

**AUSTRALIA - CERTAIN MEASURES CONCERNING
TRADEMARKS, GEOGRAPHICAL INDICATIONS
AND OTHER PLAIN PACKAGING REQUIREMENTS
APPLICABLE TO TOBACCO PRODUCTS AND
PACKAGING**

Reports of the Panels^{* a}

WT/DS458/R, WT/DS467/R
and Add.1 and Supp.1^b

SCI redacted, as indicated [[*]]**

*Adopted by the Dispute Settlement Body
on 27 August 2018*

Report of the Panel^{* a}

WT/DS435/R
and Add.1 and Supp.1^b

SCI redacted, as indicated [[*]]**

Appealed on 19 July 2018

Report of the Panel^{* a}

WT/DS441/R
and Add.1 and Supp.1^b

SCI redacted, as indicated [[*]]**

Appealed on 23 August 2018

* These Panel Reports are in the form of a single document constituting four separate Panel Reports: WT/DS435/R, WT/DS441/R, WT/DS458/R and WT/DS467/R. The cover page, preliminary pages, sections 1 through 7, appendices, and annexes are common to all four Panel Reports. Section 8 on page HND-5225 of this volume contains the Panel's conclusions and recommendations in the Panel Report WT/DS435/R; section 8 on page DOM-5226 of this volume contains the Panel's conclusions and recommendations in the Panel Report WT/DS441/R; section 8 on pages CUB-5228 of this volume contains the Panel's conclusions and recommendations in the Panel Report WT/DS458/R; and section 8 on page IDN-5230 of this volume contains the Panel's conclusions and recommendations in the Panel Report WT/DS467/R.

^a The Panel's findings on the Trips Agreement can be found in this volume, starting at section 7.3.

^b Annexes A to C and Supp.1 can be found in DSR 2018:X.

TRIPS AGREEMENT

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7.3 *The TRIPS Agreement*

7.3.1 Article 6*quinquies* of the Paris Convention (1967), as incorporated by Article 2.1 of the TRIPS Agreement

7.3.1.1 Introduction

7.1733 We will now turn to the complainants' claims relating to the provisions of the TRIPS Agreement. As discussed in paragraph 7.11 above, we will first address those provisions that concern the protection of trademarks. We will start our analysis with the provisions invoked by the complainants that concern the protectable subject matter, including conditions for registration, namely first Article 2.1 of the TRIPS Agreement in conjunction with Article 6*quinquies* of the Paris Convention (1967) and then Article 15.4 of the TRIPS Agreement.

7.1734 Paragraph 1 of Article 2 of the TRIPS Agreement, entitled "Intellectual Property Conventions", reads as follows:

In respect of Parts II, III and IV of this Agreement, Members shall comply with Articles 1 through 12, and Article 19, of the Paris Convention (1967).

7.1735 Article 6*quinquies* A(1) of the Paris Convention (1967) reads as follows:

Every trademark duly registered in the country of origin shall be accepted for filing and protected as is in the other countries of the Union, subject to the reservations indicated in this Article. Such countries may, before proceeding to final registration, require the production of a certificate of registration in the country of origin, issued by the competent authority. No authentication shall be required for this certificate.⁴⁰⁵³

⁴⁰⁵³ The arguments by Honduras and Cuba (by reference) focus on paragraph A(1) of Article 6*quinquies*. The other paragraphs of Article 6*quinquies* read as follows:

(2) Shall be considered the country of origin the country of the Union where the applicant has a real and effective industrial or commercial establishment, or, if he has no such establishment within the Union, the country of the Union where he has his domicile, or, if he has no domicile within the Union but is a national of a country of the Union, the country of which he is a national.

B. Trademarks covered by this Article may be neither denied registration nor invalidated except in the following cases:

1. when they are of such a nature as to infringe rights acquired by third parties in the country where protection is claimed;
2. when they are devoid of any distinctive character, or consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, place of origin, of the goods, or the time of production, or have become customary in the current language or in the bona fide and established practices of the trade of the country where protection is claimed;

7.1736 Honduras and Cuba, by reference⁴⁰⁵⁴, claim that the TPP measures are inconsistent with Article 2.1 of the TRIPS Agreement in conjunction with Article 6*quinquies* of the Paris Convention (1967). More specifically, they claim that the TPP measures are inconsistent with Article 6*quinquies* because a trademark duly registered in the country of origin outside Australia is not protected "as is", i.e. in its original format.⁴⁰⁵⁵

7.1737 Australia asks the Panel to reject these claims in their entirety.

7.3.1.2 Main arguments of the parties

7.1738 Honduras and Cuba, by reference, claim that the TPP trademark restrictions are inconsistent with Article 6*quinquies* of the Paris Convention, which requires that a trademark registered in one country shall be accepted for filing and protected "as is" in other countries.⁴⁰⁵⁶

7.1739 Honduras submits that the basic obligation stipulated in Article 6*quinquies* A(1) is that a trademark registered in the country of origin shall be accepted for filing and protected "as is" in other countries, according to what is known as the "*telle quelle*" principle. Pursuant to Article 6*quinquies*

3. when they are contrary to morality or public order and, in particular, of such a nature as to deceive the public. It is understood that a mark may not be considered contrary to public order for the sole reason that it does not conform to a provision of the legislation on marks, except if such provision itself relates to public order.

This provision is subject, however, to the application of Article 10*bis*.

C. (1) In determining whether a mark is eligible for protection, all the factual circumstances must be taken into consideration, particularly the length of time the mark has been in use.

(2) No trademark shall be refused in the other countries of the Union for the sole reason that it differs from the mark protected in the country of origin only in respect of elements that do not alter its distinctive character and do not affect its identity in the form in which it has been registered in the said country of origin.

D. No person may benefit from the provisions of this Article if the mark for which he claims protection is not registered in the country of origin.

E. However, in no case shall the renewal of the registration of the mark in the country of origin involve an obligation to renew the registration in the other countries of the Union in which the mark has been registered.

F. The benefit of priority shall remain unaffected for applications for the registration of marks filed within the period fixed by Article 4, even if registration in the country of origin is effected after the expiration of such period.

⁴⁰⁵⁴ "Cuba endorses and hereby incorporates by reference all of the claims, arguments and evidence advanced in their first written submissions by the Dominican Republic, Honduras, Indonesia and Ukraine, under Articles 15.4, 16.1, 16.3 and 22.2(b) of the TRIPS Agreement and Article 6*quinquies* of the Paris Convention (read with Article 2 of the TRIPS Agreement)." Cuba's first written submission, para. 428. Furthermore, "Cuba adopts and hereby incorporates by reference all the claims, arguments and evidence submitted in the second written submissions of the Dominican Republic, Honduras and Indonesia, on Articles 15.4, 16.1, 16.3 and 22.2(b) of the TRIPS Agreement and Article 6*quinquies* of the Paris Convention (read with Article 2 of the TRIPS Agreement)." Cuba's second written submission, para. 414.

⁴⁰⁵⁵ Honduras's first written submission, para. 938.

⁴⁰⁵⁶ Honduras's first written submission, para. 258.

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A(1), Members may not require that a trademark, already registered in the country of origin, be modified or altered as a condition for acceptance for filing and protection in their territory.⁴⁰⁵⁷ Countries may depart from the "as is" principle to the extent contemplated in the "reservations indicated in this Article", which stipulate various grounds for denial or invalidation of registration, including where the trademark is contrary to morality or public order, or when it lacks distinctiveness.⁴⁰⁵⁸

7.1740 Honduras explains that its "claim relates to the second aspect of this provision, namely the protection of trademarks". Building on dictionary definitions, it argues that the term "protection" in the context of Article 6*quinquies* A(1) refers to the defence, support, assistance or safety that WTO Members are expected to provide to trademarks.⁴⁰⁵⁹ In its view, footnote 3 of the TRIPS Agreement serves as useful context for interpreting the term "protection" in Article 6*quinquies* A(1). Honduras asserts that the notions of availability, acquisition, scope, maintenance and enforcement mentioned in footnote 3 have one underlying common denominator: the "use" of a trademark. A measure that disallows the use of a trademark seriously undermines that trademark owner's rights concerning availability, acquisition, scope, maintenance and enforcement. Hence, Honduras concludes, a measure that prohibits the use of trademarks cannot qualify as a measure that protects trademarks.⁴⁰⁶⁰

7.1741 Honduras argues that Article 6*quinquies* A(1) obliges Australia to protect, in its original form, any trademark that has been previously registered in the country of origin. Australia, therefore, may not require, as a condition for protection, that a trademark's original form be modified or altered. Honduras adds that "the obligation to afford 'protection', in the sense of Article 6*quinquies* A(1), necessarily involves ensuring that trademark owners can 'use' their trademarks, since this is an integral part of the availability, acquisition, scope, maintenance and enforcement of trademark rights".⁴⁰⁶¹

7.1742 Honduras submits that the TPP measures prohibit the use of certain trademarks in their original form – i.e. design marks and composite marks – in the retail packaging of tobacco products and on those products themselves. Australia only allows these trademarks to be used if they are displayed in the standardized form. Honduras argues that "by conditioning the protection of trademarks to compliance with these requirements", Australia fails to protect design marks and composite marks in their original form. According to

⁴⁰⁵⁷ Honduras's first written submission, para. 261.

⁴⁰⁵⁸ Honduras's first written submission, para. 262.

⁴⁰⁵⁹ Honduras's first written submission, para. 263.

⁴⁰⁶⁰ Honduras's first written submission, para. 264.

⁴⁰⁶¹ Honduras's first written submission, para. 266.