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GEOGRAPHIC INDICATION OF ORIGIN AND RURAL TOURISM (EXAMPLE: FUTOG'S FRESH AND SOUR CABBAGE)

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Abstract

Geographical indication of origin, which identifies a certain product as originating from the territory of a certain country, region or locality from that territory, is also much more than that. By acquiring it, apart from announcing where it comes from, it is made known and publicly announced that the product has a certain quality, which potential users and consumers expect. This would represent one dimension of the geographical indication of origin. Another dimension would certainly be the promotion of the geographical area that has been marked, through different types of tourism - rural, event, spa, etc. The authors of this paper will try to find a connection between the geographical indication of origin of a certain product and the development of tourism in a given area, using the example and available statistical data on Futog's fresh and sour cabbage, which received its geographical indication of origin by the Decision of the Intellectual Property Office in May 2008.

Key Words: *Geographical indication of origin, Tourism, Rural tourism*

JEL classification: *D11, I28, K23, K32, O13, Z32*

Introduction

The geographical origin of certain types of goods arouses certain notions about the quality of goods among consumers. When the geographical origin recommends the goods to consumers, they are sold faster, easier

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and more massively. This is the main reason for the interest of the participants in economic transactions in geographical origin labels (Marković, 2007, p. 163).

„The exceptional importance and value of geographical indications was the main reason why the question of the right to use them to mark goods or services was raised early on. Modern industrial property law has its historical roots in privilege. As for geographical indications, their legal protection in Europe was primarily related to cheeses. In 1407, the French King Charles IV granted a royal privilege to the producers of „Roquefort“ cheese. The first state rules for the protection of this cheese were adopted in 1666 by the Parliament in Toulouse. This act contained criteria that had to be taken into account in order for cheeses to be labeled „Roquefort“. This act started the development of legal rules for the protection of geographical indications in France. The climax was reached with the ruling prohibiting the fraudulent use of the label „Champagne“ for sparkling wines. This judgment significantly influenced the legal protection system established in France at the beginning of the 20th century“ (Spasojević, 2013, p. 2).

Labels of geographical origin mark natural, agricultural and food products, industrial products, home-made products, as well as services, the quality and special properties of which are determined by the geographical area from which they originate. The Republic of Serbia is rich in various natural, agricultural and food products that are produced in underdeveloped rural areas. However, in contrast to food producers in the European Union who recognized the economic interest in protecting their products with designations of geographical origin, Serbian producers use this type of protection much less. Therefore, an adequate system of protection of designations of geographical origin, harmonized with European and world standards, represents a significant economic potential for the development of rural areas in the Republic of Serbia and ensures the competitiveness of domestic agricultural and food products both on the European and world markets (Ćeranić, 2012, p. 55).

Historically, in Serbia, until 1981, geographical indications have been protected by the rules on unfair competition. However, the Law from 1981 defined the term geographical indication imprecisely. Also, the protection procedure under this Law was complex and insufficiently regulated, and the authority was divided between different federal and republican authorities. The situation was no different when it came to

other industrial property rights. All this conditioned the major reform of industrial property rights, which was carried out in 1995 (Spasojević, 2013, p. 3).

Today in Serbia, geographical indications are protected on the basis of the Law on Indications of Geographical Origin from 2010 („Official Gazette of the RS“, no. 18/2010 and 44/2018 - other laws), where they are registered at the Intellectual Property Office of the Republic of Serbia, or more precisely in the National e-Register of geographical origin, where there are currently 83 registered geographical origin in the name of domestic persons and 15 registered marks of origin in the name of foreign persons (The Intellectual Property Office of the Republic of Serbia). Among the 83 registered designations of origin in the name of domestic persons, there is also Futog's fresh and sour cabbage, under serial number 50.

Protection of geographical indications of origin

The current Law on Geographical Indications is largely harmonized with the relevant EU regulations and the requirements of the Stabilization and Association Agreement and the Transitional Trade Agreement. This law is also aligned with the Madrid Agreement on the Suppression of False and Fraudulent Marks of Origin on Products and the Lisbon Agreement on the Protection of Appellations of Origin and Their International Registration (Ćeranić, 2012, p. 58).

Considering that 14 years have passed since its enactment and adoption, it can be said that it has been fully implemented, and that it establishes measures related to the implementation of the protection of indications of geographical origin, where that protection can be civil law (Articles 71-74 of the Law on Indications of Geographical Origin (LIGO)) or can be implemented with the application of penal provisions (Articles 80-82 LIGO) with the addition of protection through the possibility of imposing temporary measures (Articles 75-79 LIGO). As part of these measures, the procedure for the imposition of a temporary measure and the measure of securing evidence, as well as the possibility of depositing security funds, is regulated. Some of the new solutions of this law are: regulation of the procedure for acquiring international protection of domestic designations of geographical origin, regulation of the quality control system and special properties of products, introduction of the right of appeal, the possibility of registration of the designation of geographical

origin at the EU level, etc. The Stabilization and Association Agreement made it possible to register the designation of geographical origin from Serbia in the EU under the conditions of Regulation 510/2006. Accordingly, the new Law on Geographical Indications expressly stipulates that the authorized user of the geographical origin, i.e. the applicant for the recognition of the status of the authorized user of the geographical origin for agricultural and food products, can submit an application for registration of the geographical origin at the EU level, in accordance with the EU regulation that governs the protection of designations of geographical origin for agricultural and food products. This request, with the payment of the prescribed fee, is submitted through the authority responsible for intellectual property affairs. The request for registration of the designation of geographical origin at the EU level contains in particular: information about the applicant; indication of the type of product marked with the geographical name; information about the proxy if the request is submitted through a proxy; proof of paid tax; signature and seal of the applicant. „The law stipulates that indications of geographical origin, which are registered for the territory of the Republic of Serbia on the basis of the Lisbon Agreement on the protection of names of origin and their international registration, have the same effect on the territory of the Republic of Serbia as if they were directly submitted and registered in Serbia (Articles 1, para 3 LIGO)“.

It is foreseen that the product can exceptionally be protected by the designation of origin if it has a proven traditional feature, a high reputation and is well known and when the raw material for the production of that product comes from an area different from or wider than the area of processing, if the area of production is limited and there are special conditions for the production of that raw material, as well as the inspection control system that provides supervision over the fulfillment of special conditions for the production of raw materials (Article 7, paragraph 1 LIGO).

The law stipulates that the condition for the application of this provision is the existence of an organized system of inspection control of the fulfillment of special conditions for the production of raw materials, which prevents the use of raw materials originating from regions whose natural conditions are not suitable for the conditions in the given area, or genetically modified raw materials. In the case of agricultural and food products, only live animals, milk and meat are considered raw materials (Article 7, paragraph 2 LIGO).

The procedure for the protection of designations of geographical origin, provided by this law, is specific because it consists of two phases: the first is the establishment of the designation of geographical origin, and the second is the recognition of the status of the authorized user of the designation of geographical origin. Otherwise, the specificity of designations of geographical origin, as intellectual property rights, is reflected in the fact that the right to a designation of geographical origin is a collective right that all persons who produce a certain product in a given area (which possesses the quality and special properties prescribed by the elaboration on specific product characteristics) and which are recognized as authorized users of the designation of geographical origin. In this regard, the mere act of establishing a geographical indication of origin does not give the person who initiated its establishment a monopoly right to use that geographical indication of origin. In order to acquire that right, it is necessary to carry out the procedure for the recognition of the status of the authorized user of the designation of geographical origin (Ćeranić, 2012, p. 59).

Futog's cabbage

Cabbage is among the oldest used vegetables, which went through a long period of selection - during a long period of cultivation, people chose plants that had the most desirable properties and thus differentiated different varieties within one species (Červenski & Medić-Pap, 2018, p. 5).

Today, „cabbage in the Republic of Serbia is an important vegetable species, both in terms of production and consumption“ (Červenski & Medić-Pap, 2018, p. 11).

Futog's fresh and sour cabbage was registered in the Intellectual Property Office by decision on May 12, 2008. However, in addition to all the nutritional values, importance, volume of production, etc., a certain product that is related to the geographical climate will depend a lot on the characteristics of the given climate. Therefore, with Futog's cabbage, Futog itself is very important, as the place and climate where Futog's cabbage is grown. Futog, a place on the banks of the Danube, where Futog's cabbage has been grown and processed for centuries, contributed to Vojvodina and Serbia offering this product not only to the domestic but also to the foreign market, and when you say Futog, you immediately think of cabbage. There are assumptions that cabbage began to be grown

in Futog in the 18th century, more precisely from 1760, when Maria Theresa settled Germans in this area who grew potatoes as a young crop and cabbage as a second crop and supplied Vienna with these vegetables. In many parts of the world it is known for the famous Futog's cabbage. For centuries, the people of Futog have nurtured and protected from destruction the seeds of the widely known Futog's cabbage, which is characterized by exceptional biological and technological characteristics and is therefore a highly valued food, both in our country and in the world. (The Intellectual Property Office of the Republic of Serbia).

Picture 1: *Futog's cabbage*



Source: *The Intellectual Property Office of the Republic of Serbia*

Picture 2: *Logo of the association of Futog's cabbage and Futog's sour cabbage producers and processors*



Source: *Futoški kupus*.

Rural tourism and products with a geographical indication of origin

In theory, „there are several definitions of rural tourism, but none of them can be considered separately from the rural area, as well as the stimulation of the development of rural areas. If we look at the development of rural areas historically, but also the situation we have today, the results are more than devastating - more destinies of abandoned villages, so-called „old villages“, where the inhabitants are few and over 60 years old, etc. Observing such a not very rosy picture of Serbian villages, the question arises whether the state has done enough to prevent such a scenario, that is, whether something could have been done to avoid such a scenario?“ (Škorić & Jovanović, 2017, 415-416). Some authors believe that rural tourism should revive many dormant, if not disappeared, rural areas (Đenadić et al., 2016, p. 519). In any case, it is considered that the rural area implies a geographical area that is located outside the urban area, but it is often synonymous with uneven development in relation to urban centers. Precisely because of the mentioned characteristic of tourism, we can, to a certain extent, see it as a point of connection between urban and less urban environments.

Picture 3: *Futog's Cabbage Festival*



Source: *Zvanično otvorena 23. Futoška kupusijada!*

Significant potentials for the development of tourism in Serbia is related to rural areas, where the production of organic food with the authentic taste can be started, by branding indigenous types of products. It is precisely in this last mentioned that the authors of this paper found the connection and mutual conditioning of rural tourism and rural development and products with a geographical indication of origin, specifically Futog's cabbage and rural development of the climate where it originates. Namely, event tourism, as a type of rural tourism, promotes

Futog through the traditional holding of the event Futog's Cabbage Festival at the end of October or beginning of November every year, where the attendance of the event is increasing every year, with a program that follows these types of events. This year, 2024, the event will be held for the 25th time and as such it is included in the announcements of events in Serbia (Događaji u Srbiji).

Conclusion

Although neither the Reports of the Republic Institute of Statistics nor the Tourism Development Strategy for the period 2016-2025, contains no direct data on how much a certain event affects the development of tourism (apart from the number of overnight stays and foreign exchange turnover at major events such as the EXIT festival, Guča, etc.), it is logical that every attended event has an impact on the area where it is held. What is missing in order to complete the analysis of the impact of Futog's cabbage and its geographical indication of origin on the rural development of the area from which it originates, is a record of visits and economic impact during the duration of the Futog's Cabbage Festival. Although it is indisputable that Futog's cabbage is known in Serbia and in the region, it seems that the full potential of Futog's cabbage in terms of tourism development has not been reached. Especially the tourist promotion of Futog with its historical heritage, places that can be visited, along the banks of the Danube, etc., along with the traditional manifestation of Futog's Cabbage Festival. Therefore, there is still a lot of space in designing activities that could promote a product of exceptional value with a geographical indication of origin, such as Futog's cabbage, both on a consumer and tourist level.

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