



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

REQUEST FOR THE ESTABLISHMENT OF A PANEL BY CUBA

The following communication, dated 4 April 2014, from the delegation of Cuba to the Chairperson of the Dispute Settlement Body, is circulated pursuant to Article 6.2 of the DSU.

On 3 May 2013 Cuba requested consultations with the Government of Australia pursuant to Article 4 of the Understanding on Rules and Procedures Governing the Settlement of Disputes ("DSU"), Article XXII of the General Agreement on Tariffs and Trade 1994 ("GATT 1994"), Article 64.1 of the Agreement on Trade-Related Aspects of Intellectual Property Rights ("TRIPS Agreement"), and Article 14.1 of the Agreement on Technical Barriers to Trade ("TBT Agreement") regarding measures adopted by Australia that regulate the appearance and form of retail packaging used in connection with sales of cigars, cigarettes and other tobacco products as well as the appearance and form of such products.

Consultations were held on 13 June 2013 but failed to resolve the dispute.

Pursuant to Articles 4.7 and 6 of the DSU, Article XXIII of the GATT 1994, Article 64.1 of the TRIPS Agreement and Article 14.1 of the TBT Agreement, Cuba hereby respectfully request the Dispute Settlement Body ("DSB") to establish a panel to examine the matter specified below.

A. MEASURES AT ISSUE

The measures at issue (collectively the "Plain Packaging Measures") are the following:

- The Tobacco Plain Packaging Act 2011, Act No. 148 of 2011, "An Act to discourage the use of tobacco products, and for related purposes";
- The Tobacco Plain Packaging Regulations 2011 (Select Legislative Instrument 2011, No. 263), as amended by the Tobacco Plain Packaging Amendment Regulation 2012 (No.1) (Select Legislative Instrument 2012, No. 29) ("the Regulations");
- The Trade Marks Amendment (Tobacco Plain Packaging) Act 2011, Act No. 149 of 2011, "An Act to amend the Trade Marks Act 1995, and for related purposes"; and
- Any related measures adopted by Australia, including measures that implement, complement or add to these laws and regulations, as well as any measures that amend or replace these laws and regulations.

The Plain Packaging Measures regulate the appearance and form of retail packaging used in connection with sales of cigars, cigarettes and other tobacco products. They also regulate the appearance and form of the tobacco products themselves.

With respect to the retail packaging of tobacco products, the Plain Packaging Measures:

(i) prohibit the display of signs and information other than (1) a brand, business or company name, (2) a variant name and (3) the basic information specified in Division 2.3 of the Regulations¹;

(ii) prescribe that brand, business, company and variant names must be displayed in a uniform typeface, font, case, colour and placement and within a maximum size and require that trademarks may only be displayed on retail packaging of tobacco products to the extent that they comply with such requirements;

(iii) mandate the use of uniform colours for outer surfaces and inner linings as well as the use of a matt finish;

(iv) constrain the dimensions and forms that packaging (such as cigar tubes, primary packaging for cigars, cigarette packs and cigarette cartons) may assume; and

(v) regulate the use of wrappers, inserts and onserts.

With respect to the appearance and form of cigar bands and cigars, the Plain Packaging Measures:

(i) prohibit the display of signs and information on cigar bands other than: (1) a brand, business or company name, (2) a variant name, (3) country of origin information and (4) an alphanumeric code.

(ii) prescribe that brand, business, company and variant names must be displayed on cigar bands in a uniform typeface, font, case, colour and placement and within a maximum size and require that trademarks may only be displayed on cigar bands to the extent that they comply with such requirements;

(iii) mandate the use of a uniform colour for cigar bands (Pantone 448C); and

(iv) require the use of a single cigar band.

With respect to the appearance and form of cigarettes, the Plain Packaging Measures:

(i) prohibit the display of signs and information other than an alphanumeric code;

(ii) provide that paper casings must be white, or white with an imitation cork tip; and

(iii) provide that filter tips must be white.

B. LEGAL BASIS OF THE COMPLAINT

Cuba considers that the Plain Packaging Measures are inconsistent with Australia's obligations under the following provisions of the TRIPS Agreement, the TBT Agreement and the GATT 1994:

- Article 20 of the TRIPS Agreement, because Australia unjustifiably encumbers the use of trademarks for tobacco products in the course of trade through special requirements. In particular, Australia mandates: (i) that trademarks relating to tobacco products be used in a special form, and (ii) that trademarks relating to tobacco products be used in a manner which is detrimental to their capability to distinguish tobacco products of one undertaking from tobacco products of other undertakings. In any event, the Plain Packaging Measures are ineffective (in that they do not achieve Australia's public health objective) and/or disproportionate (in that alternative and less restrictive measures would make an equivalent contribution to that objective).

¹ These are (i) origin marks as provided for in Regulation 2.3.2 of the Regulations, (ii) calibration marks as provided for in Regulations 2.3.3 and 2.3.1(3) of the Regulations, (iii) measurement mark and trade description as provided for in Regulation 2.3.4 of the Regulations, (iv) bar code as provided for in Regulation 2.3.5 of the Regulations, (v) fire risk statement as provided for in Regulation 2.3.6 of the Regulations, (vi) locally made product statement as provided for in Regulation 2.3.7 of the Regulations, (vii) name and address as provided for in Regulation 2.3.8 of the Regulations and (viii) consumer contact telephone number as provided for in Regulation 2.3.9 of the Regulations.

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- Article 2.2 of the TBT Agreement, because Australia imposes technical regulations that create unnecessary obstacles to trade and are more trade-restrictive than necessary to fulfil a legitimate objective taking into account the risks that non-fulfilment would create.
 - Article IX:4 of the GATT 1994, because Australia imposes requirements relating to the marking of imported tobacco products which materially reduce their value and/or unreasonably increase their cost of production.
 - Article 2.1 of the TRIPS Agreement read with Article *10bis*, paragraphs (1) and (3) of the Paris Convention for the Protection of Industrial Property (as amended by the Stockholm Act of 1967), because Australia does not provide effective protection against unfair competition including because undertakings cannot clearly distinguish their goods from distinct goods produced by their competitors.
 - Article 22.2(b) of the TRIPS Agreement, because Australia does not provide effective protection against acts of unfair competition with respect to Cuban geographical indications.
 - Article 24.3 of the TRIPS Agreement, because Australia is diminishing the level of protection afforded to Cuban geographical indications as compared with the level of protection that existed in Australia prior to 1 January 1995 including by restricting the use of Cuban geographical indications, such as the geographical indication "Habanos", on the retail packaging of large handmade cigar products.
 - Article 2.1 of the TRIPS Agreement read with (i) Article *6quinquies* of the Paris Convention for the Protection of Industrial Property (as amended by the Stockholm Act of 1967), because trademarks registered in a country of origin outside Australia are not protected by Australia "as is" and (ii) Article *6bis* of the Paris Convention for the Protection of Industrial Property (as amended by the Stockholm Act of 1967), because Australia fails to protect "well known" trademarks.
 - Articles 15.1 and 15.4 of the TRIPS Agreement, because the nature of the goods to which a trademark is to be applied forms an obstacle to the registration of certain types of trademarks in Australia.
 - Article 16.1 of the TRIPS Agreement, because Australia prevents owners of registered trademarks from enjoying the rights conferred by a trademark.
 - Article 16.3 of the TRIPS Agreement because Australia prevents owners of registered trademarks that are "well known" or might become "well-known" from enjoying the rights conferred by such a trademark.
 - Article 17 of the TRIPS Agreement, because Australia fails to ensure that exceptions it imposes on rights conferred by a trademark are limited and take account of the legitimate interests of owners of the trademark and third parties.
 - Article 3.1 of the TRIPS Agreement, because Australia accords to nationals of other Members treatment less favourable than it accords to its own nationals with respect to the protection of intellectual property.
 - Article 2.1 of the TBT Agreement, because Australia imposes technical regulations that accord to imported tobacco products treatment less favourable than that accorded to like products of national origin.
 - Article III:4 of the GATT 1994, because Australia accords to imported tobacco products treatment less favourable than that accorded to like products of national origin.

Cuba asks that this request be placed on the agenda for the meeting of the Dispute Settlement Body to be held on 25 April 2014.
