

Grape or GI? “Prosecco” to be Registered as a GI under the Geographical Indications Act

*In **Consorzio di Tutela della Denominazione di Origine Controllata Prosecco v Australian Grape and Wine Incorporated** [2023] SGCA 37 (“**Consorzio**”), the Singapore Court of Appeal considered the operation and interpretation of the Geographical Indications Act 2014, possibly for the first time.*



Background

In 2019, Consorzio applied to register “Prosecco” as a Geographical Indication designating wine from the Northeast region of Italy. The Australian Grape and Wine Incorporated (AGWI) filed an opposition, and the High Court refused the registration of Prosecco.

In **Consorzio**, Consorzio appealed against the High Court’s decision.

The Geographical Indications Act 2014

Singapore implemented the Geographical Indications Act (GIA) to comply with its obligations under the European Union-Singapore Free Trade Agreement (EUSFTA). The GIA defines a “geographical indication” as “any indication used in trade to identify goods as originating from a place”, provided that

- (a) “The place is a qualifying country or a region or locality in a qualifying country; and
- (b) A given quality, reputation or other characteristic of the goods is essentially attributable to that place.”

"Many would say that the limestone-permeated water of Ipoh lends a special quality to the kway teow produced there...**the special qualities of the landscape** have given the food product a **unique flavour or quality which consumers actively seek out.**"

-Justice Judith Prakash,
Judge of the Court of
Appeal

The GI is a form of Intellectual Property Right to denote the unique relationship between a product and its territory of origin. It aims to assure consumers that products truly bear the qualities they are known for, and which can be attributed to geographical origins. Some examples of GI are Champagne and Bordeaux.

Legal frameworks for GI evolved from attempts to prevent fraud in the French wine market and play a similar consumer protection role as trademarks. To register a GI, one must put in an application and fulfil the requirements in the GIA. Subsequently, the application is made public to allow third party objections.

According to Section 41(f) of the GIA, the following must not be registered:

"(f) a geographical indication which contains the name of a plant variety or an animal breed and is likely to mislead the consumer as to the true origin of the product."

Consorzio concerns a two-step inquiry:

- 1) Whether the name "Prosecco" contains the name of a plant variety or animal breed; and
- 2) Whether the GI "Prosecco" would likely mislead consumers into thinking that the product could only originate from the specified region when it may not be the case.

Whether "Prosecco" contains the name of a plant variety

The Court of Appeal acknowledged that this requirement is assessed objectively and is not a high threshold to be crossed.

AGWI supported its opposition with documented historical references to "Prosecco" as the name of a grape variety, among other agreements and treaties. The Court accepted that "Prosecco" is indeed the name of a grape variety, even if it was renamed to "Glera" in 2009.

"...whether the GI is an **instrument of deception** will turn very much **on what the Singapore consumer is aware of.**"

- Justice Judith Prakash, Judge of the Court of Appeal

Whether the GI "Prosecco" was likely to mislead consumers

Next, the Court of Appeal considered whether the GI "Prosecco" would mislead consumers to believe that "Prosecco" wine could only originate from the Northeast region of Italy, when it could originate from other locations where the "Prosecco" grape is used to make wine.

This was a threefold inquiry:

- 1) Is the average consumer in Singapore aware that "Prosecco" is the name of a grape variety?
- 2) Is the consumer aware that "Prosecco" grapes are involved in the production of "Prosecco" wine?
- 3) Does the GI contain other words in addition to the name of the "Prosecco" grape variety?

AGWI relied on advertising materials and statistics showing the increasing imports of Australian "Prosecco" into Singapore. The Court held that AGWI's evidence may show increased local demand but is insufficient to show whether Singapore consumers are aware that "Prosecco" is the name of a grape used to make "Prosecco" wine. Furthermore, AGWI relies on the assumption that consumers would peruse advertising materials and notice this fact.

The Court pointed out that consumer surveys would be more relevant to this inquiry, while cautioning that even then, evidence on how the surveys were conducted should be submitted.

AGWI thus failed to establish that the GI "Prosecco" would mislead customers. If a Singapore consumer was unaware that "Prosecco" is the name of a grape involved in the production of "Prosecco" wines, it is unlikely any operative deception would arise. Furthermore, the GI sought to be registered was "Prosecco" as opposed to "Italian Prosecco".

Therefore, the Court allowed Consorzio's appeal to register the GI.

Key Takeaways from *Conorzio*

Conorzio was the first time the Court of Appeal had to interpret provisions on the registrability of GIs. The Court framed its inquiry according to the primary purpose of a GI regime -- consumer protection. In doing so, *Conorzio* affirms the purposive approach of Singapore courts when it comes to statutory interpretation.

Furthermore, the Court also claimed that trademarks and GIs are “distinct species of intellectual property”, and that provisions like the said Section 41 should be examined within the context of GIA, instead of under trademark law.

Lastly, *Conorzio* sets a precedent in the development of GI-related jurisprudence in Singapore. By setting out the key factors under consideration and the evidence that should be submitted, *Conorzio* is instructive for parties hoping to register a GI or seeking to oppose one.

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Infinity Legal LLC thanks and acknowledges Intern Tan En Xi for her contribution to this article.

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*Consorzio di Tutela della Denominazione di Origine Controllata
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Geographical Indications Act 2014, 2020 Revised Edition

CONTACT US

INFINITY LEGAL LLC

无限法律事务所

6 Eu Tong Sen Street
#12-14 The Central
Singapore 059817

www.infinitylegal.com.sg

T: +65 6988 8986

F: +65 6988 8932

E: enquiry@infinitylegal.com.sg