

CULTURAL COPYCATS: MISREPRESENTATION OR INSPIRATION?
(Legal Opinion)

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Introduction

Consumers consider brand origin of importance when making a purchase decision.¹ Brands are increasingly inclined to promote their link to geographical origins as authenticity is deemed to be a powerful marketing tool for the modern-day consumer.² Unfortunately, some brands exploit this marketing tool when such an (implied) link is untrue in order to take advantage of the reputation of the country it suggests to originate from. This Legal Opinion is meant for governmental institutions and intergovernmental bodies such as the World Intellectual Property Organisation (“**WIPO**”) to consider whether such *cultural copycat* brands are allowed to use *cultural indications* to style their brands in a way which leads consumers to falsely assume that there is a link between the brand and the geographical origin. For the purpose of this Legal Opinion, ‘cultural indications’ mean one or more elements, features or expressions, used individually or collectively, that evoke a link to a geographically determined culture. Concrete examples hereof are foreign characters, music, style and design trends and references to a foreign origin. This is not limited to traditional cultural indications but also includes those in current, popular culture.

The first chapter of this Legal Opinion sets forth the relevant legal framework, which mainly includes protection of cultural indications through intellectual property rights (“**IPRs**”) and unfair competition law. Next, the different stakeholders will be identified in the second chapter before moving on to the third chapter, which evaluates whether protection of cultural indications is actually justified. The scope and methods of protection are discussed and the chapter concludes with a recommendation on how protection should be granted. Finally, this Opinion ends by suggesting a legal test in the fourth chapter to protect cultural indications and applying it to practical examples.

¹ N. Koschate-Fischer, A. Diamantopoulos and K. Oldenkotte, ‘Are Consumers Really Willing to Pay More for a Favorable Country Image?’ *Journal of International Marketing*, 2012, Vol. 20, No. 1 (2012) 32.

² S. Scafidi, *Who Owns Culture? Appropriation and Authenticity in American Law* (Rutgers University Press 2005) 64.

1. Legal framework

This chapter discusses the various possibilities to combat misuse of cultural indications. Comparative notes are made based on legislation from the European Union, the United States and China and examples are incorporated when discussing the various rights, many of which come from the playbook of the Chinese brand ‘Miniso’. This brand promotes and styles itself as Japanese even though its main operations and customer markets are in China. It has been accused to ride on the coattails of the well-known Japanese brands Muji, Uniqlo and Daiso based on similarities in logo, name, branding, product design and store aesthetics.³

1.1 Intellectual property rights

1.1.1 Trademarks

The first IPR to turn to is trademark protection, which concerns methods of promoting and selling goods^{4,5} The main principle is that a trademark needs to be registered in the relevant jurisdiction in order to enjoy protection.⁶ As early as during the development of English trademark law in the nineteenth century, it was deemed important that British exporters could protect their marks against foreign counterfeiters that for instance faked ‘Manchester’ textiles and ‘Sheffield’ cutlery.⁷ Seemingly, the need to protect such cultural products was apparent even back then.

A trademark fulfils multiple functions of which three main ones can be distinguished. First of all, the origin function. Trademarks are used as indicators of the trade source or connection of the goods. Secondly, the quality or guarantee function, which regards trademarks to symbolise qualities that consumers may associate with the goods. Finally, the investment or advertising function, which considers trademarks to be a symbol of the investment in the promotion of a

³ C. Tai, ‘Miniso far, Mumuso good: how China’s ‘cultural copycats’ took over the world’ *South China Morning Post* (Hong Kong, 5 November 2018).

⁴ And services, which I will omit for convenience.

⁵ W.R. Cornish, D. Llewelyn and T. Aplin, *Intellectual Property: Patents, Copyright, Trade Marks and Allied Rights* (9th edn, Sweet & Maxwell 2019), para 16-001.

⁶ *ibid*, para 16-002.

⁷ H. Rosler, ‘The rationale for European trade mark protection’ [2007] EIPR 29(3) 100, 101.

product which deserves protection even when the first two functions are not undermined.⁸ Misleading use of cultural indications conflict with all these functions. The origin function will be endangered in a way that it might be clear what the source of trade is (the company) but confusing with regard to the origin of that company. This confusion results from the use of foreign words, signs, indications and even popular foreign styles or aesthetics, while the cultural copycat is not actually originating from that area. Next, the quality function will be abused as consumers will likely associate a certain kind of quality with goods from a specific country. Think of examples such as Scandinavian companies of having a reputation for interior design and home decoration, German cars as being reliable and Japanese and South-Korean goods for being fun, inventive and modern.⁹ The quality of the copycat's goods may not be consistent with the quality it tries to be associated with. Finally, the copycat will take advantage of the investments that multiple companies and even governments have made in order to improve their countries' goodwill.

If the copycat wishes to register its trademarks, they may find difficulties in doing so if the trademark is considered to be deceptive. EU law mentions in this regard trademarks “*of such nature as to deceive the public, for instance as to the nature, quality or geographical origin of the goods*” as an absolute ground for refusal of registration and similar grounds can be found in Chinese and US law.¹⁰ Noting the earlier conflicts with the essential functions of trademarks, these provisions might prevent copycats from registering trademarks that would indeed give the impression that the copycat brand is from a specific foreign origin while it is not. If the marks are already registered, one might argue them to be invalid on these grounds, making them susceptible to revocation.¹¹ It will however likely prove to be difficult as, for example in

⁸ J. Mellor and others, *Kerly's Law of Trade Marks and Trade Names*, (16th edn, Sweet & Maxwell 2018) 2-011-13 and Case C-487/07 *L'Oréal SA v Bellure NV* [2010] R.P.C. 1 [58].

⁹ See e.g. Brand Finance, *Nation Brands 2019* (2019) 22 and S. Anholt. ‘Three interlinking concepts: Intellectual Property, Nation Branding and Economic Development’ (WIPO International Seminar on Intellectual Property and Development, Geneva, May 2-3 2005).

¹⁰ Cornish (n 5), para 18-047-049, see Article 7(1)(g) Regulation (EU) 2017/1001 of 14 June 2017 on the European Union trade mark [2017] OJ L154/1 (“**EU Trademark Regulation**”), Article 10(7) Trademark Law of the People's Republic of China (“**TLPRC**”) and US Lanham Act section 2 (§1052(e)(1) and (3)).

¹¹ Cornish (n 5), para 18-079-080.

the EU, the mark needs to consist of a geographical name.¹² A mark merely indicating a geographical source might thus not be enough.



Sources: <https://en.wikipedia.org/wiki/Miniso> and <http://superdry.nl>

In case of our primary example, Miniso, it could be argued that the trademark registered for its logo should be invalidated on the ground that it is deceptive with regard to geographical origin of the goods. Especially because of the use of Japanese characters, consumers are likely to think that Miniso, which sells goods under its own brand instead of just importing products from other Japanese brands, originates from Japan. An interesting notion is that consumers who are not familiar with Asian languages might not recognise the difference between Japanese and Chinese characters. Even so, I would not consider this to be a circumstance to lift the deceptive nature of this use. The Chinese brand Mumuso operates in a comparable manner. Mumuso's logo contains the sign '.KR', making it likely that the average consumer would perceive this as an indication of Korean origin. The Chinese brands Ilahui, Yoyoso and Midio style their logos in a similar way. Again, these logos should arguably not be registered as valid trademarks because of their deceptive nature. An example closer to home is the British brand Superdry. Superdry is known to take inspiration from Japan and its logo contains Japanese characters.¹³ Similarly, their use can be considered deceptive when applying the same line of thought. Finally, examples such as Comme des Garçons, a Japanese fashion brand with a French name, and Napapijri, an Italian brand with a Finnish name which applies the Norwegian flag to its garments, spring to mind. Invalidation may however prove difficult if Intellectual Property Offices ("IPOs") apply this ground in a strict manner, i.e. just in case of use of a geographical name.

¹² See C. Heath, 'How Would Geographical Indications from Asia Fare in Europe?' in I. Calboli and W.L. Ng-Loy (eds), *Geographical Indications at the Crossroads of Trade, Development, and Culture: Focus on Asia-Pacific* (CUP 2017) 199.

¹³ P. Luu, 'Brand profile: street-wear label Superdry' *Telegraph* (London, 10 February 2010).

The logo for MUMUSO.KR, featuring the word "MUMUSO" in a bold, green, sans-serif font, followed by ".KR" in a smaller font inside a green circle.The logo for ilahui KOREA, with "ilahui" in a stylized, lowercase, green font and "KOREA" in a smaller, uppercase font to the right.

Source: <http://www.mumuso.kr/>

The next tool for combatting cultural copycats is trademark infringement. This generally occurs when a sign is used which is identical or similar to the trademark used in relation to similar or identical goods and is likely to cause ‘consumer confusion’.¹⁴ A mere ‘calling to mind’ is not sufficient.¹⁵ Victims of the copycatting are limited in using this option as they often will need registered trademarks¹⁶, which likely only cover their brand name, logos and possibly names or images of certain product ranges. A doctrine that may be relevant is initial interest confusion. This type of confusion is based upon an initial interest that the consumer has before purchasing the product, although there is no confusion anymore at the time of sale.¹⁷ Finally, well-known marks generally get more extensive protection, for example in case of freeriding or dilution.¹⁸

¹⁴ Article 9(2)(b) EU Trademark Regulation and Article 57(2) TLPRC. See slightly different: US Lanham Act section 32 (§1114(1)(b)).

¹⁵ J.T. McCarthy, *McCarthy on Trademarks and Unfair Competition* (5th edn, Thomson West, 2017-2019), para 23.9, *Specsavers International Healthcare Ltd v Asda Stores Ltd* [2012] E.T.M.R. 17 (CA) [52].

¹⁶ Registration is not always needed, see e.g. US Lanham Act section 43 (§1125).

¹⁷ McCarthy (n 15), para 23.6. In Europe however, this doctrine is not as apparent, see *Interflora Inc v Marks and Spencer plc* [2014] EWCA Civ 1403, [2015] FSR 10 [157].

¹⁸ See e.g. Article 9(2)(c) EU Trademark Regulation.



Sources: https://commons.wikimedia.org/wiki/File:Uniqlo_logo_Japanese.svg, <https://www.daisojapan.com/> and <https://www.muji.eu/>

Going back to the example of Miniso, it can be recognised that its logo is very similar to Uniqlo's. Both consist of red squares with their brand names in English and Japanese characters and are placed in front of the store in the same way. Uniqlo would have a reasonable chance of winning an infringement case as they, being a worldwide well-known brand, could argue that Miniso is taking advantage of its reputation by using a logo that is so alike. Additionally, Miniso's name seems to have taken inspiration from Daiso's. 'Dai' means big or large, which makes one question whether the 'mini' part was chosen as a response hereto. Finally, the translation of the Japanese characters is 'Meiso', which is thought to sound like a combination of Muji and Daiso.¹⁹ However, I do think it will be difficult for Muji and Daiso to stop Miniso from using this name as it seems too far removed from either one.

¹⁹ A. Jiang, 'The Miniso Story: How a "Muji Copycat" Became an Innovative Retail Giant' *RADII* (China, 7 January 2020).



Sources: <http://www.savilerowbespoke.com/about-us/objectives/> and own picture (right)

A solution that the tailors of Savile Row came up with to combat infringers was the registration of a collective trademark,²⁰ which is allowed for geographically descriptive terms.²¹ Similar initiatives may be considered by associations representing different branches where copycats are active in order to create a simple ground to win an infringement case and additionally raise awareness with the public that such a sign represents authenticity, quite like a certification mark.²² Alternatively, New Zealand has given the Maori Trade Marks Advisory Committee the exclusive authority to assess the registration of trademarks containing Maori signs.²³

To conclude, use of trademark law seems a good starting point but does not offer enough protection for cultural indications. There are possibilities of refusal and invalidity of deceptive marks used by cultural copycats, but these grounds are strict and reliant on the interpretation and conduct of national IPOs. Furthermore, infringement actions will give limited protection, such as for brand names, logos and perhaps characteristics of certain product ranges. It will not protect the goods itself, nor any style that is used for the promotion hereof such as packaging and store layouts²⁴.

²⁰ Savile Row Bespoke, 'Objectives' <<http://www.savilerowbespoke.com/about-us/objectives/>> accessed 30 July 2020.

²¹ Article 66(2) EU Trademark Regulation.

²² WIPO Standing Committee on the Law of Trademarks, Industrial Designs and Geographical Indications, 'Document SCT/6/3 REV. On Geographical Indications' (2002) para 26. See also Scafidi (n 2) 154 on authenticity marks.

²³ M. Siems, 'The law and ethics of "cultural appropriation"' [2019] Int. J.L.C. 15(4) 408, 411.

²⁴ Unless in rare cases where the mark has acquired distinctiveness, e.g. the Apple store, see CJEU Case C-421/13 *Apple v DPMA* [2014].

1.1.2 Geographical indications

Geographical indications (“GIs”) identify a good as originating from a certain territory or a region or locality in that territory which relate to a quality, reputation or other characteristic attributed to that good.²⁵ This study however focusses on a wider range, including contemporary goods that are made in a particular style which was made popular or reputable in a specific region. This category is not registered as GI nor is it limited to a specific product or characteristic. This paragraph therefore simply aims to discover if we can apply any rationale from GIs to the protection of cultural indications. Especially the ground in the TRIPS Agreement to allow parties to prevent “*the use of any means in the designation or presentation of a good that indicates or suggests that the good in question originates in a geographical area other than the true place of origin in a manner which misleads the public as to the geographical origin of the good*”²⁶ seems an interesting criterion which is also relevant for cultural indications. Furthermore, GIs are said to “*protect the cultural identity of local and regional communities*”²⁷, which may at first sight not seem to fit when talking about a popular contemporary style of products. Nevertheless, I am of the opinion that it still applies, especially considering the concern regarding GIs of becoming a marketing tool rather than an accurate indication of geographical origin.²⁸ Apart from misleading use, dilution of an indication is also considered a reason to protect GIs.²⁹ Such danger similarly exists for other indications that refer to a geographical location but are not registered as a GI. If these were to be used by anyone wishing to benefit from, or rather, free ride on³⁰, the reputation connected hereto, it is at risk of

²⁵ Article 22 TRIPS Agreement, see further e.g. M. Blakeney, ‘Geographical indications: what do they indicate?’ [2014] W.I.P.O.J. 2014, 6(1) 50, 51.

²⁶ Article 22(2)(a) Agreement on Trade-Related Aspects of Intellectual Property Rights (“**TRIPS Agreement**”).

²⁷ I. Calboli, ‘Geographical Indications between Trade, Development, Culture, and Marketing: Framing a Fair(Er) System of Protection in the Global Economy?’ in I. Calboli and W.L. Ng-Loy (eds), *Geographical Indications at the Crossroads of Trade, Development, and Culture: Focus on Asia-Pacific* (CUP 2017) 21.

²⁸ *ibid* 23.

²⁹ D. Rangnekar, ‘Geographical Indications’ [2003] 4 IPRSD, 14. See also A. Taubman, ‘Thinking locally, acting globally: how trade negotiations over Geographical Indications improvise “fair trade” rules’ in: D.S. Gangjee, *Research Handbook on Intellectual Property and Geographical Indications* (Edward Elgar Publishing 2016) 211 with reference to *Institut National des Appellations d’Origine v Yves Saint Laurent*, Cour d’Appel de Paris [1994] EIPR D74 and *Société Empresa del Tabaco Cubatabaco v Armis Inc & Ors*, Paris Court of Appeal, 4th Chamber Reg No 1998/10814 [2000] [13].

³⁰ Which protection for GIs and Designations of Origin seeks to avoid, see F. Ribeiro de Almeida, ‘The legal nature of geographical indications and designations of origin’, E.I.P.R. 2014, 36(10) 640, 648.

becoming a meaningless description. Protection of these non-registered GIs is especially possible under unfair competition law.³¹

To conclude, GIs will not offer protection for cultural indications as these don't fall within the strict criteria, but their similar rationales might justify protection of cultural indications.

1.1.3 Trade dress

Trade dress grants protection with regard to the overall visual appearance or 'look and feel' of the goods. It even goes beyond actual packages and containers and can include "*a combination of any elements in which a product or service is presented to the buyer*" that can indicate the source of origin and must be used in such a way instead of being merely aesthetic.³² This protection is not limited to conventional packaging or even store layouts and displays, but may well include websites.³³ It is important to note that when the trade dress is merely described as the 'overall look', it can be considered too vague. Instead, the elements need to be defined more precisely.³⁴ Additionally, it has to be inherently distinctive or have acquired distinctiveness and may not contain functional or generic features.³⁵ Finally, parties are free to use abstract images or marketing themes or concepts.³⁶ It therefore seems that brands that are trying to promote their business in a specific foreign style or theme, even though they have no ties with that country, are not restricted by trade dress protection.

Trade dress protection differs per country. It is recognised in various trademark laws³⁷ but protection may also be granted under unfair competition law which is the case in China. This protection is limited as it only applies to well-known goods and contains requirements of

³¹ See 1.2.1.

³² McCarthy (n 15), para 8.1-8.2 and 8.4.

³³ McCarthy (n 15), para 8.7.25.

³⁴ McCarthy (n 15), para 8.3, with reference to the US case *Forney Industries, Inc. v. Daco of Missouri, Inc.*, 835 F.3d 1238, 1252, 120 U.S.P.Q.2d 1035 (10th Cir. 2016).

³⁵ McCarthy (n 15), para 8.1, 8.2 and 8.6.50.

³⁶ McCarthy (n 15), para 8.6.

³⁷ E.g. Article 15(2) TRIPS Agreement, Article 4 European Trademark Regulation and section 43(a) US Lanham Act.

confusion and distinctiveness.³⁸ Similarly, the UK grants trade dress protection under the tort of passing off.³⁹ The degree of protection also largely differs per country. The US has a strong statutory provision and developed case law on trade dress protection⁴⁰, similar to which France with their strict reputation regarding protection against parasitism.⁴¹ On the other hand, passing off actions in the UK are limited in their successes and in China, protection is reserved just for well-known goods.⁴²

Infringement of trade dress generally occurs through likelihood of confusion or likelihood of dilution. The plaintiff usually needs to show that its trade dress has acquired a certain degree of reputation. Likelihood of confusion does not occur often as the famous trade dress might not be copied directly. Instead, one has to rely on likelihood of dilution (either in case of non-competing or competing goods) through damage to the trade dress' distinctiveness or commercial magnetism by blurring, tarnishing, parasitical use or misappropriation. In addition to this, bad faith may also play a role.⁴³ Dilution seems especially relevant for cultural indications, as the copycat could easily dilute the distinctiveness thereof. If an action is to be brought, attention needs to be given to the particular elements that are copied.

³⁸ See X. Bao, 'China: Strengthening trade dress protection in China' [2017] World Trademark Review, May 2017 and S. Huang, 'Trade Dress Protection in China' [2006] China Law & Practice, Nov 2006, 36.

³⁹ *Reckitt & Colman Ltd v Borden Inc* [1990] 1 All E.R. 873.

⁴⁰ Such as the well-known case about protecting the distinctive decor, menu and style of a restaurant. *Two Pesos, Inc. v. Taco Cabana, Inc.*, 505 U.S. 763 (1992).

⁴¹ Based on Article 1240 French Civil Code.

⁴² Huang (n 38).

⁴³ F.W. Mostert, 'Famous Trade Dress: Dilution on Competing Products' [1997] 95 TW 20, 22.



Sources: <https://www.bizjournals.com/pacific/news/2019/10/25/hawaii-store-openings-in-2019-retail-edition.html> and own picture (right)

Miniso is said to sell products that give the impression of originating from or being associated with the Japanese brand Muji.⁴⁴ Muji’s packaging and ‘look and feel’ might be protected under trade dress in theory, but they actually do not seem to look alike. This leaves Muji with no action as none of the particular elements seem to be copied specifically. With regard to their store layout, Miniso has been thought to imitate the Japanese brand Uniqlo.⁴⁵ It can be difficult to obtain and enforce trade dress protection for a store layout, as, in general, acquired distinctiveness is needed to be eligible for such protection. One aspect that does seem like a possible infringement, is the way Miniso’s store logo is placed in front of the store, which immediately calls Uniqlo’s storefront to mind. With regard to the whole ‘look and feel’ of the store, Muji may also have a trade dress action as Miniso seems to have taken this store concept as their inspiration. On one hand, it is permitted to use an already existing concept for one’s store, but if Muji’s store layout and experience are diluted, bluntly speaking either through blurring or from unfair taking advantage thereof, enforcement may be justified. Quotes such as “I have to admit the first time I visited a MINISO store, I was so mistaken that I thought it was another brand under Muji”⁴⁶ indicate that the latter is indeed the case.

⁴⁴ D. Volodzko, ‘How the Trade War with China Can Help Prevent Cultural Piracy’ *Forbes* (Jersey City, 23 November 2018) and Y. Lee ‘MINISO going places despite Muji copycat charge’ *Hong Kong Economic Journal Monthly* (Hong Kong, 10 June 2016).

⁴⁵ Volodzko (n 44).

⁴⁶ Lee (n 44).

To conclude, trade dress is an important asset to protect various aspects of the in-store experience and products. In practice however, it might be difficult to enforce if not enough specific elements are copied. Furthermore, it may in some jurisdictions only be available for well-known goods and in case of acquired distinctiveness.

1.1.4 Copyright and design rights

Copyright protects creative works that are original.⁴⁷ It is possible to own copyright in works associated with one’s business, such as original product designs, but also think of other designs like packaging and graphic advertisements, a custom store-jingle or even store layouts⁴⁸. Copyright protection might be a difficult and slow action to bring against a copycat, as it concerns individual designs that must pass the originality-test and there must be a case of copying, which is more than mere inspiration that is taken from the original. Similar difficulties arise for design rights, which protect the shape and look of objects. Despite using the word design in the context of copyright just now, design rights are more specifically intended to protect objects that are excluded from copyright and trademark protection, such as utilitarian objects. The test generally requires the design to have a similar overall impression.⁴⁹



Source: <https://www.vir.com.vn/mumuso-origin-scandal-deepens-60080>

⁴⁷ P. Goldstein and P.B. Hugenholtz, *International Copyright: Principles, Law and Practice* (2nd edn, OUP 2010) 4.
⁴⁸ See e.g. E. Rosati, ‘Italian Supreme Court applies CJEU Cofemel decision to makeup store layout’ [2020] IPKat <<http://ipkitten.blogspot.com/2020/05/italian-supreme-court-applies-cjeu.html>> accessed 30 June 2020, with reference to an Italian Supreme Court case in light of CJEU C-693/17, *Cofemel* [2020]. Additionally, a Dutch recognised a (European) cross-border injunction based on the copyright infringement of a store design, see District Court of the Hague [2019] C/09/513126 / HA ZA 16-735.
⁴⁹ See e.g. Council Regulation (EC) 6/2002 of 12 December 2001 on Community designs [2001] OJ L003/1, Art. 10(1).

To conclude, the benefit of copyright and design rights is that it covers a broad range of works and objects that can be protected. However, it might be hard to actually enforce protection on products and their designs as they need look very similar. Additionally, generic products may either not be new nor differ enough in appearance to previous existing products to get a design right or satisfy the ‘originality’ test for copyright protection.

1.1.5 Traditional cultural expressions

Finally, I would briefly like to draw a comparison between traditional cultural expressions (“TCEs”), a form of indigenous IP, and cultural indications. Similar to cultural indications, TCEs have to rely on multiple grounds of protection such as copyright, trademarks and GIs and comparable problems arise such as the limited protection through IPRs for styles.⁵⁰ The subject matter covering TCEs is narrow in a sense that only the indigenous community contributed to the creation of the TCE and is therefore the group that should be able to regulate their use and benefit from their value.⁵¹ Cultural indications on the other hand are commercialised by multiple stakeholders related to the geographical area.

1.2 Unfair competition and consumer protection

1.2.1 Acts of unfair competition

Unfair competition is a broad term and can be used to cover trademark law or other confusion-based infringement, misleading advertising and other unfair business practices. Article 10bis of the Paris Convention describes it as “*any act of competition contrary to honest practices in industrial or commercial matters*” and specifically includes acts to create confusion and indications which are liable to mislead the public as to the nature or the characteristics of the goods in particular.⁵² A description I found fitting is “*the attempt (by an entrepreneur) to succeed in competition without relying on his own achievements in terms of quality and price of his products and services, but rather by taking undue advantage of the work of another or*

⁵⁰ WIPO Intergovernmental Committee on Intellectual Property and Genetic Resources, Traditional Knowledge and Folklore, ‘The Protection of Traditional Cultural Expressions: Updated Draft Gap Analysis’ (2018), paras 19, 62 and 101.

⁵¹ *ibid* para 7-8 and 26.

⁵² Article 10bis (2) and (3) of the Paris Convention for the Protection of Industrial Property (“**Paris Convention**”).

by influencing consumers demand with false or misleading statements”.⁵³ Various legal grounds protecting against unfair competition are likely to be included if an action is brought against cultural copycats, especially if no specific IP infringement can be established, but rather if the business practice was considered to be ‘unfair’.

The regulation of unfair competition law differs from country to country. Even in the EU, the system is fragmented.⁵⁴ Some civil law countries such as France recognise a relatively wide scope of protection, in that case under the parasitic action.⁵⁵ On the other hand, the UK grants rather limited protection through the tort of passing off. With regard to cultural copycats, it may prove to be difficult to fulfil the requirements of (1) goodwill attached to the trader’s goods, (2) misrepresentation to the public and (3) damage to the goodwill,⁵⁶ especially as local goodwill and damages needs to be demonstrated. Even so, an ‘extended’ passing off claim from the producers of “Total Greek yoghurt” with regard to the use of “Greek yoghurt” was successful as the majority of consumers was under the impression that “Greek yoghurt” actually came from Greece. The phrase could not be protected through GI legislation and it was found that potentially misleading use of a geographical indication of source could be prohibited by national legislation.⁵⁷ The CJEU confirmed this approach in its own case law and allowed for protection for products that are subjectively or ‘romantically’ connected to their source of origin.⁵⁸ Furthermore, the Commission notes that a reputational link between a product and a

⁵³ M. Höpferger and M. Senftleben, ‘Protection Against Unfair Competition at the International Level’ in: R. Hilty and F. Henning-Bodewig, *Law Against Unfair Competition: Towards a New Paradigm in Europe?* (Springer 2007) 69, with reference to WIPO study, ‘Protection Against Unfair Competition – Analysis of the Present World Situation’ (1994) supra note 2, at 24, para 31.

⁵⁴ R. Hilty, ‘The Law Against Unfair Competition and Its Interfaces’ in: R. Hilty and F. Henning-Bodewig, *Law Against Unfair Competition: Towards a New Paradigm in Europe?* (Springer 2007) 8-9.

⁵⁵ Article 1240 French Civil Code.

⁵⁶ *Reckitt & Colman* (n 39).

⁵⁷ *Fage UK Ltd & Anor v Chobiani UK Ltd* [2014] EWCA Civ 5, [84],[86] and [90].

⁵⁸ D.S. Gangjee, ‘From Geography to History: Geographical Indications and the Reputational Link’ in: I. Calboli and W.L. Ng-Loy (eds), *Geographical Indications at the Crossroads of Trade, Development, and Culture: Focus on Asia-Pacific* (CUP 2017) 42-43, with reference to Case C-35/13, *Kraft Foods Italia v. Associazione fra produttori per la tutela del ‘Salame Felino’ and Others* [2014] [28]–[29].

geographical location may be recognised by the consumer.⁵⁹ It is suggested that this reputational link could allow GI protection to be extended.⁶⁰

Next, China has a whole statute dedicated to unfair competition law, under which it specifies falsifying the origin of the goods or making false representation which are misleading as to the quality of the goods.⁶¹ Alternatively, the US grants protection against unfair competition under the Lanham Act for unregistered trademarks.⁶² An action based on this ground was brought by Häagen-Dazs against Frusen Gladjé, whose Scandinavian marketing theme was considered to be a deceptive trade practice by the plaintiff as the packaging of the product falsely gave the impression that the products were of Scandinavian origin.⁶³ The case was not ruled in favour of the plaintiff on the grounds that they were using a similar marketing technique and could therefore not secure equitable relief. Regrettably, the substantial matter itself was not discussed.

In South Korea, an action was brought against Mumuso and Ilahui, brands claiming to be of Korean origin, after an investigation by the Korean Intellectual Property Office (“**KIPO**”) discovered that they were operating solely as ‘paper companies’ in South Korea and did not have a physical office.⁶⁴ They were found to violate various Articles under the Unfair Competition Prevention and Trade Secret Protection Act (“**UCPA**”) by amongst others making a mark which misleads people “*to understand as if any goods were produced, manufactured or processed in an area other than the place*” where they are established.⁶⁵

⁵⁹ Commission Green Paper, ‘Making the Most Out of Europe’s Traditional Know-How: A Possible Extension of Geographical Indication Protection of the European Union to Non-Agricultural Products’, COM [2014] 469 final (15 July 2014).

⁶⁰ See respectively Geneva Act, *supra* note 17, at art. 15(1)(b); Regulations under the Geneva Act, *supra* note 17, at 9(2)(iii), 10(1)(ii) and 13(1)(v).

⁶¹ Article 5(4) LAUCPRC.

⁶² US Lanham Act section 43 (§1125(a))

⁶³ *Häagen-Dazs, Inc. v. Frusen Glädjé Ltd.*, 493 F. Supp. 73 (S.D.N.Y. 1980).

⁶⁴ J. Rapp, ‘Korean or Chinese? Copycat dollar stores face intellectual property crackdown from South Korea’ *South China Morning Post* (Hong Kong, 20 October 2019).

⁶⁵ Article 2(1)(e), see Seoul District Court, case 2019BIHAP30078 *MUMUSOKR CO., LTD* [2019] <http://overseas.mofa.go.kr/om-en/brd/m_11048/view.do?seq=760123>.

Lastly, I briefly want to mention the Madrid Agreement⁶⁶, which prohibits goods from bearing false or descriptive indications that directly or indirectly indicate a country as being the country or place of origin.⁶⁷ The protection that can be granted under this agreement is narrow due to the limited number of contracting parties. An example that is mentioned is the refusal of the registration of the mark ‘Loreley’ for wine products that had had no relation to Germany.⁶⁸



Source: own photo's

Unfair competition can offer a remedy against a range of actions of cultural copycats. Miniso and Mumuso, alongside brands such as Ilahui and Yoyoso, have been found to use foreign (Japanese and Korean respectively) characters on product packaging and labels, inaccurately even. This can imply that they are put on the packaging purely to create this Japanese/Korean image and mislead consumers to think that the brand is from one of those countries.⁶⁹ In light of the KIPO action against Mumuso, Korean attorneys from law firm Kim & Chang argue that the use of Korean characters on goods or other materials in itself however would not be considered a violation of the Korean UCPA. They rather view this as a circumstance that could

⁶⁶ Madrid Agreement for the Repression of False and Deceptive Indications of Source on Goods, 14 April 1891, 828 U.N.T.S. 163 (“**Madrid Agreement**”).

⁶⁷ Article 1(1).

⁶⁸ Heath (n 12) 195.

⁶⁹ See e.g. Rapp (n 64), Lee (n 44) and Jiang (n 19).

indicate deception of consumers with regard to the origin of the goods and the brand.⁷⁰ In addition to that, stores of cultural copycats also lure in customers by playing Korean pop music and of course, styling their products similar to those of popular Korean brands.⁷¹ All these circumstances contribute in a similar manner to a misleading representation of the copycat brand.

To conclude, unfair competition does seem to provide the blanket approach to prevent cultural copycats from operating. It focusses on unfair and deceptive practices, which I would say includes misleading use of cultural indications⁷², and it has proven to be a sufficient legal ground in South-Korea. The disadvantage is that the legal test to obtain protection under unfair competition legislation varies per jurisdiction as well as how narrow or broad these tests are applied in enforcement actions. Another disadvantage is the lack of registration, which usually provides a lesser degree of protection than IPRs.

1.2.2 *Misleading advertising*

Misleading advertising is considered to be a form of unfair competition. First of all, I would like to address the term ‘advertising’. One immediately thinks of TV commercials or billboard advertisements, but the EU Directive mentions for example “*a representation in any form*”.⁷³ I therefore assume that circumstances such as use of foreign languages and lettering on the packaging and a certain store experience or presentation can be covered by this as well. If so, these circumstances can be taken into consideration when assessing whether the advertising, which include its presentation, is providing information that is misleading with regard to e.g. the characteristics of the good, such as nature, geographical or commercial origin,⁷⁴ broadening the scope of the provision.

⁷⁰ J. Walfisz, ‘KIPO’s crackdown on Korean copycats and what it means for foreign brands’ [2019] World Trademark Review, November 2019.

⁷¹ B. Harris and G. Ramos, ‘Stores with no Seoul: Chinese copycats take inspiration from Korea’ *Financial Times* (London, 7 July 2018).

⁷² Compare WIPO (n 22), para 13.

⁷³ Directive (EU) 2006/114/EC of 12 December 2006 concerning misleading and comparative advertising [2006], OJ L376/21, Article 2(a).

⁷⁴ *ibid*, Article 2(b) and 3.

US federal law contains similar criteria in the Lanham Act.⁷⁵ McCarthy addresses various cases on misrepresentation of geographic origin, amongst which a failed attempt to prohibit Bacardi from selling Havana Club branded rum that was produced in Puerto Rico, which was prominently disclosed on the bottle. The court held that it did not matter whether “geographic origin” referred to “heritage” (which Bacardi’s Havana Club did have) or “source of origin”.⁷⁶ An intent to deceive can trigger a presumption for liability for false advertising.⁷⁷ Additionally, false or misleading advertising can be challenged under the Federal Trade Commission Act (“**FTC Act**”) and common law.⁷⁸ In the latter category, the court held that sale of items marketed as ‘Black Hills Gold Jewelry’ was not allowed if the item was not manufactured in Black Hills because it would create a likelihood of consumer confusion as to the origin thereof, even when the defendant thought it was permitted to use this indication as a description of the design of the jewellery.⁷⁹ Another old case was brought against manufacturers located in New York which were using ‘California’ or ‘Californian’ in connection to their businesses. Appellants argued that California-made apparel was superior in quality and additionally, they had greatly invested in advertisement to promote their products. However, it was held that they must be the only source of the goods coming from that particular geographical area. Judge Hand notes in his dissenting opinion that it is not the case that one cannot be granted protection against a competitor who is making false attribution of geographical origin to his goods per se, but that it needs to be demonstrated that customers are diverted from them.⁸⁰

Lastly, the definition of ‘advertisement’ seems to be more limited in Chinese Law. Article 2 of the Advertisement Law refers to commercial advertisements for which a commodity producer or dealer or service provider has paid, which make it seem that e.g. TV commercials and magazine spreads are covered by this, but in-store promotion is not. Article 4 contains a prohibition of providing false information and misleading consumers through such advertisements.

⁷⁵ US Lanham Act section 43 (§1125(a)(1)(B))

⁷⁶ McCarthy (n 15), para 27.49, with reference to *Pernod Ricard USA LLC v. Bacardi U.S.A., Inc.*, 702 F. Supp. 2d 238 (D. Del. 2010), 653 F.3d 241 (3d Cir. 2011).

⁷⁷ *ibid*, para 27.51.

⁷⁸ *ibid*, para 27.118, FTC Act section 5 (15 U.S.C.A. paragraph 52 and 55(a)(1), for certain product categories).

⁷⁹ *Black Hills Jewelry Mfg. Co. v. Gold Rush, Inc.*, 633 F.2d 746 (8th Cir. 1980).

⁸⁰ *California Apparel Creators v. Wieder of California, Inc.*, 162 F.2d 893 (2d Cir. 1947).



Source: own photo

Misleading use of foreign characters, languages, music and images in retail space by brands such as Mumuso, Ilahui and Yoyoso can, in addition to unfair competition law, fall under the scope of misleading advertising regulation. It was reported that “*The in-store experience is set to a K-pop soundtrack, lulling shoppers further into the illusion that they’re buying products made in Korea*”.⁸¹ Additionally, Miniso uses a ‘.jp’ extension as its main website and this link is placed on labels and shopping bags instead of a more neutral ‘.com’. Mumuso used to have a ‘.kr’ extension as their principal website as well, but their domain was seized. The page now displays a parody website that wants to “*clear the retail shop’s history and detail so that consumers don’t get confused*”. Finally, Miniso claims to be a “Japan-based designer brand” as the brand uses Japanese designers and has a Japanese co-founder, although these statements have been contested.⁸² Even if they were to use Japanese designers, would this be enough to justify their limited presence of just four stores in Japan compared to over a 1,000 in China, where its headquarters is also based?⁸³

To conclude, misleading advertising often includes representations that seem to cover misleading use of cultural indications, although jurisdictions like China may take a more limited approach. A disadvantage that McCarthy points out with regard to bringing an action of misleading advertising, is that it is difficult for a specific competitor out of multiple ones to prove that the misleading advertisement led to a customer buying from the defendant as a result thereof instead of from the plaintiff. Instead, they are reliant on consumers to bring an action.⁸⁴

⁸¹ Rapp (n 64).

⁸² Lee (n 44) and Volodzko (n 44).

⁸³ Volodzko (n 44).

⁸⁴ McCarthy (n 15), para 27.1.

1.2.3 Consumer protection

The EU protects against unfair commercial practices, which include misleading ones, if the practice is likely to materially distort the average consumer's economic behaviour.⁸⁵ More specifically, a commercial practice is misleading if it contains false information, including overall presentation, and is likely to deceive the average consumer with relation to the main characteristics of the product such as the geographical or commercial origin.⁸⁶ The nature of the trader, such as his identity, can also play a role, which might be relevant when a brand promotes itself as coming from a certain geographical area.⁸⁷ The US relies on various laws at federal level, including the FTC Act. Similar to the EU, it prohibits unfair or deceptive acts or practices in commerce.⁸⁸ Finally, China's Consumer Rights and Interest Protection Law contains prohibitions for business operators to make false and misleading propaganda and require them to provide authentic information about their commodities.⁸⁹ Furthermore, it is also not allowed to forge the origin of commodities.⁹⁰ These provisions however seem to be geared at the product of origin of the product itself, i.e. prohibiting false information such as "Made in country X", instead of the origin and promotion of the brand and business itself.

To conclude, consumer protection legislation is designed to give consumers a standing, but this is a disadvantage at the same time. Competitors wishing to bring an action against cultural copycats have to rely on consumers to do so under this legislation. Consumers might however not be interested in the true origin of the good or its brand after they have purchased it, even though their behaviour was influenced by such deceptive statements.

1.3 Fraud

Finally, it is worth to briefly mention that the conduct of cultural copycats may even include elaborate schemes to create a link between their brand and the country in question. Mumuso is thought to put a fake Korean address on their product labels to contribute to the suggestion that

⁸⁵ Directive (EU) 2005/29/EC of 11 May 2005 concerning unfair business-to-consumer commercial practices in the internal market [2005] OJ L149/22 ("**Unfair Commercial Practices Directive**"), Article 5(2)(b).

⁸⁶ *ibid*, Article 6(1)(b).

⁸⁷ *ibid*, Article 6(1)(f).

⁸⁸ FTC Act section 5 (15 U.S.C.A. paragraph 45(a)(1)).

⁸⁹ Article 19.

⁹⁰ Article 50(4).

the brand is Korean.⁹¹ Additionally, Miniso's is facing rumours that they have a Japanese co-founder who was thought to be photoshopped in photos of corporate events.⁹² Similar to Mumuso, the address of their Japanese headquarters included on some of the products apparently led to an Italian restaurant.⁹³

The difficulty with this legal ground however is that the hurdles are higher, such as the need to prove the prerequisite of intent.⁹⁴ Furthermore, fraud, being a criminal offence, must be persecuted by public authorities who may not prioritise the issue unless it is widespread and grave.

⁹¹ V. Ahn, 'Mumuso origin scandal deepens' *Vietnam Investment Review* (Hanoi, 13 June 2018).

⁹² Lee (n 44).

⁹³ Jiang (n 19).

⁹⁴ See e.g. s.2(1)(b) UK Fraud Act 2006.

2. Stakeholders

2.1 Private interests

2.1.1 Consumers

The first group that has an interest in protection against cultural copycats are consumers, be it individually or collectively through consumer organisations. For this group, it is generally considered important to be informed in an appropriate manner and not to be deceived by ambiguous or faulty wording and information, as prohibited by law concerning consumer protection and misleading advertising. As previously mentioned, the difficulty arises when consumers are not bothered by the cultural copycat's behaviour and if they are actually willing to buy a cultural 'counterfeit'.

2.1.2 Direct competitors

Next, competitors are the ones directly affected by the practices of cultural copycats, who present themselves as offering similar goods originating from the same geographical area in line with the reputation thereof. Competitors have multiple grounds to try to stop a cultural copycat's practice, the first being enforcement of their IPRs if these have been directly infringed. Additionally, they can start an action of unfair competition on broader grounds. A question that came up in light of the Miniso example was whether it would be possible to establish a joint course of action by multiple brands against one cultural copycat. In that case, it would be the three Japanese brands (Muji, Daiso and indirect-competitor Uniqlo) that Miniso is said to have 'combined'. The difficulty in this instance with regard to IPRs is that the thresholds of each infringed right need to be crossed in order to enjoy the protection resulting from it, whereas 'little bits' of multiple ones combined are not considered to be sufficient to form a proper infringement. Therefore, it seems preferable to consider such a practice as a circumstance to take into account when assessing deceptiveness.

2.1.3 Indirect competitors

Not just direct competitors have a stake in combatting cultural copycats, indirect competitors do so as well. In this case, these are the authentic companies that helped establish the reputation of the area and offer products in line with that reputation. For these companies, it is difficult to

rely upon their IPRs as these are not likely to be infringed directly. Rather, their fair use of a cultural indication is diluted by the cultural copycat, which in turn reduces the value thereof.⁹⁵

2.2 Public interests

2.2.1 *Intellectual Property Offices*

Next to private stakeholders, public authorities also have a role to play in combatting cultural copycats. Harris, an attorney specialising in Chinese law, points out that national intellectual property officials will encounter obstacles when enforcing rights against cultural copycats across borders, especially because there is no protection by means of a GI.⁹⁶ Crossborder actions should be encouraged through cooperation between national IPOs. The circumstance that national IPOs might differ in their approach and extent to enforce such actions, even if there is a legal ground, will pose a problem and calls for a harmonised approach.

2.2.2 *Public prosecutor*

Public authorities are not likely to prioritise prosecution of cultural copycats if their practices are not in the domain of public law. South Korea however has seen a collaborative effort between their IPO and the prosecutor's office in order to investigate the conduct of amongst others Mumuso.⁹⁷

2.2.3 *Government bodies*

Governmental bodies, especially cultural departments or ministries, may invest in strengthening their reputation through a 'nation brand' in order to promote goods originating from and produced in their country to stimulate their local economy.⁹⁸ Cultural copycats profit from these efforts as these investments are not meant for them, making it important for governments to encourage efforts to prevent misuse of cultural indications. After the Mumuso court order in South Korea, the Ministry of Foreign Affairs and Ministry of Trade, Industry and Energy has announced plans to introduce a taskforce dedicated to fighting trademark violations.⁹⁹

⁹⁵ WIPO, *Model Provisions on Protection Against Unfair Competition* (1996) 24.

⁹⁶ Rapp (n 64).

⁹⁷ *ibid*

⁹⁸ Brand Finance (n 9) 6.

⁹⁹ Rapp (n 64).

3. Discussion

The next issue is to determine where the line should be drawn of what ought to be allowed and what not. This chapter discusses considerations for and against protection of cultural indications and explains whether it is desirable that action should be brought against cultural copycats.

3.1 Justification of protection

First of all, it can be argued that cultural stylisation is permissible on the grounds that it simply is a style or concept of a business. In light of the principle of free competition, concepts are free to use, especially if consumers do not take into account whether the origin of the brand or business is actually related to that particular culture or country it associated itself with when they are making a purchase. An example hereof are restaurants serving a foreign cuisine. These restaurants are often styled using cultural indications such as foreign words and decorations connected to that country. Most consumers will however not necessarily assume that the people or entity operating the establishment originate from said country or have a particular connection to it, for example by using ingredients imported from that country. The only likely assumption is that it will serve dishes inspired by local recipes, unless use of certain indications are associated with a particular designation, like in the Greek yoghurt case.¹⁰⁰

On the other hand, cultural stylisation may mislead consumers who want ‘genuine’ goods that are truly associated with or originate from a specific country. Even if the goods are not actually counterfeit, they are possibly sold under false pretences. Contrary to the restaurant example, it seems to me that if a store promotes itself as being Japanese, consumers are likely to assume that its headquarters are located in Japan, they have outlets there and they sell goods that are developed or produced there, *unless* it is clear that this is not the case and the store is merely importing authentic goods or is inspired by goods that are common or popular in that country. As previously examined, various legal grounds can be found that in one way or another seek to prevent similar misuse. Trademark law generally prohibits registration of marks that are deceptive as to the geographical origin in line with its origin function. Additionally, the quality function plays a role as consumers will be misled into believing they receive a product of a

¹⁰⁰ Fage (n 57).

certain quality associated with the country in question, while this may not be the case.¹⁰¹ A parallel with the concept of ‘consumer confusion’ can also be found. In this case, consumers are not confused as to the commercial origin of the goods, but the geographical one because of the misuse of cultural indications. Furthermore, GIs recognise the value of goods originating from specific places of origin¹⁰² and unfair competition law, especially legislation concerning misleading advertising and consumer protection, seeks to prevent misleading information with regard to geographical origin.¹⁰³ The fact that the law contains such an array of provisions to safeguard appropriate use of descriptions indicating a geographical origin, seems to demonstrate that misuse is an undesirable practice that should be prevented.

Additionally, the parties creating the goodwill connected to the cultural indication should arguably be protected against the misappropriation thereof.¹⁰⁴ Authenticity is considered to be a valuable marketing tool and should not be misused by copycats to freeride on the success of cultural products. Instead, dilution thereof should be prevented.¹⁰⁵ Not only are there concerns regarding freeriding, cultural copycats are feared to tarnish the carefully established reputation of the companies that are rightfully styling themselves as originating from the country in question.¹⁰⁶ I consider this argument especially justified when countries significantly invest in their culture and the influence thereof, like South Korea and Japan do.¹⁰⁷ The investment function identified in trademark law, which recognises the effort made by the trademark owner, will be undermined in a similar way.¹⁰⁸ In line with the recognition of this effort, GIs grant rights to the parties that contribute to its value and reputation.¹⁰⁹ Lastly, protection under trade dress and unfair competition more generally aim to inhibit freeriding.¹¹⁰

¹⁰¹ See 1.1.1.

¹⁰² See 1.1.2.

¹⁰³ See 1.2.2. and 1.2.3.

¹⁰⁴ Ribeiro de Almeida (n 30) 644.

¹⁰⁵ Scafidi (n 2) 64.

¹⁰⁶ See e.g. in South Korea: J. Min-ho, ‘Gov’t leads fight against fake Korean brands’ *The Korea Times* (Seoul, 8 August 2018).

¹⁰⁷ See e.g. K. Iwabuchi, ‘Pop-culture diplomacy in Japan: soft power, nation branding and the question of “international cultural exchange” [2015] *International Journal of Cultural Policy* 420, 423 and Volodzko (n 44).

¹⁰⁸ See 1.1.1.

¹⁰⁹ See 1.1.2.

¹¹⁰ See 1.1.3 and 1.2.1.

To conclude, I consider the arguments supporting prevention of deceptive use and freeriding sufficient to justify protection of cultural indications and counter cultural copycats, despite free competition concerns.

3.2 Scope of protection

Now that I have advised that protection of cultural indications is preferable, I will set out considerations to take into account when determining if specific use thereof should be permissible. The first and foremost principle to lay out is that each case evidently depends on all the different circumstances surrounding the cultural copycat's brand and business. On one end of the spectrum, one can distinguish fraudsters that are fully pretending to be a brand originating from a specific country, possibly including false 'Made In' labels attached to products including foreign language characters. On the other end, we can place foreign styled restaurants with no particular link to the country other than the fact it takes inspiration from its cuisine. I consider stores selling imported goods also as an appropriate example on this end, as they do often use cultural indications in the promotion and styling of their store. However, their brand does not produce products themselves and it is clear for consumers that the products are imported, which creates no reasonable assumption that the brand originates from a specific country. From these examples, I can derive two elements that I deem to be important when determining if cultural stylisation should be allowed: clarity from the brand and consumer perception. These elements are intertwined, as the perception of a consumer will be different when a brand clearly communicates about its origin. On the other hand, if a brand is unclear and the category of the store is not one where consumers would not reasonably assume a link between the cultural stylisation and the origin, they are likely to perceive it in a way that is misleading. Mere dilution of the cultural indication without faulty consumer perception should consequently not be enough to obtain protection.

Finally, I would briefly like to address the possibility that some cultural copycat brands may argue that their true origin is widely known, although this is not due to clarity from the brand itself, and that they therefore do not operate in a misleading way. In that case, consumers may perceive the origin of the brand differently because of background information they consumed. I am of the opinion that this circumstance does not turn the cultural copycat's practice into a fair and permissible one, as it still tries to mislead consumers that have no such background information and perceive the brand and its store as is.

3.3 Methods of protection

After having discussed the various methods of protection, I will briefly assess the most effective method. First of all, protection through IPRs can be granted at a specific level. Examples hereof would be use of logos, names and other elements through trademark law. The disadvantage of this approach is that each individual element would need to be assessed under fragmented regimes, making it hard to obtain blanket protection against the cultural copycat. However, if a cultural copycat is imitating a specific brand, the general considerations that apply when a party seeks protection through IPRs come into play. In that case, it may pose an effective remedy as IPRs provide a strong protection when the imitation seems obvious. The cultural copycat would then be required to change its behaviour accordingly in order not to operate in the protected scope of the victim. It would however still leave the door open to misleading cultural stylisation and therefore does not solve the problem as a whole. Protection through GIs will not offer a solution to misleading cultural stylisation as they won't fall within the strict criteria for registration. Reliance on consumer protection laws is too fragile and other stakeholders should also have a right of action. Consequently, this leaves us with unfair competition law which offers a more broad and general ground of protection against misleading practices.

3.4 Recommendations

Based on the previous considerations, I recommend international acknowledgement of protection against deceptive use of cultural indications under unfair competition law. The main ground of this protection is based on a broad recognition of dilution of non-registered GIs. This right should be enforceable by both direct and indirect competitors and IPOs, covering both private and public concerns. Consumers could file a request at their national IPO to start an action or start an action under consumer protection or misleading advertising legislation. Governmental bodies could collaborate with IPOs if a cultural copycat is misusing or diluting cultural indications corresponding to their nation brand.

4. Application in practice

4.1 Suggested legal test

When granting protection of deceptive use of cultural indications under unfair competition law, different factors should be taken into consideration. Brand clarity and consumer perception are two factors which I previously drew attention to and which I consider to be the leading components of the legal test.¹¹¹ With regard to brand clarity, all manifestations of the alleged cultural copycat should be observed, including intent as an aggravating factor. With regard to consumer perception, it is important to establish if consumers actually associate the use of cultural indications with its geographical origin¹¹², if the consumer perceives the brand as originating from that geographical origin because of the use of cultural indications and if the link between the indication and the origin is important with regard to the purchase decision.¹¹³ The circumstance that a country has a certain reputation for the goods in question or if it has created goodwill through investments can play a role with regard to this last aspect. Finally, it is essential to take the combination of specific circumstances of each user of cultural indications into consideration, as will be demonstrated in the application.

4.2 Application

To conclude this study, I will briefly apply the suggested legal test to a few of the brands mentioned: Mumuso, Miniso, Superdry and Comme des Garçons.

¹¹¹ See 3.2.

¹¹² Compare OHIM, *Guidelines for Examination in the Office for Harmonization in the Internal Market (Trade Marks and Designs) on Community Trade Marks, Part B, Examination, Section 4* (2015), para 2.3.2.6 with reference to Joined Cases C-108/97 and C-109/97 *Chiemsee* [1999] ECR I-2810, para 31.

¹¹³ Compare V. v. Bomhard, ‘Protection of country names and nation branding’, slide 9

<https://www.wipo.int/edocs/mdocs/sct/en/sct_33/sct_side_event_presentation_2.pdf> accessed 14 August 2020.



Source: <http://www.mumuso.kr/>

Starting off with Mumuso, they have demonstrated intentional deceptive use of Korean cultural indications, i.e. not only through adopting a Korean-sounding name, adding ‘.KR’ to their logo and creating a Korean store experience by playing Korean pop music, applying Korean characters to their product packaging and copying designs from Korean brands, but also through using a false Korean address as their office address. Consequently, consumers were under the false impression that Mumuso was a true Korean brand.



Source: <https://en.wikipedia.org/wiki/Miniso>

Next, Miniso has a similar fact pattern but claims to have some links to Japan due to the fact they have a Japanese co-founder and use Japanese designers. Their main operations however are in China, just like their headquarters and production. Consumers only perceive this brand as pure Japanese as a consequence of their heavy emphasis on Japan, such as using a Japanese website as their main one, applying Japanese characters on their products and logo and taking inspiration from Japanese brands Uniqlo, Muji and Daiso, underlined by consumers frequently commenting: “*I didn’t know Miniso wasn’t a Japanese company.*”¹¹⁴ Even if they might have some links to Japan, they would be wise to diminish their overwhelmingly Japanese indications and communicate their more established links to China as well.

¹¹⁴ Jiang (n 19).



Source: <https://www.superdry.nl/heren/hoodies/details/149124/vintage-logo-splatter-hoodie-navy>

On to Superdry, a brand which similarly uses Japanese characters in their logo and on their clothes. However, the brand does seem to make up for this on other fronts as their branding is not typically Japanese and their image is more western styled. Indications such as “Trade Mark JPN” on clothing should however be avoided.

COMME des GARÇONS

Source: https://en.wikipedia.org/wiki/Comme_des_Gar%C3%A7ons

Finally, Comme des Garçons seems to compensate even more. Despite originating from Japan, the brand does not associate itself with France in any other way. It is said to “*not, as some commentators have suggested, [play] off preconceptions about snooty Parisian couture, hoping to glean a semblance of gravitas by virtue of association. Anyone who has given Kawakubo’s work even a cursory glance can see it is utterly rooted in originality and has zero interest in hanging off the coattails of others.*”¹¹⁵ Additionally, the brand has headquarters in France and releases its main collection during Paris Fashion Week, which all the more justifies this slight link.

¹¹⁵ C. Gorden, ‘The True Story of How COMME des GARÇONS Got Its Name’ (*Highsnobiety*, 22 September 2015) <<https://www.highsnobiety.com/p/how-comme-des-garcons-got-its-name>> accessed 16 August 2020.

Conclusion

This Legal Opinion has shown that protection of cultural indications touches upon various aspects within the IP and unfair competition law landscape, making protection under the current legal framework fragmented, uncertain and often inefficient as specific elements need to be infringed. Protection of cultural indications is however justified in light of arguments supporting prevention of deceptive use and freeriding and should therefore be recognised at an international level under unfair competition law. Free competition concerns arise, but this is safeguarded through a new legal test assessing brand clarity regarding origin and consumer perception as leading components. Protection should primarily be enforceable by both direct and indirect competitors as well as IPOs. Collaboration both between governmental bodies and IPOs and different national IPOs is encouraged in order to fully combat deceptive use of cultural indications by cultural copycats under a harmonised regime. South Korea's KIPO has already set an example by penalising Mumuso for deceptive cultural stylisation and other IPOs are encouraged to follow this example.

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