful in providing some evidence as to how the product for which the GI is being registered has been marketed to the consumer in Singapore.
- 3. As for figures showing an increase in the volume of Australian "Prosecco" imported into Singapore the Court found that such evidence does not shed light on the material inquiry, i.e. whether, for example, Singapore consumers might be aware that "Prosecco" is also the name of a grape variety used to make wine of the same name.
- 4. The Opponent's own evidence also showed that what had been marketed to the Singapore consumer was that "Prosecco" wine was produced with a variety of grape called "Glera". Even though some of the listings did also specify that the name of the grape variety used was "Glera (Prosecco)" or "Prosecco" the Court found that this was insufficient to establish that the Singapore consumer would be misled as to the (geographical) origin of the wine "Prosecco".

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For all of the above reasons the Court of Appeal has **reversed** the High Court Decision and **refused the Opposition**, thereby allowing the Application GI "Prosecco" to proceed to registration.

Conclusion

The elaboration by the Court of Appeal on the history and statutory interpretation of the Section 41(1)(f) Ground elucidates several key concepts that form the backbone of Geographical Indications law and provides illumination on this new and developing area of law. Being the first GI matter to be decided by Singapore's apex court, this decision is a seminal case for GI jurisprudence in Singapore.

If you would like to discuss protecting and enforcing GIs in Singapore, please get in touch with us. For queries or more information, please contact:



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This article is intended to provide general information only and should not be relied upon as an exhaustive or comprehensive statement of law. Should you have any specific questions, please speak with one of our above contacts, or your usual contact at Amica Law LLC.

We wish to express our thanks to Marcus Liu for authoring this update.

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