IP KEY – SOUTH AMERICA

THE GEOGRAPHICAL INDICATION COGNAC PROTECTION

November 26, 2020



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THE GEOGRAPHICAL INDICATION COGNAC

Cognac, a single product



The largest white wine producing region in the world



HISTORY

- Delimitation of the Cognac area in 1909
- Condition of production in 1936
- Specification product in 2015

SPECIAL PROCESS LINKED TO

- A terroir
- Specific production rules
- Thousands of men and women and their know-how

November 26-27 2020 South America

DELIMITED AREA, EXPERTISE AND KNOW-HOW, DIVERSITY AND AUTHENTICITY

Around 5,000 members



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4,300
VINTNERS
AND HOME DISTILLERS

270
TRADE HOUSES

120
PROFESSIONAL
DISTILLERS

60,000
PERSONS LIVING OFF COGNAC

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2

COGNAC: A SINGULAR ORGANISATION (BNIC)



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BNIC

Missions

PUBLIC SERVICE MISSIONS

-1946-

On behalf of the DGDDI
(French customs)

Monitoring Cognac movements

Monitoring ageing registers
Issuing Cognac certificates



INTERBRANCH MISSIONS

-1989-

Understanding, defending, and promoting the GI
Organizing production and responding to market requirements
Facilitating market access
Implementing a Research
and Sustainable Development policy
Providing downstream quality control



MISSIONS OF THE DEFENSE AND MANAGEMENT BODY (DMB) -2010-

2010

Defending and managing the Cognac GI Verifying compliance with Cognac GI specifications Implementing a control plan





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South America

COGNAC SECTOR

Indicators turned green in all countries



9

*NAFTA: Canada, United-States and Mexico

**Far East: South Korea, Hong Kong, Malaysia, Singapore, Taiwan, Thaïland, China, Japan.

***Europe : European continent

Source: BNIC - 2019/2020

COGNAC SECTOR

Indicators turned green in all countries

USA



1 442 millions euros

China

96.1 millions bottles

20,3 millions bottles



China

431 millions euros

Singapore 18.8 millions bottles

Singapore

391 millions euros

United Kingdom

8.0 millions bottles



United Kingdom

74 millions euros

France

4,8 millions bottles

France

64 millions euros

Latvia

4.0 millions bottles

6

Panama

48 millions euros

Germany

3,5 millions bottles

Latvia

45 millions euros

South Africa

2,5 millions bottles

2,0 millions bottles

2,0 millions bottles

Canada

8 43 millions euros

Germany

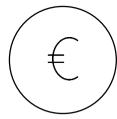
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Hong Kong

43 millions euros

1

United Arab Emirates



By value



Hong Kong

42 millions euros

Source : BNIC -2019/2020





COGNAC SECTOR

Statistics in South America

Surinam



Surinam

3 680 046 euros

Chile



Uruguay

47 488 bottles

124 700 bottles

Uruguay

Chile

1 270 781 euros

46 136 bottles

Colombia

4

Argentina

500 000 euros

Bolivia

18 076 bottles

16 626 bottles

6

Colombia
364 049 euros bottles

Argentina

13 206 bottles

6

Bolivia

292 317 euros

Brazil

9186 bottles

7 Guyana

140 984 euros

Guyana

8181 bottles

8 Brazil

138 236 euros

Peru

Ecuador 1217 bottles

Peru

830 bottles

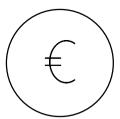
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Ecuador

27 907 euros

ldot

26 693 euros



By value

Source : BNIC -2019/2020



Threats for the GI Cognac

Reference to cognac in a product name can be a strong added-value for people that misuse the GI in order to take profit of Cognac's fame

- Real need to ensure consumers' safety by preventing them from :
 - Public safety risks
 - Misleading risk
- Certain risk for the Cognac industry:
 - Economic risk
 - Image risk

How does BNIC ensure the protection of the GI Cognac?



1 | GI RECOGNITION

- Registered in 22 Countries
- Defending the highest level of protection available for the GI Cognac in bilateral and multilateral agreements



In particular in Russia, Ukraine, South America, Eastern Europe and Caucasus.



3 | ENFORCEMENT OF THE PROTECTION

More than 340 ongoing files

- Fight against:
 - Counterfeits
 - Misleading trademarks
 - Misappropriation of the reputation



4 | COOPERATION

- Active international cooperation in legal matters (more than 40 lawyers worldwide)
- Technical cooperation (BNIC has its own analysis laboratory: "Station Viticole").



5 | SHARE INFORMATION

Necessary collaboration with **control administrations** (customs, police and other)

A strong legal framework



INTERNATIONAL LEVEL

- WTO (TRIP's)
- WIPO (Lisbon Agreement)
- Bilateral agreements EU/Third-countries,
- Direct registrations in countries allowing it.



EUROPEAN LEVEL

GI strongly protected as a wine-spirit by Regulation n° 2019/787 dated April 17th, 2019, regarding spirit drinks



NATIONAL LEVEL

An AOC defined by Decree n°
2015-10 dated January 7,
modified by decree dated
8 November 2018
An AOC also protected by the
national intellectual property law.

Specifications & Control Plan

Current protection of Cognac Appellation in South America



Countries where Cognac is recognized:

Brazil (Direct registration, 2000)
Chile (Bilateral Agreement, 2003)

Colombia (Bilateral agreement, 2013)

Ecuador (Direct registration, 2014)

Peru (Lisbon Agreement, 1966 – Geneva Act in progess)

Pending Agreement between EU and MERCOSUR:

Mercosur: Argentina, Brazil, Uruguay and Paraguay

Focus: MERCOSUR/EU Agreement

• A level of protection similar to European regulation

MERCOSUR ***

Allows to act against:

- Direct or indirect commercial use for comparable products
- Misappropriation of the reputation
- Usurpation, imitation or deceptive use
- Practice likely to mislead consumer

BNIC' objective: terminate the generic use of the GI Cognac in particular in Brazil, Argentina and Uruguay.

- The enforcement of the protection two tier system
- Uruguay and Paraguay: effective protection from the entry into force
- Argentina and Brazil: 7 years phasing-out Allows the use of "Cognac"/"Coñac" (Argentina) and « Conhaque » (Brazil) during the transition period. These terms must be accompanied by a visible indication of the geographical origin
- Various Exceptions

 Will imply additionnal difficulties for the enforcement of the protection

In particular, no protection against:

- Prior trademarks (good faith registration or a use prior to the Agreement signature)
- Well-known trademarks

Fight against claims of genericity

COGNAC - COÑAC - CONHAQUE

In some countries of South America, "Cognac" and its Hispanic and Portuguese translations are considered as generic names designating a category of product produced locally.

In Argentina, "Cognac" and "Coñac" are considered as a category of alcoholic beverages whose conditions of production are limited to few technical characteristics, without any mention of the origin of the product.

In Brazil, despite "Cognac" is protected since 2000, "Conhaque" is still used because of its seniority and the two names are easily substitutable in practice.



Main risks:

- Misleading the consumer about the true origin of the products
- Misappropriation and dilution of the reputation of the GI "Cognac"

The references to "Cognac" / "Conhaque" / "Coñac" must be withdrawn for products not complying with Cognac Product Specifications

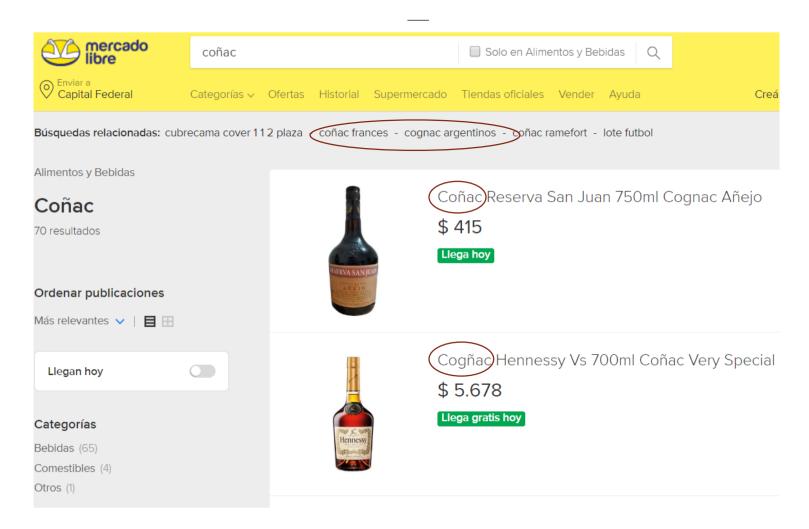


Top 10 Melhores Conhaques para Comprar em 2020 (Dreher, Domecq e mais)

O conhaque é uma bebida muito apreciada em vários lugares do mundo. No Brasil, conhaques nacionais e importados podem ser facilmente encontrados para venda. Só que como não é uma bebida muito consumida pelos brasileiros, pode ser difícil decidir entre marcas como Dreher, Domecq, Fundador e Hennessy, por exemplo.

Use of "Conhaque" to make a classification of different types of brandies: Cognac, Armagnac and South American brandies.

The references to "Cognac" / "Conhaque" / "Coñac" must be withdrawn for products not complying with Cognac Product Specifications



Search results for the word "Coñac" in market places: Argentinean brandies and genuine Cognac + References: "Coñac frances" "Cognac argentinos".

The references to "Cognac" / "Conhaque" / "Coñac" must be withdrawn for products not complying with Cognac Product Specifications



Resultados de tu búsqueda "cognac"

DESTILADOS







Search results for « Cognac »: genuine Cognac and brandies from Argentina

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