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Brand evaluation —

Part 3: Requirements and recommendations for brands related to geographical indications

Évaluation des marques —

Partie 3: Exigences et recommandations pour les marques liées aux indications géographiques

Reference number
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ISO copyright office
CP 401 • Ch. de Blandonnet 8
CH-1214 Vernier, Geneva
Phone: +41 22 749 01 11
Email: copyright@iso.org
Website: www.iso.org

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Foreword

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The procedures used to develop this document and those intended for its further maintenance are described in the ISO/IEC Directives, Part 1. In particular, the different approval criteria needed for the different types of ISO document should be noted. This document was drafted in accordance with the editorial rules of the ISO/IEC Directives, Part 2 (see www.iso.org/directives).

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This document was prepared by Technical Committee ISO/TC 289, *Brand evaluation*.

A list of all parts in the ISO 20671 series can be found on the ISO website.

Any feedback or questions on this document should be directed to the user's national standards body. A complete listing of these bodies can be found at www.iso.org/members.html.

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Introduction

0.1 General

Geographical indications (GIs) identify a good or service as originating in the territory of a country, or a region or locality in that territory, where a given quality, reputation, or other characteristic of the good or service are essentially attributable to its geographical origin. GIs can also highlight specific qualities of a product or service that are due to human factors that can be found in the place of origin of the product or service itself, for example traditions and particular productive or professional skills.

In the current context of international markets, the range of products and services offered to users is almost unlimited. Brands related to GIs (BGIs) are valuable assets as they help the users of these products and services identify the characteristics, traceability and other information related to its origin. Examples of potential BGIs can be found in Annex C.

0.2 Brands related to geographical indications (BGIs)

A brand can be defined as the intangible asset, including but not limited to, names, terms, signs, symbols, logos and designs, or a combination of these, intended to identify goods, services or entities, or a combination of these, creating distinctive images and associations in the minds of stakeholders, thereby generating economic benefit/values (see ISO 20671-1:2021, 3.1). GIs can thus be inherently viewed as brands. The sign tagging a specific GI and the trademark used by a collective or a certification GI are all intended to trigger a positive association that contributes to the value of a brand. Although traditionally GIs have been regarded as important as a way of protecting the rights of holders against unfair or deceptive competition, recognizing that GIs are inherently brands adds another dimension to GIs. BGIs are important because they can add value in at least three interrelated ways (see ISO 20671-1:2021, 3.2).

— Locality: In an economic environment in which the prevalence of brands marketed globally is increasing, BGIs are distinctive. They have unique characteristics that distinguish themselves from so many global brands.

— Authenticity: Consumers are increasingly skeptical of advertising and exaggerated marketing claims. BGIs can offer goods that are more trustworthy in that they have the authenticity of place.

— Sustainability: BGIs carry a sense of social purpose. The consumer is not only buying a product but supporting something worthwhile in terms of the values the product embodies. BGIs also often can support the economic development of a specific group of people. Moreover, BGIs can sustain traditional knowledge and cultural expressions that can otherwise be lost.

Investments are necessary for BGIs to achieve their potential value. BGIs require the financial support of branding activities, as does any other kind of brand. In order to make such investments in a fiscally responsible way, it is necessary for any organization to evaluate BGIs in order to determine if such investments are creating proportionate increases in brand value.

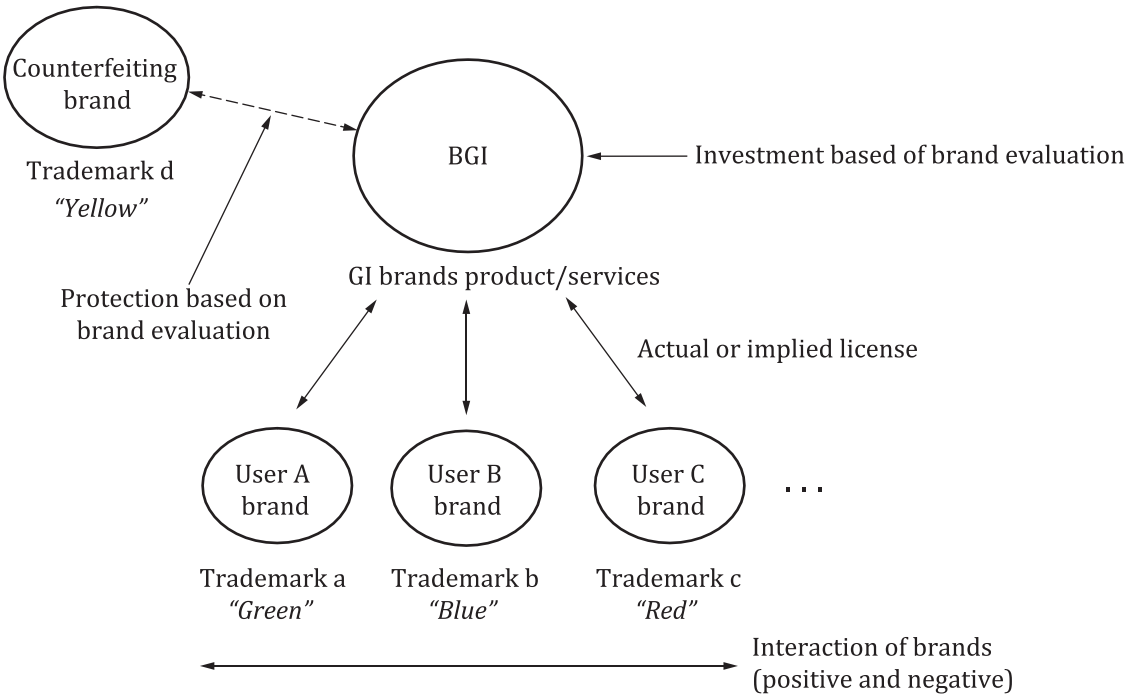
0.3 BGI system

In whatever form they take, GIs are a signal to consumers that they can associate the origin of a product with place-related brand value. But evaluating BGIs requires an understanding of how BGIs are different from conventional single-product or product-line brands. BGIs are different in that they consist of a collection of brands that should be approached as a brand system. Organizations typically manage collections of brands as either a set of unrelated brands linked by a common corporate identity (the “house of brands” approach) or as brands that, despite some differences (e.g. flavours), all have a common master brand association (the “branded house” approach). However, specific collective trademark or certification trademark BGIs usually vary far too much to be treated as a branded house. They can cover many different brands that are otherwise themselves branded quite differently.

A brand system must consider this kind of variation across supported brands. Figure 1 illustrates the idea of a brand system with GI products/services. At a high level all brands in the system make use of a BGI. But the BGI is incorporated into the lower-level user brands that are associated with different

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brand meanings. The key is that there is synergy such that the BGI contributes to the value of the lower-level brands and the lower-level brands in turn affect the value of the BGI. An evaluation of the BGI must consider both levels.



NOTE BGI: Owned, Co-opt, Public/Government

Figure 1 — BGI brand system

BGIs are not sold or licensed in a way that makes a monetary valuation based on market value meaningful. Instead, they are evaluated as a financial asset controlled by the holder. The value of this asset is determined by the system, the value of the higher-level master BGI and the aggregate lower-level value of all the brands using a specific mark and/or collective or certification trademark.

Consistent with ISO 20671-1, the evaluation of a BGI should consider both brand strength and brand performance. Brand strength evaluates how positive or negative the brand is in its potential to affect customers. There are five dimensions of brand strength, with multiple possible alternative indicators of each: consumer/other stakeholder, market, financial, economic and political environment and legal. Brand performance evaluates the brand's impact in the market. Brand strength is potentially correlated with brand performance, but it is possible that a strong brand can have a weak impact in the market because of other factors that outweigh the brand. Likewise, a weak brand can have a strong impact.

0.4 Boundary and scope of BGIs

GIs generally refer to brands that have been registered either by the national or regional authority, which implies protection of certain means from these authorities.

The largest population of GIs is foodstuffs and agricultural products that fall into the protected categories of most countries and regions. Other GIs cover, e.g. textile to porcelain goods, and from handicrafts to watches, and the services sector, depending on the legal interpretations of the competent authorities.

A BGI refers to a brand named after a specific geographical region where it is either wholly originated or finally processed, including a brand that is not yet registered as a GI or does not fall into the GI category laid down by the governing authority. There is no definite limit as to the product's nature, although in most cases it is not an industrial product whose brand value lies in its trademark rather than the name of the product's geographical origin.

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0.5 Stakeholders and target audience

Typical stakeholders can include, but are not limited to, farmers, consumers/end users, food service operators, associations, regulators, consortiums, consultants, brand agencies, service providers/ distributors, suppliers, brands using entity, shareholders, employees, investors, licensees, and future generations.

Regional and national governments define protocols for and are regulators of GI categorization.

The scope of GIs includes several target audiences and stakeholders, specifically, those who are most impacted by GIs with a focus on consumers who are sensitive to the origin of the products which they use. For this reason, the expanded list of target audiences and stakeholders includes, e.g. farmers, related associations, regulators, service providers.

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Brand evaluation —

Part 3:
Requirements and recommendations for brands related to geographical indications

1 Scope

This document specifies the methodology, fundamentals and principles, including elements and dimensions, to evaluate brands related to geographical indications (BGIs) with methodology based on ISO 20671-1.

It is applicable for both originators of BGIs to make investment decisions and users and potential users of a BGI to decide whether to adopt the BGIs.

This document is intended to be used in conjunction with ISO 20671-1 and ISO 10668.

This document can be used in internal and external evaluation of BGIs.

2 Normative references

The following documents are referred to in the text in such a way that some or all of their content constitutes requirements of this document. For dated references, only the edition cited applies. For undated references, the latest edition of the referenced document (including any amendments) applies.

ISO 10668, *Brand valuation — Requirements for monetary brand valuation*

ISO 20671-1, *Brand evaluation — Part 1: Principles and fundamentals*

3 Terms and definitions

For the purposes of this document, the terms and definitions given in ISO 10668 and ISO 20671-1 and the following apply.

ISO and IEC maintain terminology databases for use in standardization at the following addresses:

— ISO Online browsing platform: available at https://www.iso.org/obp

— IEC Electropedia: available at https://www.electropedia.org/

3.1
geographical indication
GI
identification of a good or service as originating in the territory of a country, or a region or locality in that territory, where a given quality, reputation or other characteristic of the good or service are essentially attributable to its geographical origin

Note 1 to entry: A geographical indication (GI) can be collectively used by all entities from the given area which provide a given product (or service) in a prescribed way.

Note 2 to entry: Traditionally a GI is understood to be goods, however it can be applied to services.

Note 3 to entry: In this document, BGIs are used to refer to both legally protected and unprotected brands.

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