

**IN THE HEARINGS AND MEDIATION DEPARTMENT OF
THE INTELLECTUAL PROPERTY OFFICE OF SINGAPORE
REPUBLIC OF SINGAPORE**

Geographical Indication Application No. 50201900088S
9 April 2021

IN THE MATTER OF A GEOGRAPHICAL INDICATION APPLICATION BY

**CONSORZIO DI TUTELA DELLA DENOMINAZIONE DI ORIGINE
CONTROLLATA PROSECCO**

AND

**OPPOSITION THERETO BY
AUSTRALIAN GRAPE AND WINE INCORPORATED**

Principal Assistant Registrar Tan Mei Lin
4 May 2021

REGISTRAR'S DECISION

Background

1. On 3 May 2019, Consorzio di Tutela della Denominazione di Origine Controllata Prosecco (the “Applicant”), a consortium established and organised under the laws of Italy, applied to register as a geographical indication (“GI”), the name “Prosecco” in respect of wines (the “Application GI”). The claimed geographical area is “located in the North East region of Italy, and includes the entire territory of Belluno, Gorizia, Padova, Pordenone, Treviso, Trieste, Udine, Venice and Vicenza” (the “Specified Region”).
2. On 9 September 2019, Australian Grape and Wine Incorporated (the “Opponent”), the representative body for grape growers and winemakers in Australia, filed an opposition against the registration of the Application GI, relying on the following grounds under the Geographical Indications Act (No. 19 of 2014) (the “GIA”):

(a) The indication “contains the name of a plant variety ... and is likely to mislead the consumer as to the true origin of the product” pursuant to Section 41(1)(f) of the GIA (“**Ground 1**”); and

(b) The indication “does not fall within the meaning of “geographical indication” as defined in section 2” pursuant to Section 41(1)(a) of the GIA (“**Ground 2**”).

3. The following statutory declarations (“SD”) have been filed in these proceedings:

S/N	Document
Opponent’s SDs	
1.	SD of Anthony Nicholas Battaglone, Chief Executive of the Opponent, (“ Battaglone ”) dated 3 September 2019
2.	Reply SD of Battaglone dated 11 January 2021 (re-executed)
3.	Further Reply SD of Battaglone dated 11 January 2021 (re-executed)
4.	SD of Patrick Sng, Group Chief Executive Officer of Straits Wine Company Pte Ltd, dated 1 June 2020
5.	Reply SD of Patrick Sng dated 5 January 2021
6.	SD of James Blue, CFO of Indigo Wine Co. Pte. Ltd., dated 17 June 2020
Applicant’s SDs	
7.	SD of Stefano Zanette, President of the Applicant, dated 15 January 2020
8.	Reply SD of Stefano Zanette dated 17 November 2020
9.	SD of Quek Chin Chye Gary, Director of Via Serica Pte Ltd, dated 17 January 2020

4. It is undisputed that the burden of proof in the present case falls on the Opponent and the relevant date by which the merits of this opposition should be assessed is the date of application for registration of the Application GI, that is, 3 May 2019 (the “Relevant Date”).

Decision

5. Having considered all the pleadings and evidence filed, and the submissions made in writing and orally, I find that the opposition fails on both grounds. My findings are as follows:

(a) *Ground 1*

6. I find that “Prosecco” is the name of a grape variety, and as such, the Application GI contains the name of a plant variety. However, based on the evidence lodged, I am not persuaded that there is a likelihood that the consumer will be misled as to the true origin of the product.

7. In this regard, I am of the view that the words “true origin” refer to “true geographical origin” and not “true plant (or animal) origin” of the product, as the Applicant had suggested.

8. “Prosecco” has been used as the name of a grape variety since at least 1773. It is a grape variety that may have originated from Italy, but it has since left its cradle of origin and is now cultivated in commercial quantities in other countries such as Australia. Australian wines made from the “Prosecco” grape variety (“Australian “Prosecco””) have been exported to Singapore since 2015.

9. Italy may have passed a decree in 2009 to change the name for the “Prosecco” grape variety to “Glera”, but the fact remains that other countries, such as Australia, still use the name “Prosecco” as a grape variety.

10. Notwithstanding my finding that the Application GI is a grape variety, it does not automatically follow that the Application GI is “likely to mislead the consumer”. If this were so, Section 41(1)(f) of the GIA would not have been drafted with the conjunctive “and”. Further, as is clear from Section 15(b) of the GIA, the GIA does not prohibit the registration of GIs that are identical with the names of plant varieties, as it provides exceptions to the rights of registered GIs where the GI consists (or contains) of the name of a plant variety. Section 15(b) reads:

Section 4 shall not apply to —

...

(b) the use in the course of trade of a registered geographical indication, or any term contained in a registered geographical indication, that is the name of a plant variety or an animal breed.

(Section 4 sets out certain uses of a geographical indication against which producers or traders (or associations of such producers or traders) of goods identified by that geographical indication may bring an action.)

11. The Opponent’s case that the Application GI is likely to mislead the consumer, as pleaded in its grounds of opposition, is as follows:

[10] ...the average consumer in Singapore will recognise the “Prosecco” term to refer to wines produced from a grape variety of the same name which can also

originate from Australia as opposed to being limited to wines originating from a particular region in Italy.

[11] If the [i]ndication is registered, the Singapore consumer will be misled as to the true origin of “Prosecco” wines as they will be led to believe that “Prosecco” wines can only refer to wines produced from a specified region in Italy when such wines can and do in fact originate from countries like Australia which produce wines from the “Prosecco” grape variety. As such, registration of the [i]ndication would be contrary to Section 41(1)(f) of the [GIA].

12. I find that the Opponent’s evidence is insufficient to support paragraph [10] of its pleaded case. In any event, it appears to me that if consumers recognise that “Prosecco” may refer to wines from Australia as well as Italy, the likelihood of them being misled is reduced rather than heightened. My point here will become clearer later on in this decision.

13. As for paragraph [11] of the Opponent’s pleaded case, implicit within it seems to be the assumption that any GI that is also the name of a grape variety would be misleading, if the grape variety has left its cradle of origin and is cultivated in more than one place. Such an approach seems to be overly simplistic, as it fails to take into account all relevant circumstances of the case, such as the state of the marketplace at the Relevant Date, consumer behaviour in relation to the product concerned and the way the product concerned is sold.

14. Taking all relevant circumstances into account, I am unable to find any evidence to support a finding that the Application GI is likely to mislead the consumer as to the true geographical origin of the product. I provide some of my reasons below.

15. Firstly, no evidence has been lodged to show that consumers have actually been misled, although Australian “Prosecco” have been sold alongside “Prosecco” wines from the Specified Region (“Italian “Prosecco””) for a period of at least 4 years in Singapore before the Relevant Date. Although Section 41(1)(f) uses the phrase “*likely to mislead*” and thus, evidence of consumers being actually misled is not mandatory, such evidence, if available, would have helped to establish this element of the ground of opposition more readily.

16. Secondly, consumers are likely to pay a relatively high degree of attention to the purchase of the goods concerned. Consequently the likelihood of them being misled as to their origin is reduced. This is because the distinctions made between such goods, which are to be imbibed, are often matters of consumer preference. Consumers are more likely than not to consider, among other things, the country of origin, the grape variety and the tasting notes of the wine. In this regard, they are not likely to be misled into thinking that a bottle of Italian “Prosecco” comes from Australia or vice versa. Further, if as the Opponent alleged (which I do not find), consumers truly recognise that “Prosecco” may refer to wines from Australia as well as Italy, they would be even more careful to check the country of origin of the wine and would not be misled.

17. Thirdly, the way wines are marketed and sold in Singapore will influence consumers' understanding of the wines and prevent consumers from being misled. In Singapore, it is a common industry practice for wine traders to market their wines with accompanying descriptions of the country of origin of the wine. The country of origin of the wine is also clearly indicated on every bottle of wine. In restaurants, wine menus will also often indicate the country of origin of the wines they offer. This would reduce the likelihood of the consumer being misled as to the origin of the wine.

18. Fourthly, considering the length of time "Prosecco" has been used on Italian wines from the Specified Region, the length of time Italian "Prosecco" has been available in Singapore, as well as its popularity, reputation and renown, I find that any likelihood of consumers being misled is further reduced. Italian "Prosecco" have been sold in Singapore since 2010. It is one of the more well-known and popular wines in the world. In 2018, it achieved a production score of more than 460 million bottles, with an estimated retail value of about EUR2.4 billion, even overtaking Champagne. Australian "Prosecco" wines, on the other hand, have been sold in Singapore only since 2015, and the quantities of Australian "Prosecco" wines exported to Singapore are very significantly lower compared to those of Italian "Prosecco" wines. The export volumes of the respective wines are as follows:

Year	Italian "Prosecco" (Litres)	Australian "Prosecco" (Litres)
2011	84,200	NA
2012	151,200	NA
2013	214,000	NA
2014	216,200	NA
2015	247,100	900
2016	251,400	5,702
2017	380,700	7,316
2018	387,100	9,657

19. Fifthly, the use of "Prosecco" as a grape variety is not so widespread and pervasive as to increase the likelihood of the consumer being misled. It appears from the evidence that, apart from Italy and Australia, there were no other wines made from the "Prosecco" grape variety available in Singapore as at the Relevant Date.

(b) Ground 2

20. I find that the Application GI falls within the meaning of "geographical indication" under Section 2 of the GIA.

21. Section 2 of 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;

22. The Opponent submitted two arguments on why the Application GI should fail under this ground.

23. Firstly, the Opponent submitted that, as of the Relevant Date, the average Singaporean consumer would simply have regarded the term “Prosecco” as a generic term for a type of sparkling wine made from the “Prosecco” grape variety, and would not have identified “Prosecco” as originating exclusively from the Specified Region.

24. In my view, Section 2 merely requires the indication to be “used in trade to identify goods as originating from a place”. It is not concerned with how the indication is perceived by the consumers, and in particular, whether the indication is a generic term for a type of product or an indicator that the product originates from a specific region.

25. Further, a separate ground of refusal for generic terms exists under Section 41(1)(e) of the GIA. Section 41(1)(e) reads:

The following shall not be registered:

- (e) a geographical indication which is identical to the common name of any goods in Singapore, where registration of the geographical indication is sought in relation to those goods;

26. The Opponent did not plead Section 41(1)(e) as a ground of opposition.

27. I am satisfied that the Application GI has been used in trade to identify goods as originating from the Specified Region.

28. Secondly, the Opponent submitted that the Application GI does not have any qualities, reputation, or other characteristics that are essentially attributable to the Specified Region. In particular, the Opponent contended that:

- (a) the Applicant has only based its application on the alleged quality or other characteristic (and not the reputation) of “Prosecco” wines produced in the Specified Region; and

(b) the qualities and/or other characteristics of “Prosecco” wine are owed to the underlying grape variety and not to the Specified Region.

29. In support of its contention (b) above, the Opponent relies on a 2019 research report published by the Faculty of Law of Monash University titled “*The European Union’s attempts to limit the use of the term ‘Prosecco’*” (the “Monash Report”). The Monash Report asserts:

The breadth of different growing conditions (and methods) demonstrates that the grape variety is key. Were the specific geographic conditions of a particular area really the basis for the Prosecco DOC designation rather than the grape, one might have expected some consistency in those conditions, whereas in fact this is not the case at all. Nor are production methods consistent. As rather starkly noted by the Fraternity of Valdobbiadene in 2018, DOCG production will be subject to rules prohibiting mechanisation or irrigation (except in emergencies), in order to maintain high quality. By contrast, mechanisation is common in the broader DOC. This variety underscores the reality that the common factor is the grape variety grown, and not the geographic location or method.

30. Apart from the fact that the Opponent’s case rests only on a single piece of evidence, I also do not attach too much weight to the Monash Report as I note that it was prepared at the request of the Opponent and could be biased. More importantly, the writer(s) of the Monash Report did not themselves make the statutory declaration which exhibited this item of evidence, and were therefore not subject to sanctions for knowingly making a false declaration, should this be established.

31. I am therefore not satisfied that the Opponent has discharged its burden of proof on this point.

Next steps

32. The Application GI will proceed to registration and the Applicant is entitled to costs to be taxed, if not agreed.

33. Parties are reminded that this decision does not constitute the Registrar’s grounds of decision. Under Rule 37(3) of the Geographical Indications Rules, parties have to file GI14 to obtain the Registrar’s grounds of decision. Rule 37(3) is reproduced below for ease of reference:

Where a party wishes to have the Registrar’s grounds of decision, the party must, within one month after the date of the Registrar’s decision, file with the Registrar a request in Form GI14 for the Registrar to state the grounds of decision.

34. Parties have 28 days after the grounds of decision are served on them to file an appeal to the High Court.

35. Finally, for the avoidance of doubt, in this decision, I make no finding as to whether grape growers and winemakers in Australia represented by the Opponent can continue to use “Prosecco” on their wines in the course of their trade.

Representation:

Mr Gene Kwek, Ms Penelope Ng and Ms Teo Tze She (Bird & Bird ATMD LLP) for the Applicant

Mr M. Ravindran and Mr Jon Chan Wenqiang (Ravindran Associates LLP) for the Opponent

(The full grounds of decision can be found at *Australian Grape and Wine Incorporated v Consorzio di Tutela della Denominazione di Origine Controllata Prosecco* [2021] SGIPOS 9.)