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OVERVIEW

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A. WHAT ARE CERTIFICATION AND COLLECTIVE MARKS?

Whereas the legal perception of ordinary trademarks is primarily one of individual source designation, certification marks are upheld as designations of conformity of goods or services to particular standards which are stipulated by the proprietor. A certification mark is a mark which indicates that certain characteristics of goods or services, in connection with which the mark is used, are certified. Thus a certification mark is regarded as a guarantee that goods or services, in connection with which the mark is used, conform to certain standards (one well-known example being HARRIS TWEED). Certification marks, in one form or another, have been registrable in the United Kingdom and other countries for more than 100 years. However, relatively few certification marks are added to the register each year. **1.01**

Collective marks are primarily perceived as attesting to something concerning the source of the goods or services on or with which the mark is used. That ‘something’ is first and foremost that the goods or services originate from a member of a particular association. It is therefore intended to function as a sign of membership. Nevertheless, because the membership regulations of a trade or industry association may require that members’ goods or services maintain a certain quality standard, a collective mark is sometimes viewed as conveying a message, albeit an indirect message, of product quality. **1.02**

Certification and collective marks are treated legally as special forms of trademarks. The processes of examination, registration, and provisions for redress when infringed, are all integrated into the trademark statutes of the world. However, unlike ordinary or ‘individual’ trademarks, in virtually all jurisdictions they only have commercial meaning when they are used by **1.03**

multiple sources of goods or services, subject to the proprietor's authorization. Whereas, the proprietor of an ordinary trademark normally is free to decide whether to license his mark to other businesses or reserve it for his own use, the owner of a certification mark does not and must not use the mark. The mark *ab initio* is for the use of other, multiple, sources subject to the proprietor's authorization. Indeed he is obligated not to deny authorization for any source to use the mark on products that meet his stipulated standards. By contrast, use of a collective mark is more restricted, in the sense that authorized use is reserved to sources that are members of the relevant association that owns the mark.

B. ABOUT THE BOOK

- 1.04** This book presents the principles of certification mark and collective mark law and related issues of law and policy that seem set to play a significant role in the future. The approach taken is to put these special marks into the wide historical, legal and commercial context. Thus the ensuing chapters deal with their historical development, pertinent trademark law and practice, certifiers' liability, legal and commercial significance, use in regulatory and technical standardization frameworks, and emergent *sui generis* forms of certification, namely ecolabels and electronic authentication marks in digital content.
- 1.05** It is hoped that this contextual approach will assist lawyers and policy-makers in considering the pros and cons of certification and collective mark law reform. Such consideration is needed, if only to remedy the under-utilization of the registered certification mark system. The certification and collective mark systems yield relatively few registrations each year. These marks are highly beneficial to industry, regulators and the purchasing public alike, and it is time to seek ways for them to be exploited by a wider constituency of potential proprietors and users. In this regard, the recent addition of the EU to the community of jurisdictions that register and protect certification marks is a notable step forward. It will be intriguing to observe the impact of the EU decision to exclude geographical origin from the scope of registrable certification marks, thereby according apparent preference to protection through its Geographical Indications system, which is being considered for extension beyond agricultural products and foodstuffs.

C. OVERVIEW OF CONTENTS

Chapter 2 traces the historical development of certification marks from 1.06
 mediaeval times, when the craftsman's mark was used by the guilds to police
 standards of workmanship and assure the genuineness of goods. Craftsmen's
 marks, such as those of the London Coopers, shown in the Appendix, were
 registered by the guilds in order to provide traceability and accountability of
 the craftsman for his work. The mark of the guild, the mark of the collective,
 appeared on his goods as well, attesting to his affiliation and to true guild
 workmanship. With gradual emancipation of the trades from the guild system
 the liability marks of the craftsmen evolved into trademarks, or personal
 symbols of goodwill. Regulatory law was displaced by trademark law as the
 means of protecting the public from deception.

The second chapter goes on to describe how, as industrialization gathered 1.07
 pace, a need was identified to protect marks used by members of trade
 associations of the modern kind. The United Kingdom adopted the approach
 according to which members of associations could use an "association mark",
 provided that their goods met the proprietor-association's standards for certifi-
 cation. Registration of association marks, or certification marks as they became
 known, was first introduced under the Trade Marks Act 1905. The Act
 initiated the practice of integrating the registration of certification marks into
 the statutory framework for registration of ordinary trademarks, subject to
 special provisions.

Chapter 3 presents a description of the current statutory framework specific to 1.08
 certification marks and the laws and treaties upon which the protection of
 certification and collective marks is based in the Anglo-American system. A
 distinction is made in the treatment between marks that certify geographical
 origin and other attributes, such as material, mode of manufacture of goods or
 performance of services, quality, accuracy and the like. Other issues considered
 in Chapter 3 include what is required of the mark and its proprietor before
 registration can be granted, the notion of the proprietor's 'competence to
 certify', proprietors' regulations, exclusion of the proprietor from use and
 openness of access for all qualified products. Protection of a certification mark
 through the right to sue for infringement, the likening of users to trademark
 licensees in certain matters, 'licensee' estoppel and the regulation of assign-
 ment of a registered certification mark are also addressed.

Chapter 4 deals with the potential liability of those who certify or otherwise 1.09
 vouch for products that subsequently cause injury or damage, considered

within the context of product liability claims and product safety laws. Authoritative undertakings provide third-party attestations of safety, quality or other product attributes to the public and regulators alike in the form of certifications, approvals, listings and 'guarantees'. Among such undertakings are public and private-sector inspectorates, recognized testing laboratories, professional institutions, consumer magazines, and trade and industry associations that set standards, certify products and provide guidance to their members and the public. Following an outline of the history of liability rules in general, the principles of product liability impacting product certifiers are considered under different legal theories and policy objectives. The problems in delineating the boundary of certifiers' liability are illustrated by reference to certification not only of chattels, but also real property and shipping. Because product liability rules have widened considerably over recent years, especially in US law, the chapter pays particular attention to US perceptions of inspectors' and certifiers' liability.

- 1.10** Chapter 5 examines the legal and commercial significance of certification and collective marks. In particular, the legal status of the 'guarantee' function of a certification mark is addressed in light of the commercial circumstances of particular transactions. Suggestions are offered as to the basis for trust in certification marks and means of enhancing that trust, including associations' consumer codes of practice and adoption of a more directly consumer-oriented model of a certification mark. Such a model might yet emerge under the competitive stimulus of the EU *sui generis* Geographical Indications (GI) scheme, which is also discussed in this chapter with comparisons of the protection afforded by GIs with certification and collective marks.
- 1.11** Chapter 6 discusses the international framework for promulgation and implementation of the technical standards that underpin the use of certification marks, especially in the regulatory sphere. Included is an outline of the principles behind mutual recognition of product conformity assessment procedures, of which certification is but one. The presentation is according to world economic groupings, in 'top-down' order. Thus standard-setting frameworks and processes are described first in the context of the world trade system. Then institutions responsible for regulation and standardization within the EU and the UK are described. Also addressed is the key question of balancing lawful exclusion from standard-setting activities of a technology protected by intellectual property rights against the public interest in making available standard-essential patented technology under fair, reasonable and non-discriminatory terms.

Chapter 7 focuses on a series of legal and commercial issues raised by ownership and voluntary use of ecolabels, which are signs, symbols or seals, used with goods or services, whose essential function is to indicate that the products in connection with which they are used satisfy criteria for environmental preferability or reduced environmental harm. Topics addressed include legal definitions and typology, ownership and governance, intellectual property rights, including certification, collective and ordinary trademark rights, environmental claims, and potential influence on international trade. The issues underlying the use and governance of ecolabels tend to be controversial because they are bound up with the perceptions of environmental protection and sustainability that they create. Such perceptions are notoriously difficult to pin down, varying with national and regional economic, social and political conditions. **1.12**

Chapter 8 deals specifically with certification of the authenticity of digital products, such as digital books, videos, music, films and software, all of which may be delivered on tangible carriers such as CDs or DVDs, or via electronic communications channels such as the internet, satellite or cable. It is proposed that a legally protectable authentication right, manifest in use of an 'authentication mark' is associable with digital products. The proposition builds on the notion that an authentic digital product is distinguished from an unauthentic product by virtue of it having been reproduced or distributed with legitimate authority or approval. The digital watermarks and digital signatures currently used in digital products are, it is suggested, forms of authentication mark. The chapter also draws attention to recent UK, EU and US legislation that appears to comport with the idea of a digital authentication right. Of particular relevance is recent legislation granting full legal recognition to digital signatures, and treaty-based EU and US laws that outlaw unauthorized circumvention of access control and copyright protection devices, trafficking in devices that facilitate circumvention, and interference with rights management information. **1.13**

D. EMERGING ISSUES AND DEBATES

Besides setting forth the essential laws relating to the ownership and use of certification and collective marks, this book also identifies emerging issues of law and policy. Emerging issues are sooner or later surrounded by debate and an attempt has been made to convey the essence of the debate to the reader. In this connection it is submitted that a debate is in order on the value of continuing to deny the right of user to the owner of a certification mark. Inflexible adherence to the principle may be thought by some to limit the **1.14**

inherent versatility and potential usefulness of certification marks. Consideration should be given as to whether in fact the disadvantages in lost applicability outweigh the purported public interest in maintaining certifier 'independence' or 'detachment'. For example, there can be no self-certification of one's own products through use of a registered certification mark. Yet self-certification is a cornerstone of EU regulatory policy, impacting a large number of product categories.

- 1.15** There are other issues that attach to exclusion of the proprietor from use as well. Consider a computer product that is a *per se* or consensus industry standard with the brand name or logo 'licensed' on the internet by many thousands of users around the world. Is that really a trademark license, or is it closer to a certification mark? If it is closer to a certification mark and the owner is excluded from use there is a basic conceptual problem, since in practice the mark will be used by the owner.
- 1.16** Problems associated with exclusion of the proprietor from use also affect other countries which follow the exclusion principle, such as the US, and yet advocate implementation of TRIPS protection of 'geographical indications' through their certification mark registration provisions. Such an approach may violate treaty obligations because the prohibition on use by the registrant does not appear to hold with regard to either TRIPS 'geographical indications' or Lisbon 'appellations of origin'.
- 1.17** As a final example of debatable areas for present purposes, there is the question of the nature and extent of liability that should properly attach to certification mark proprietors when products which they certify are found to be defective and cause physical injury or economic damage.

E. SUMMARY

- 1.18** In summary, this book is intended to assist practitioners and policy makers to gain an appreciation of the current state of the law and practice of certification and collective marks and various topical issues associated with the subject. The book places the subject in wide context, based on the belief that there is a need to consider reform of the certification mark system and that reform would be best accomplished where the historical, legal and commercial significance of the system are all accorded their due weight. The research for this work has

drawn from a large base of research materials and numerous sources, all of which are cited in copious footnotes. Consequently, it is hoped that the work will also be of value as a reference source for further work.