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## Terroir vs. Trademarks: The Debate over Geographical Indications and Expansions to the TRIPS Agreement

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# **Terroir vs. Trademarks: The Debate over Geographical Indications and Expansions to the TRIPS Agreement**

## **ABSTRACT**

*The ever expanding global marketplace and increasing sophistication of consumers has led to a heightened desire for high-quality wines, spirits and food products that derive their unique characteristics from the geographical region from which they originate. The particular geographic identity of a product, known as a "geographical indication" can increase the marketability and value of any number of consumer goods, from wines and spirits to rice and cheese. The desire to protect geographical indications from misappropriation and abuse eventually led to the adoption of the Agreement on Trade-Related Aspects for Intellectual Property Rights (TRIPS Agreement) during the establishment of the World Trade Organization. This agreement provides for the international protection of geographical indications and offers more protection for wines and spirits than other consumer goods. Unfortunately, the adoption of the TRIPS Agreement did not end controversy over geographical indications and a debate between the European Union and the United States and their respective allies still rages over how international law should be applied to protect geographical indications.*

*This Note first analyzes the history of the geographical indication debate and the protection of geographical indications within international intellectual-property treaties, including relevant provisions of the TRIPS Agreement. It then considers the policy reasons behind each side of the debate between the European Union and the United States regarding how to proceed with protecting geographical indications in the future. Finally, the Note evaluates and advocates for the expansion of the TRIPS Agreement protection beyond wine and spirits and for the establishment of a mandatory registration system for geographical indications. This proposal would still honor*

*existing trademark systems in order to protect the current interests of the United States.*

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In 100 BC the people of Parma, Italy knew their prosciutto was something special and the Roman statesman, Cato the Censor, even wrote about the “extraordinary flavour” of the air-cured ham produced in the little town.<sup>1</sup> Today, wine connoisseurs sing the praises of a good glass of authentic Chablis made from grapes grown in the rich soil surrounding the town of Chablis in the Burgundy region in France.<sup>2</sup> Cheese lovers know that Roquefort cheese acquires its distinctive taste while it is aged in the Cambalou caves of Roquefort-sur-Soulzon.<sup>3</sup> Steak aficionados prefer the famed Kobe beef that comes only from cattle cultivated according to strictly practiced traditions originating in Kobe, Japan that give the meat its renowned flavor and tenderness.<sup>4</sup> Common to each of these products is the fact that its place of origin or geographical location is an essential characteristic of the product.

The French concept of “terroir” is the idea that food and wines receive their unique flavors and qualities from the “soil, climate, culture, and tradition[s]” of the regions where the products are grown, produced, and created.<sup>5</sup> The geographical indications that identify the towns, cities, regions, or countries where products are produced affect the marketability of products and can become valuable commercial assets.<sup>6</sup> One survey found that the majority of respondents were willing to pay up to 10 percent more for products having a geographical or place-based identity, that is, a “produit du terroir.”<sup>7</sup> Because of the commercial value associated with geographical identity, these products are highly susceptible to counterfeiting,

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1. See Geography & History: The Parma Ham Consortium, <http://www.prosciuttodiparma.com/eng/geography/history> (last visited Jan. 17, 2009) [hereinafter Parma Ham Consortium].

2. See Chablis Wine Information, French Wine Guide in Burgundy, [http://www.terroir-france.com/region/burgundy\\_chablis.htm](http://www.terroir-france.com/region/burgundy_chablis.htm) (last visited Jan. 17, 2009).

3. See Roquefort Cheese-France: French Cheese Guide, <http://www.cheese-france.com/cheese/roquefort.htm> (last visited Jan. 17, 2009).

4. See John W. Longworth, *The History of Kobe Beef in Japan*, LUCIES FARM, Oct. 28, 2004, [http://www.luciesfarm.com/artman/publish/article\\_37.php](http://www.luciesfarm.com/artman/publish/article_37.php). Although most Kobe beef is bred and raised in California (due to the cheaper costs of land and grain), when the cattle is almost ready for slaughter, it is shipped back to Kobe, Japan where its feeding is completed and it is finally slaughtered. *Id.*

5. See Jane Black, *The Geography of Flavor*, WASH. POST, Aug. 22, 2007, at F01, available at <http://www.washingtonpost.com/wp-dyn/content/article/2007/08/21/AR2007082100362.html>; see also *id.* (noting that literally translated, the French word “terroir” means “terrain”).

6. See INTRODUCTION TO INTELLECTUAL PROPERTY: THEORY AND PRACTICE 231 (World Intellectual Prop. Org. ed., 1997) [hereinafter INTRODUCTION TO INTELLECTUAL PROPERTY].

7. Black, *supra* note 5.

forgery, and misappropriation.<sup>8</sup> As the global marketplace continues to expand due to the increased availability of Internet access and improvements in transportation, protection of geographical indications—both nationally and internationally—is becoming more and more important to many countries and their producers of local products.<sup>9</sup>

Over the years, a movement has emerged to protect these products with trademark law and international treaties, culminating in the international adoption of the Agreement on Trade-Related Aspects for Intellectual Property Rights (TRIPS Agreement) as an annex to the Agreement Establishing the World Trade Organization (WTO).<sup>10</sup> The TRIPS Agreement specifically provides for the protection of geographical indications, with wine and spirits being more protected than other goods.<sup>11</sup> The development of geographical indications protection has not been without controversy, often pitting the laws of the United States, Canada, and Mexico against those of the European Union and the developing world.<sup>12</sup>

This Note explores the current state of geographical indications in international law and the special protections afforded to wines and spirits. Part I analyzes the historical evolution of international intellectual-property agreements and the protection of geographical indications within each agreement. Part II analyzes the policy reasons behind the European desire to create a mandatory registration and protection system for geographical indications, the United States' desire to maintain a system of trademarks as a means of protection for geographical indications, and the debate over extending enhanced international protection to geographically

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8. See INTRODUCTION TO INTELLECTUAL PROPERTY, *supra* note 6, at 231.

9. *Cf. id.*

10. See Agreement on Trade-Related Aspects of Intellectual Property Rights, Apr. 15, 1994, 33 I.L.M. 1197, available at [http://www.wto.org/english/tratop\\_e/trips\\_e/t\\_agm0\\_e.htm](http://www.wto.org/english/tratop_e/trips_e/t_agm0_e.htm) [hereinafter TRIPS Agreement]; see also INTRODUCTION TO INTELLECTUAL PROPERTY, *supra* note 6, at 475. The TRIPS agreement was adopted on April 15, 1994, which was the same day that the World Trade Organization was established in Marrakesh. *Id.*

11. See TRIPS Agreement, *supra* note 10, at pt II, § 1, arts. 22-24.

12. See DUNCAN MATTHEWS, GLOBALISING INTELLECTUAL PROPERTY RIGHTS: THE TRIPS AGREEMENT 31 (2002) (noting that during negotiations of the TRIPS Agreement, developing countries, led by India and Brazil, “expressed concerns about over-protection of intellectual property rights impending [the] transfer of technology and increased costs of pharmaceutical and agrochemical products as the result of patent protection”); see also Press Release, Office of the U.S. Trade Representative, U.S. Announces Further Consultations in WTO Dispute with EU over Geographic Indications (Apr. 3, 2003), available at [http://www.ustr.gov/Document\\_Library/Press\\_Releases/2003/April\\_US\\_Announces\\_Further\\_Consultations\\_in\\_WTO\\_Dispute\\_with\\_EU\\_over\\_Geographic\\_Indications.html](http://www.ustr.gov/Document_Library/Press_Releases/2003/April_US_Announces_Further_Consultations_in_WTO_Dispute_with_EU_over_Geographic_Indications.html).

designated goods beyond wine and spirits. Part III discusses a solution to the problems introduced in Part II by proposing that WTO members expand geographical indication protection to more products than merely wine and spirits, and that these changes be buttressed with the establishment of an international geographical-indication registry that honors the previously held trademarks of member states. This solution not only protects the interests of the United States but it also offers enhancements to the TRIPS Agreement protections that will make the protection of geographical indications more equitable and, therefore, more palatable to the international community.

## I. THE ORIGINS AND DEVELOPMENT OF GEOGRAPHICAL INDICATIONS

### A. *What are geographical indications?*

There is still confusion and debate over the extent to which geographical indications are protected. The role of geographical protections is still a developing part of both national and international law. In the international context, the term “geographical indications” was first used in the TRIPS Agreement.<sup>13</sup> The World Intellectual Property Organization (WIPO) defines “geographic indication” as a “sign used on goods that have a specific geographical origin and possess qualities, reputation or characteristics that are essentially attributable to that place of origin.”<sup>14</sup> WIPO chose to use the term “geographic[al] indications” instead of previously used terms like “indications of source” or “appellations of origin” to increase the breadth of its meaning.<sup>15</sup> The term “indications of source” had been used in previous international agreements to mean “any expression or sign used to indicate that a product or service originate[d] in a country, a region, or a specific place.”<sup>16</sup> “Appellations of origin” had been used to identify the source country, region, or area where the product or service originated, but the designation also demonstrated

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13. See JAYASHREE WATAL, *INTELLECTUAL PROPERTY RIGHTS IN THE WTO AND DEVELOPING COUNTRIES* 267 (2001); cf. *INTRODUCTION TO INTELLECTUAL PROPERTY*, *supra* note 6, at 232 (“The term ‘geographical indication’ has been chosen by WIPO to describe the subject matter of [the TRIPS Agreement] for the international protection of names and symbols which indicate a certain geographical origin of a given product. In this connection, the term is intended to be used in its widest possible meaning.”).

14. About Geographical Indications – World Intellectual Property Organization, [http://www.wipo.int/geo\\_indications/en/about.html](http://www.wipo.int/geo_indications/en/about.html) (last visited Jan. 17, 2009) [hereinafter *About Geographical Indications*].

15. See *INTRODUCTION TO INTELLECTUAL PROPERTY*, *supra* note 6, at 232.

16. *Id.* at 231.

that the product had specific characteristics "which are due exclusively or essentially to the geographical environment, including natural or human factors."<sup>17</sup> The term "geographic[al] indication" embraces all such names and symbols, regardless of whether they signify that the qualities of a given product are due to its geographical origins, unlike the term "appellations of origin," or whether they instead signify the place of origin of the product, unlike the term "indications of source."<sup>18</sup>

WIPO makes a clear distinction between geographical indications and trademarks. Trademarks have an owner.<sup>19</sup> A trademark is used by a person or enterprise to identify its products or services on the market.<sup>20</sup> Furthermore, owners of trademarks have the right to exclude all others from using the trademark.<sup>21</sup> Geographical indications, on the other hand, have no individual owner but are shared by all producers from that geographical location.<sup>22</sup> Geographical indications may be used by any person or enterprise manufacturing the product to which the geographical indication refers, assuming that the products meet certain quality characteristics (if applicable) and originate in the area.<sup>23</sup> Generally, no one enterprise within a region using a geographical indication can exclude another similarly situated regional producer from using the same indication.<sup>24</sup>

There are several ways countries protect their geographical indications. Protection of an indication can be done on the national level<sup>25</sup>, through legislation or jurisprudence, or at the international level<sup>26</sup> through bilateral agreements, multilateral treaties, or other agreements.<sup>27</sup> These protections are generally intended to prevent the

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17. *Id.*

18. *Id.* at 232.

19. *See* About Geographical Indications, *supra* note 14.

20. *See id.*

21. *See id.*

22. *See id.* Throughout this Note, I will distinguish between trademark "owners" and geographical indication "holders" since geographical indications are generally held by a collective rather than an individual owner. *See id.*

23. INTRODUCTION TO INTELLECTUAL PROPERTY, *supra* note 6, at 232-33.

24. *Id.*

25. *See id.* at 233-37.

26. *See id.* at 237-42.

27. *See id.* at 233-42.

unauthorized use of the geographical indication<sup>28</sup> and prevent a geographical indication from becoming a generic expression.<sup>29</sup>

*B. Historical Evolution of Geographical Indications as Protected Intellectual Property by WIPO*

With the development of the WTO and the TRIPS agreements, intellectual-property protection entered a new phase of global cooperation.<sup>30</sup> Until the end of the 19<sup>th</sup> century, intellectual property, including geographical indications, was largely governed at a country-specific level, with each country's laws governing within its borders.<sup>31</sup> As technological advances made international commerce easier, the international patchwork of intellectual-property protections became unworkable, and by the early 1800s, several European countries signed copyright and patent agreements.<sup>32</sup> These agreements led to several meetings and congresses between countries in an attempt to develop international protections for intellectual property.<sup>33</sup> In the one hundred years between the first bilateral intellectual property agreements and the implementation of the TRIPS Agreement in 1996, there were three agreements, all administered by WIPO, which dealt with the protection of geographical indications: (1) the Paris Convention for the Protection of Industrial Property (Paris Convention); (2) the Madrid Agreement for the Repression of False or Deceptive Indications of Source on Goods of 1891, which was last revised in 1967 (Madrid Agreement); and (3) the Lisbon Agreement for the Protection of Appellations of Origin and their International Registration (Lisbon Agreement).<sup>34</sup>

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28. *Id.* at 233. This includes protecting against unauthorized corporations or persons from using geographical indications for products that do not originate from a particular region or do not comply with previously established standards of quality. *Id.*

29. *Id.*; *cf. id.* ("Once a geographical indication has turned into a generic expression, it has lost all its distinctiveness and, consequently, will loose [sic] its protection."). Whether a term is considered to be generic can differ between various countries. *See id.* For example, Europe treats French Champagne and Chablis as geographical indications, while the United States treats the terms as semi-generic, and thus is allowed to apply the terms to non-French wines. *Id.*

30. SUSAN K. SELL, PRIVATE POWER, PUBLIC LAW: THE GLOBALIZATION OF INTELLECTUAL PROPERTY RIGHTS 10 (2003).

31. *See id.*

32. *See id.* at 10-11.

33. *See id.* at 11.

34. INTRODUCTION TO INTELLECTUAL PROPERTY, *supra* note 6, at 237.

## 1. Paris Convention for the Protection of Industrial Property

The Paris Convention was the first international agreement that specifically dealt with geographical indications.<sup>35</sup> Article 1(2) of the Paris Convention lists “indications of source” and “appellations of origin” as objects of “industrial property.”<sup>36</sup> The Paris Convention provides producers of goods with some protection—the protection of their own national laws—when doing business in other countries.<sup>37</sup> The agreement, then, did little to protect producers of goods with weak domestic protection of geographical indications and nothing at all for those states with no domestic regulations.<sup>38</sup>

Article 10 of the Paris Convention deals entirely with geographical indications and prohibits any product or source that directly or indirectly<sup>39</sup> bears a “false indication of source”—that is, one that refers to an area from which the products did not originate.<sup>40</sup> Any good found to bear a false indication of source is subject to sanctions, including seizure of the good upon importation.<sup>41</sup>

While this sounds like an agreement providing for heavy protection of geographical indications, in reality, the Paris Convention provided no real recourse for producers who encountered the improper usage of geographical indications since it only applied if the state’s current laws allowed for the seizure of imported goods bearing false representations of origin.<sup>42</sup> States with weak or non-existent remedies for intellectual-property and geographical-indication abuses had little recourse under the Paris Convention.<sup>43</sup>

The largest benefit to signatories of the Paris Convention, which as of October 3, 2008, included 173 contracting parties, is the

35. See Albrecht Conrad, *The Protection of Geographical Indications in the TRIPs Agreement*, 86 TRADEMARK REP. 11, 22 (1996).

36. Paris Convention for the Protection of Industrial Property art. 1(2), Mar. 20, 1883, 21 U.S.T. 1583, 828 U.N.T.S. 305, available at [http://www.wipo.int/treaties/en/ip/paris/trtdocs\\_wo020.html](http://www.wipo.int/treaties/en/ip/paris/trtdocs_wo020.html) [hereinafter Paris Convention]; see also INTRODUCTION TO INTELLECTUAL PROPERTY, *supra* note 6, at 237.

37. See Paris Convention, *supra* note 36, at art. 2; see also Jinghua Zou, Note, *Rice and Cheese, Anyone? The Fight Over TRIPs Geographical Indications Continues*, 30 BROOK. J. INT’L L. 1141, 1147 (2005).

38. See Conrad, *supra* note 35, at 24; Zou, *supra* note 37, at 1147.

39. Paris Convention, *supra* note 36, at art. 10. Indirect use of a trademark could happen through advertising. INTRODUCTION TO INTELLECTUAL PROPERTY, *supra* note 6, at 237. The false indication does not actually have to be located on the product. *Id.*

40. See INTRODUCTION TO INTELLECTUAL PROPERTY, *supra* note 6, at 237.

41. See Paris Convention, *supra* note 36, at art. 9; see also INTRODUCTION TO INTELLECTUAL PROPERTY, *supra* note 6, at 237-38.

42. Cf. INTRODUCTION TO INTELLECTUAL PROPERTY, *supra* note 6, at 237-38.

43. Cf. *id.*

large territory it covers.<sup>44</sup> Detractors could argue that the Paris Convention does not offer states enough options for sanctions, which are not mandatory and do not apply to merely misleading indications of source.<sup>45</sup>

## 2. The Madrid Agreement for Repression of False and Deceptive Indications of Source on Goods

The Madrid Agreement was open to members of the Paris Convention and was developed to work within the confines of that convention. The Madrid Agreement further restricts the misuse of geographical indications and seeks to “prevent the marketing of goods with false or misleading assertions as to their source[s].”<sup>46</sup> Like the Paris Convention, the Madrid Agreement provides sanctions for fraudulently misusing a geographical indication and allows for the seizure of imported goods. However, the Madrid Agreement is also limited to providing remedies already allowed by the laws of the state seeking sanctions.<sup>47</sup>

The Madrid Agreement, like the TRIPS Agreement, specifically addresses wine.<sup>48</sup> And like the TRIPS agreement, the Madrid Agreement affords more protection to the geographical indications of wines and other “products of the vine.”<sup>49</sup> The Madrid Agreement gives the judiciary of each country that signs the agreement the power to decide which products or appellations do not fall within the confines of the agreement because they have become generic within the borders of the individual state.<sup>50</sup> Article 4 reads: “The courts of each country shall decide what appellations, on account of their generic character, do not fall within the provisions of this Agreement, regional appellations concerning the source of products of the vine being,

44. *See id.* at 238; *see also* Contracting Parties to the Paris Convention – World Intellectual Property Organization, [http://www.wipo.int/treaties/en/ShowResults.jsp?country\\_id=ALL&start\\_year=ANY&end\\_year=ANY&search\\_what=C&treaty\\_id=2](http://www.wipo.int/treaties/en/ShowResults.jsp?country_id=ALL&start_year=ANY&end_year=ANY&search_what=C&treaty_id=2) (last visited Jan. 17, 2009) (providing a list of the current signatories to the Paris Convention).

45. *Cf.* INTRODUCTION TO INTELLECTUAL PROPERTY, *supra* note 6, at 238.

46. G. GREGORY LETTERMAN, BASICS OF INTERNATIONAL INTELLECTUAL PROPERTY LAW 129 (2001).

47. *See* Madrid Agreement for the Repression of False or Deceptive Indications of Source on Goods art. 1(3)-(5), Apr. 14, 1891, 828 U.N.T.S. 389, *available at* [http://www.wipo.int/treaties/en/ip/madrid/trtdocs\\_wo032.html](http://www.wipo.int/treaties/en/ip/madrid/trtdocs_wo032.html) [hereinafter Madrid Agreement].

48. *See id.* at art. 4.

49. *See id.*

50. *See id.*

however, excluded from the reservation specified by this Article.”<sup>51</sup> Not only does this article limit the scope and power of the Madrid Agreement with respect to all goods except wine and “other products of the vine,” it also demonstrates the international tendency to afford more protection to wine and spirits.<sup>52</sup>

One distinction between the Paris Convention and the Madrid Agreement is found in Article 3bis, which prohibits geographical indications that could mislead the consumer about the origin of the goods.<sup>53</sup> Another important distinction, and the primary reason the Madrid Agreement is not a powerful tool for the protection of geographical indications, is the low number of contracting parties. As of October 1, 2008, there were only 35 contracting parties to the Madrid Agreement.<sup>54</sup> Notably, the United States is not a signatory to the Madrid Agreement.<sup>55</sup>

### 3. Lisbon Agreement for the Protection of Appellations of Origin and their International Registration

The Lisbon Agreement was an attempt by WIPO and its signatory states to extend protection of geographical indications further than the Paris Convention and Madrid Agreement by creating an international registration system.<sup>56</sup> The treaty calls for producers of goods to first register their “appellations of origin” in their country; the state in turn would register those appellations with the International Bureau of WIPO.<sup>57</sup> The definition of “appellation of origin” under the terms of the Lisbon Agreement is similar to WIPO’s current definition of geographical indications. The appellation of origin must refer to “the geographical name of a country, region or locality, which serves to designate a product originating therein, the quality and characteristics of which are due exclusively or essentially to the geographical environment, including natural and human

51. *Id.*

52. *Cf. id.*

53. *See id.* at art. 3bis; *see generally* Paris Convention, *supra* note 36.

54. Contracting Parties to the Madrid Agreement – World Intellectual Property Organization, [http://www.wipo.int/treaties/en/ShowResults.jsp?lang=en&treaty\\_id=3](http://www.wipo.int/treaties/en/ShowResults.jsp?lang=en&treaty_id=3) (last visited Jan. 17, 2009) (providing a list of contracting parties to the Madrid Agreement).

55. *See id.*

56. *See* LETTERMAN, *supra* note 46, at 138.

57. *See* Lisbon Agreement for the Protection of Appellations of Origin and their International Registration art. 4, Oct. 31, 1958, 923 U.N.T.S. 205, *available at* [http://www.wipo.int/lisbon/en/legal\\_texts/lisbon\\_agreement.htm](http://www.wipo.int/lisbon/en/legal_texts/lisbon_agreement.htm) [hereinafter Lisbon Agreement].

factors.”<sup>58</sup> Under the agreement, once a geographical indication is registered, it has nearly unlimited protection against becoming a generic term.<sup>59</sup> There are two ways in which the registration may cease to be effective: (1) if the geographical indication becomes generic in the country of origin, or (2) if the registration is cancelled at the request of the country of origin.<sup>60</sup> The Lisbon Agreement has the least support among the three WIPO agreements with only twenty-six signatories as of October 1, 2008.<sup>61</sup>

### C. *The WTO and TRIPS*

The 1995 establishment of the WTO and the subsequent signing and ratification of the TRIPS Agreement were the most significant steps in creating a uniform system for the international protection of intellectual property, especially geographical indications.<sup>62</sup> The TRIPS Agreement provides guidelines for all areas of intellectual property, from trademarks and service marks to ensuring that computer programs are protected as literary works.<sup>63</sup> The TRIPS Agreement is internationally recognized as “the most detailed and comprehensive multilateral agreement on intellectual property yet negotiated.”<sup>64</sup> Importantly, all 153 members of the WTO are signatories of the TRIPS Agreement.<sup>65</sup>

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58. *Id.* at art. 2(1).

59. *See id.* at art. 6 (“An appellation which has been granted protection in one of the countries of the Special Union pursuant to the procedure under Article 5 *cannot*, in that country, be deemed to have become generic, as long as it is protected as an appellation of origin in the country of origin.”) (emphasis added); *see also* INTRODUCTION TO INTELLECTUAL PROPERTY, *supra* note 6, at 241 (noting that the scope of the protection afforded to an appellation of origin registered under the Lisbon Agreement is “very extensive”).

60. INTRODUCTION TO INTELLECTUAL PROPERTY, *supra* note 6, at 241.

61. *See* World Intellectual Property Organization: Contracting Parties to the Lisbon Agreement, [http://www.wipo.int/treaties/en/ShowResults.jsp?lang=en&treaty\\_id=10](http://www.wipo.int/treaties/en/ShowResults.jsp?lang=en&treaty_id=10) (last visited Jan. 17, 2009) (providing a list of the current signatories to the Lisbon Agreement). The United States is not a party to this treaty. *See id.* The United States, its trademark system, and its views on generic geographical indications have shaped international policy on the protection of these geographical indications and are discussed in detail later on in this Note. *See infra* Part III.A.

62. *See generally* TRIPS Agreement, *supra* note 10.

63. *See* LETTERMAN, *supra* note 46, at 32-33.

64. *Id.* at 30.

65. *See* Understanding the World Trade Organization: Members and Observers, [http://www.wto.org/english/thewto\\_e/whatis\\_e/tif\\_e/org6\\_e.htm](http://www.wto.org/english/thewto_e/whatis_e/tif_e/org6_e.htm) (last visited Jan. 17 2009) (providing a list of the current members of the WTO). All WTO members must agree to the TRIPS agreement in order to accept membership to the WTO. *See* Understanding the World Trade Organization: Intellectual Property: Protection and Enforcement, [http://www.wto.org/english/thewto\\_e/whatis\\_e/tif\\_e/agrm7\\_e.htm](http://www.wto.org/english/thewto_e/whatis_e/tif_e/agrm7_e.htm) (“[The TRIPS agreement]

## 1. TRIPS Protection of Geographical Indications

Articles 22 and 23 of the TRIPS Agreement outline schemes for the protection of geographical indications and offer a higher level of protection for the geographical indications of wines and spirits. Under Article 22, WTO members must provide the legal means for interested parties to prevent:

(a) 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;

(b) any use which constitutes an act of unfair competition within the meaning of Article 10*bis* of the Paris Convention (1967).<sup>66</sup>

Unfair competition is defined by the Paris Convention as “[a]ny act of competition contrary to honest practices in industrial or commercial matters.”<sup>67</sup> Like the WIPO agreements, the TRIPS Agreement leaves the appropriate remedies for violations of the geographical indications standards to the national legislatures of the WTO members.<sup>68</sup>

## 2. Protection of Geographical Indications for Wines and Spirits

By incorporating the Lisbon Agreement’s principles for governing products “of the vine,” the TRIPS Agreement affords wine and spirits more protection than other consumer products.<sup>69</sup> Article 23 provides as follows:

Each Member shall provide the legal means for interested parties to prevent use of a geographical indication identifying wines for wines not originating in the place indicated by the geographical indication in question. . .even where the true origin of the goods is indicated or the geographical indication is used in translation or

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establishes minimum levels of protection that each government has to give to the intellectual property of fellow WTO members”).

66. TRIPS Agreement, *supra* note 10, at art.22(2)(a)-(b). Article 10*bis* of the Paris Convention concerns protection against unfair competition, and requires signatories to protect against unfair competition. Paris Convention, *supra* note 36, at art. 10*bis*.

67. Paris Convention, *supra* note 36, at art. 10*bis*(2). This article specifically prohibits producers of goods from acting in a way that would confuse their goods or activities with that of a contributor, from making false allegations about a competitor, and from using geographical indications in a way that could mislead the public. *Id.* at art. 10*bis*(3)(i)-(iii).

68. *See, e.g.*, TRIPS Agreement, *supra* note 10, at art. 22(3) (“A Member shall, *ex officio* if its legislation so permits or at the request of an interested party, refuse or invalidate the registration of a trademark which contains or consists of a geographical indication with respect to goods not originating in the territory indicated, if use of the indication in the trademark for such goods in that Member is of such a nature as to mislead the public as to the true place of origin.”).

69. *See* LETTERMAN, *supra* note 46, at 33.

accompanied by expressions such as “kind,” “type,” “style,” “imitation,” or the like.<sup>70</sup>

The TRIPS Agreement also required the development of a council to continue to negotiate the issue of geographical indications and wine in an attempt to create a “multilateral system of notification and registration of geographical indications for wines eligible for protection in those Members participating in the system.”<sup>71</sup>

While Article 23 seems to do away with the problem of using geographical indications as generic terms for wines and spirits, Article 24(6) provides a notable exception.<sup>72</sup> Under that provision, countries are permitted to continue to use the geographical indication if it is the customary generic term for the products in question.<sup>73</sup> It also allows states to use common varieties of grapes to describe wines if the indication in question is the customary name for the wine at the time the state entered the WTO.<sup>74</sup>

This special treatment for wines and spirits draws the condemnation of non-winemaking states wishing for protection of their regional producers, along with protests from large wine-producing states, like France, that simply advocate for increased geographical-indication protection for *all* products with origins of importance.<sup>75</sup> Over time, the evolution of international agreements on geographical indications has been moving toward a more protectionist system, pitting “old-world” Europe’s community of producers who rely heavily on the environmental, traditional, and cultural aspects of origin against “new-world” producers, which include the United States, Canada, Australia, and other states that favor consumer protection over protecting producers from competitors using false geographical indications.<sup>76</sup>

At the same time that both “old-world” and “new-world” producers continue to advocate individual interests, both also prepare to go back to the drawing board to finalize an international

70. TRIPS Agreement, *supra* note 10, at art. 23(1). This would seem to preclude the production of products like California Champagne, but would not affect the production of American-produced “Kobe-style” beef. *See id.*

71. *Id.* at art. 23(4).

72. *See id.* at art. 24(6).

73. *Id.*

74. *Id.*

75. *See* Deborah J. Kemp & Lynn M. Forsythe, *Trademarks and Geographical Indications: A Case of California Champagne*, 10 CHAP. L. REV. 257, 276, 282-83 (2006).

76. *See id.* The United States and other “new-world” countries tend to encourage consumer protection over producer protection, including offering wider varieties and more affordable choices to customers, which may be limited with greater protection of geographical indications. *See id.* at 276.

agreement.<sup>77</sup> These preparations include agreeing on how, when, and to whom geographical indications should be awarded and how to keep track of such a system.<sup>78</sup> United States trademark law could fit easily within a system of international protection of trademarks as long as the government would be willing to make a few minor concessions by honoring geographical indications of other nations meeting current trademark criteria for a collective or certification mark and participating in an international registry of those geographical indications.<sup>79</sup>

## II. ANALYSIS: MAKING PEACE BETWEEN TRADEMARKS AND GEOGRAPHICAL INDICATIONS

While the United States' trademark system is not incompatible with the international agreements governing intellectual property, it will be a challenge to fit an international system of protection for geographical indications within the existing and well-established trademark system of the United States.<sup>80</sup> Collective and certification marks already exist in United States and, with a little tweaking, could protect domestic and foreign geographical indications without placing foreign products and producers in a better position than those of the United States.<sup>81</sup>

Now that most of world's nations are signatories to the TRIPS Agreement and have agreed to offer mutual protection of geographical indications, the main bone of international contention has become the scope and nature of enforcement.<sup>82</sup> The United States and other "new-world" states have long been resistant to any system that would force states to honor another's geographical indications over each state's own registered trademarks.<sup>83</sup> The European Union fiercely supports the stringent protection of geographical indications delineated in the

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77. *See id.*

78. *Cf. id.*

79. *See id.* at 287-92.

80. *See id.* at 291.

81. *Id.* at 291-92.

82. *See* Christopher Heath, *Geographical Indications: International, Bilateral and Regional Agreements*, in 25 STUDIES IN INDUSTRIAL PROPERTY AND COPYRIGHT LAW: NEW FRONTIERS OF INTELLECTUAL PROPERTY LAW 119 (Christopher Heath & Anselm Kamperman Sanders eds., 2005).

83. *See, e.g.,* Kemp & Forsythe, *supra* note 75, at 275 (stating that the reason behind the United States' refusal to become a signatory to the Lisbon Agreement was primarily due to the fact that the treaty treats geographical indications as superior to trademarks).

TRIPS Agreement and supports expansion of Article 23 to other goods.<sup>84</sup>

International debate and negotiations have focused on two specific proposals for the enforcement and the widening of the scope of the TRIPS Agreement: (1) the establishment of a multilateral registry and notification system for geographical indications and wines and spirits as required by Article 23.4 of the TRIPS Agreement, and (2) the expansion of Article 23 of the TRIPS Agreement to extend the same level of protection afforded to wines and spirits to other goods.<sup>85</sup> The United States opposes the expansion of Article 23 and advocates for the protection of products through collective marks rather than through an international registry and enforcement program.<sup>86</sup> Nevertheless, a problem occurs when a registered trademark is at odds with an established and protectable geographic indication.

The United States should continue to use and advocate its system of trademarks to protect geographical indications, but it should also embrace the international community's desire to expand protection to goods beyond wines and spirits. The benefits of protection afforded products with important ties to places of origin should not only be enjoyed by producers in European nations. American producers of Idaho potatoes and Florida oranges, for example, would no doubt prefer that only those products actually originating in those locales be labeled as such.

#### *A. The United States' Geographical Indication Protection Regime: Trademarks*

In addition to multilateral agreements like the TRIPS Agreement, states rely on trademark law to protect geographical

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84. See Press Release, Rapid – Europa, WTO Talks: EU Steps Up Bid for Better Protection of Regional Quality Products (Nov. 6, 2003), available at <http://europa.eu/rapid/pressReleasesAction.do?reference=IP/03/1178> [hereinafter Press Release – WTO Talks].

85. See *id.* The World Intellectual Property Organization hosted its biannual International Symposium on Geographical Indications in June 2007 in Beijing, China, where WTO members from around the world gathered to discuss different experiences with geographical indications and the future of the TRIPS protections. *Geographical Indications: from Darjeeling to Doha*, WIPO MAG., July 2007, available at [http://www.wipo.int/wipo\\_magazine/en/2007/04/article\\_0003.html](http://www.wipo.int/wipo_magazine/en/2007/04/article_0003.html).

86. Cf. David Morfesi, Attorney-Adviser, Office of Int'l Relations, U.S. Patent & Trademark Office, Presentation at the World Intellectual Property Organization International Symposium on Geographical Indications: Key Ingredients for Geographical Indications: Collectivization and Control. (June 14, 2007), available at [http://www.wipo.int/meetings/en/doc\\_details.jsp?doc\\_id=81758](http://www.wipo.int/meetings/en/doc_details.jsp?doc_id=81758) [hereinafter Morfesi Presentation].

indications within their borders.<sup>87</sup> While TRIPS requires that WTO members' domestic laws protect geographic indications, the United States and other countries have balked at demands from the European Union to protect product names which have long since been genericized and are therefore ineligible for trademark protection under the law of the United States.<sup>88</sup> The United States is adamantly opposed to any expansion of the TRIPS Agreement and prefers protection of geographical indications by the trademark laws of individual countries.

### 1. The United States Trademark System

Since the passage of the Lanham Act in 1946, the United States has defined a trademark as "any word, name, symbol, or device, or any combination thereof . . . used by a person . . . to identify and distinguish . . . goods, including a unique product, from those manufactured or sold by others and to indicate the source of the goods, even if that source is unknown."<sup>89</sup> The statutory definition of a trademark is so broad that it is applicable to almost any combination of letters, numbers, sounds, graphics, or anything else conceivable by the human mind.<sup>90</sup> With such leeway in assigning trademarks, there is no question that geographical indications are eligible for such designation.<sup>91</sup>

Other marks, like certification and collective marks, are narrower in scope under U.S. law.<sup>92</sup> Certification marks are "any word, name, symbol, or device, or any combination thereof . . . used . . . to certify regional or other origin, material, mode of manufacture, quality, accuracy, or other characteristics of [the] goods."<sup>93</sup> Collective marks are "words, logos or designs that designate membership in an

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87. The TRIPS Agreement is not self-executing, meaning that signatories must implement domestic laws to enforce the agreement. *See* TRIPS Agreement, *supra* note 10, at arts. 22-24.

88. For example, the European Union has lobbied extensively to increase global protection of geographical indications, including proposing a "claw back" provision in new enforcement provisions that would allow the EU to take back product identifiers that have long been generic terms in the U.S., including cheeses such as feta, mozzarella, and asiago, and wines such as champagne, chablis, and port. *See* Press Release – WTO Talks, *supra* note 84.

89. 15 U.S.C. § 1127 (2000).

90. *See* ANNE GILSON LALONDE, GILSON ON TRADEMARKS § 1.02(1)(a) (67th rev. 2008).

91. *See id.*

92. *See id.* §§ 1.02(2)-(3).

93. 15 U.S.C. § 1127. Geographical indications would fall under this category of mark under U.S. law. *C.f. id.*

organization.”<sup>94</sup> A generic name or term, which is the “common descriptive term” of a particular good is not eligible for trademark protection under U.S. law.<sup>95</sup>

Following the passage of the TRIPS Agreement, Congress amended the federal trademark law to comply with the terms of the agreement.<sup>96</sup> Trademarks cannot be registered if the mark in question is a “geographical indication which, when used on or in connection with wines or spirits, identifies a place other than the origin of the goods and is first used on or in connection with wines or spirits by the applicant on or after one year after the date on which the WTO Agreement . . . enters into force with respect to the United States.”<sup>97</sup> It is noteworthy that only wines or spirits are protected by Congress’ amendments.

One of the largest problems with the United States’ participation in an international system of geographical-indication protection is that the majority of places of origin and products that European nations wish to register have long since become a part of the vernacular of American producers and consumers.<sup>98</sup> For example, American producers would argue that calling a sparkling wine “California Champagne” does enough to inform the consumer that the product does not originate from Champagne, France, despite the use of the word.<sup>99</sup> Simply put, American producers trust consumers to make an educated choice among similar products, and the United States trademark system facilitates this casual system of geographical-indication protection by protecting only those geographical indications that are registered trademarks or eligible for such protection.<sup>100</sup>

## 2. International Trademark Protection

Like the United States, the international community has an established system of trademark protections, but with several notable differences. Naturally, trademarks are only protected in a country if

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94. GILSON, *supra* note 90, § 1.02(3).

95. *See id.* § 2.02(1); *see also id.* § 2.02(4) (“Yo-yo, thermos, aspirin, cellophane, [and] escalator—each of these familiar words began as a trademark but ultimately lost its source identification capability to become the popular name for the product.”).

96. *See* 15 U.S.C. § 1052(a) (2000).

97. *Id.* (internal citation omitted).

98. *See* Kemp & Forsythe, *supra* note 75, at 267.

99. *Cf. id.* at 284.

100. *See* Kemp & Forsythe, *supra* note 75, at 291; *Cf.* Dev Gangjee, *Quibbling Siblings: Conflicts Between Trademarks and Geographical Indications*, 82 CHI.-KENT L. REV. 1253, 1263 (2007).

that country's domestic laws allow for such protection.<sup>101</sup> Unlike the United States, which employs a "first in time, first in right" methodology for granting trademarks, most other countries grant trademarks to the first firm to register the mark.<sup>102</sup> Also, actual use of the trademark in commerce, which is necessary for protection in the United States, is not a requirement in many countries around the world.<sup>103</sup>

The European Union functions much like the federal and state dual-sovereignty system of the United States when it comes to trademarks.<sup>104</sup> The European Union's governing body issues rules regarding trademark protection while honoring the domestic trademark laws of each country within the Union.<sup>105</sup> As a result, both the European Union and the "new-world" states have had to adjust international and national laws to address conflicts or inconsistencies.<sup>106</sup> The current negotiations among the United States, the European Union, and the rest of the WTO member countries are a global attempt to adjust conflicting law transnationally.<sup>107</sup>

As the global economy continues to expand, a compromise on this important topic will be vital in encouraging trade between the United States and the European Union. The "first in time, first in right" methodology of the United States trademark system could arguably eliminate difficulties in countries where the global economy is emerging.<sup>108</sup> At the same time, such a system should operate to protect the arguably rightful owner of a trademark which "first in time, first in right, may not accomplish."<sup>109</sup>

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101. See GILSON, *supra* note 90, § 10.02 (stating that according to the theory of territoriality, trademark laws of one state do not apply to another unless embraced by the former).

102. See *id.* at § 3.02. ("[U]nlike the situation in the United States, in most countries, trademark rights are solely dependent on registration . . ."); see also Gangjee, *supra* note 100, at 1263.

103. See GILSON, *supra* note 90, § 10.02.

104. Kemp & Forsythe, *supra* note 75, at 261. Not unlike the United States Trademark Office, European trademarks are registered with the EU Community Trademark System's central Trademark Office. *Id.* at 260.

105. See *id.* at 261.

106. *Id.*

107. Heath, *supra* note 82, at 133.

108. See Gangjee, *supra* note 100, at 1264-70; *Cf.* Kemp & Forsythe, *supra* note 75, at 261.

109. See Gangjee, *supra* note 100, at 1268-70; see also Kemp & Forsythe, *supra* note 75, at 291-92.

*B. The United States vs. the European Union: Who is to Lead?*

1. The European Union – A Stickler for the Rules

The United States and the European Union have different priorities when it comes to the protection of geographical indications. The European Union places a premium on the protection of these particular types of property rights, while the United States is less than enthusiastic about implementing the TRIPS Agreement, let alone advocating for its expansion.<sup>110</sup> Proponents of protecting geographical indications argue that doing so will: (1) protect the geographical region's reputation for a certain level of quality; (2) prevent confusion among consumers; (3) add value to exports; (4) encourage liberalized trade in *quality* products; (5) encourage the development of high-quality products throughout a region; (6) protect developing countries from losing the ability to effectively market high-quality, unique goods; (7) protect the cultural heritage, traditional methods of production, and natural resources of a geographical region; and (8) reward producers for their commitment to quality.<sup>111</sup>

In an effort to produce these effects, the European Union has proposed a three-tier agenda for the expansion of the TRIPS Agreement and geographical-indication protection.<sup>112</sup> First, the European Union has proposed to develop a multilateral registry for geographical indications under the TRIPS Agreement.<sup>113</sup> Registration of a geographical indication would encourage all WTO signatories to honor and protect that geographical indication.<sup>114</sup> The registry is intended to combat the difficulties of enforcing geographical indications when most are held by a collective of producers, who may not be able to individually register their name with every country in the WTO or deal with violations due to the high cost of international litigation.<sup>115</sup>

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110. See Kemp & Forsythe, *supra* note 75, at 279-83; see also *Why Do Geographical Indications Matter to Us?*, TRADE ISSUES, July 30, 2003, available at [http://ec.europa.eu/trade/issues/sectoral/intell\\_property/argu\\_en.htm](http://ec.europa.eu/trade/issues/sectoral/intell_property/argu_en.htm) [hereinafter *Why Do Geographical Indications Matter to Us?*].

111. See Kemp & Forsythe, *supra* note 75, at 280-81; *Why Do Geographic Indications Matter to Us?*, *supra* note 110.

112. See *Press Release – WTO Talks*, *supra* note 84.

113. *Id.*

114. *Cf. id.*

115. See *Why Do Geographic Indications Matter to Us?*, *supra* note 110. The European Commission posits that geographical indications are similar to collective marks, owned and controlled by large numbers of individual producers. *Id.*

Second, the European Union has proposed to expand Article 23 of the TRIPS Agreement to encompass products beyond wines and spirits to create a more effective enforcement system.<sup>116</sup> The European Commission on External Trade argued that the rules are currently not enforced strictly enough and do not offer adequate protection for European producers in the way envisioned by the signatories to the TRIPS Agreement.<sup>117</sup> For example, under the agreement, images (like that of a Scotsman on an imitation Scotch whiskey made in Australia) are not regulated like worded indications of origins and are capable of confusing customers.<sup>118</sup> There is also a widespread problem with goods being marketed as “style-of” goods that could be somewhat alleviated by increased protection of geographical indications.<sup>119</sup> These are goods found on the store shelves labeled as “Parma Ham” or “Kobe Beef” with the words “in the style of” or other small print designations that indicate that the goods were produced somewhere other than the labeled geographical place of origin.<sup>120</sup> The European Commission noted that the Antigua region of Guatemala produces six million pounds of “genuine Antigua coffee,” but another *fifty million* pounds are marketed around the world under the “Antigua” name.<sup>121</sup>

The third, and arguably most controversial, of the European Union’s policy initiatives is the promotion of “grand-fathering” or “claw back” clauses.<sup>122</sup> The European Commission set forth a list of over forty geographical indications with “significant economic and trade value” that have been trademarked or genericized in other countries.<sup>123</sup> The European Union intends for those countries to

116. *See id.*

117. *See id.*

118. *See id.*

119. *See id.*

120. *See id.*

121. *Id.* They also note that India exports 8.5 million kilograms of Darjeeling tea each year, while another 30 million kilograms of tea are sold under that appellation. *Id.*

122. *Id.*; *see also* Press Release – WTO Talks, *supra* note 84.

123. *See Why Do Geographic Indications Matter to Us?*, *supra* note 110; *see also* Press Release – WTO Talks, *supra* note 84 (“EU Member States cleared a short list of forty-one EU regional quality products whose names the EU wants to recuperate.”). This list not only includes wines and spirits (Beaujolais, Bordeaux, Bourgogne, Chablis, Champagne, Chianti, Cognac, Grappa di Barolo, del Piemonte, di Lombardia, del Trentino, del Friuli, del Veneto, dell’Alto Adige, Graves, Liebfrau(en)milch, Malaga, Marsala, Madeira, Médoc, Moselle, Ouzo, Porto, Rhin, Rioja, Saint-Emilion, Sauternes, Jerez, and Xerez), but also mentions other products, such as cheeses and meat (Asiago, Azufrán de la Mancha, Comté, Feta, Fontina, Gorgonzola, Grana Padano, Jijona y Turrón de Alicante, Manchego, Mortadella Bologna, Mozzarella di Bufala Campana, Parmigiano Reggiano, Pecorino Romano, Prosciutto di Parma, Prosciutto di San Daniele, Prosciutto Toscano, Queijo São Jorge, Reblochon, and Roquefort). Press Release – WTO Talks, *supra* note 84.

relinquish those trademarks and provide protection to geographical indications that have been genericized.<sup>124</sup> The Commission's proposal includes terms that have been in common usage for more than ten years prior to the TRIPS Agreement, even when applied to wines and spirits.<sup>125</sup> Many of the products included on the list, like parmesan cheese and champagne, have long been used in the American vernacular to indicate a particular style of a product (the grated or powdered cheese often used in Italian cooking, for example, or sparkling white wine) rather than a place of origin.

However, it takes years for a geographical indication to develop and, arguably, European nations have much more at stake with a wider variety of traditional and culturally important products that would otherwise be eligible for geographical indication protection had the terms not already become generic under U.S. trademark law.<sup>126</sup> Geographical indications represent years of work by producers to perfect their evolving practices and techniques to create the best quality possible in their local products; trademarks are used to guarantee consistent quality, but institute no requirements to mandate a certain level of quality.<sup>127</sup> These types of geographically-indicated products are "frequently artisanal, usually from rural regions and produced according to collectively evolved traditional methods."<sup>128</sup> Considering that description, a variety of European products come to mind—wines, cheeses, cured meats, and tea—all created through processes developed over centuries. Prosciutto di Parma, for example, has been in production since 100 B.C.<sup>129</sup> However, some would argue that Idaho potatoes or Florida oranges grown in the United States have the same vivid history and cultural significance to producers.<sup>130</sup>

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124. *Why Do Geographic Indications Matter to Us?*, *supra* note 110.

125. *See* Press Release – WTO Talks, *supra* note 84.

126. *See* Gangjee, *supra* note 100, at 1267-68.

127. *See id.* at 1267. Since trademarks are granted on the basis of usage, as opposed to location and quality like geographical indications, the use of a trademark does nothing but identify the product as being marketed by the trademark owner. Press Release – WTO Talks, *supra* note 84.

128. Gangjee, *supra* note 100, at 1267-68.

129. *See* Parma Ham Consortium, *supra* note 1.

130. *Cf.* FloridaJuice.com – Historical milestones, [http://www.floridajuice.com/about\\_history\\_milestones.php](http://www.floridajuice.com/about_history_milestones.php) (last visited Jan. 17, 2009); The Idaho Potato, History and Development, <http://www.foodreference.com/html/a-idaho-potato.html> (last visited Jan. 17 2009).

*C. The United States' Push for a Collective Mark System and the Interplay Between Geographical Indications and Trademarks*

The United States has argued against the expanded protection of geographical indications because: (1) some of the geographical indications have been declared as such despite being in use by producers not of the region at issue,<sup>131</sup> (2) geographical indications are subject to trademarks in other countries,<sup>132</sup> (3) geographical indications have increasingly become generic terms to describe products, (4) costs will increase for consumers who become confused when the genericized geographical indications are no longer used and they are forced to find a substitute product,<sup>133</sup> and (5) costs will increase for governments that will have to introduce new administrative mechanisms to enforce the extension.<sup>134</sup>

The United States acknowledges and understands that geographical indications can create value for producers "if appropriately commercialized, promoted, and controlled" and "can signal a certain level of quality to consumers."<sup>135</sup> Control of the way geographical indications are commercialized and promoted is essential to yield the results desired by the European community, including increasing the profit yield from the products and protecting the culture and traditions of the places of origin.<sup>136</sup> It is also important to ensure that geographical indications are only promoted if they can

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131. See Kemp & Forsythe, *supra* note 75, at 276, 281.

132. See *id.* The United States Trademark Trial and Appeal's Board has been faced with such a dilemma before. Gangjee, *supra* note 100, at 1270-73 (citing *Consorto del Prosciutto di Parma v. Parma Sausage Prods., Inc.*, No. 15,433, 1992 WL 233379 (T.T.A.B. June 17, 1992)). In 1992 the board rejected a trademark challenge from an Italian Parma Ham Producers trade group, which had been formed to "monitor, standardize and protect the production of prosciutto di Parma," after their request for a certification mark was denied. See *id.* at 1271 (quoting *Consorto del Prosciutto di Parma*, 1992 WL 233379, at \*2). The group then attempted to cancel a Pennsylvania corporation's trademark on "PARMA BRAND" but was denied on the basis that it would be inequitable to the original holder of the trademark who had held the mark for decades. See *id.* at 1273.

133. Aaron C. Lang, Note, *On the Need to Expand Article 23 of the TRIPS Agreement*, 16 DUKE J. COMP. & INT'L L. 487, 507-08 (2006); *cf. id.* at 508 (acknowledging the argument that an extension to the TRIPS agreement would make it more difficult for consumers to find substitute goods for the less available or more expensive protected goods because the substitutions could not be labeled "in the style of" or "originating in," like "American-style Parma Ham" or "California Roquefort").

134. *Id.* at 506.

135. Morfesi Presentation, *supra* note 86; see also *id.* (emphasizing that a geographical indication does not, in and of itself, turn into a valuable business interest unless it is "controlled in such a way as to preserve consumer expectation," and stressing that the international disagreement centers around whether the best method of control lies with the producers or the governments).

136. See *id.*; see, also Press Release – WTO Talks, *supra* note 84.

exist as valid trademarks in order to prevent the problems and consequences feared by United States.<sup>137</sup> This careful attention to detail will increase value and qualities for exporters across the globe.<sup>138</sup>

Geographical indications are more than just a signal denoting where a product originated; the place of origin is only relevant when evocation of the origin gives the product a particular “quality, reputation or other characteristic.”<sup>139</sup> As previously mentioned, trademarks can be essentially anything that distinguishes one good from another.<sup>140</sup> A geographical indication by definition can be a trademark, where “[the] indication serves to distinguish goods in the market.”<sup>141</sup> However, the geographic reference must “rise to [a] level . . . protectable under national law,” and, as a result, the geographical indication must identify the product itself, rather than simply a place of origin.<sup>142</sup>

The United States’ position that geographical indications are private rights—that is, that they are wholly owned by an individual and governed by the market—is at odds with the protectionist view that geographical indications are public rights, available freely for all producers in the place identified.<sup>143</sup> The protectionist governments are then responsible for establishing, managing, and controlling the geographical indications and encouraging or forcing collectivization.<sup>144</sup> The United States, on the other hand, prefers to allow the market to determine whether producers decide to collectivize and lets established trademark law govern the use of geographical indications.<sup>145</sup>

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137. See Morfesi presentation, *supra* note 86.

138. *See id.*

139. TRIPS Agreement, *supra* note 10, at art. 22(1).

140. *See* GILSON, *supra* note 90, § 1.02.

141. Ruth L. Okediji, *The International Intellectual Property Roots of Geographical Indications*, 82 CHI.-KENT. L. REV. 1329, 1337 (2007). *But cf. id.* at 1338 (stating that more than just distinctiveness is required of a product to qualify for geographical indication status and to be granted the same high level of protection that a trademark under TRIPS would provide).

142. Morfesi Presentation, *supra* note 86; *cf. id.* (noting that one sign that a geographical indication has risen to an adequate level to qualify for protection is when consumers use the term as material information when making a decision to purchase).

143. *See id.*

144. *See id.* (“[I]f exclusive rights in a place name are granted to one owner, then third party uses that are accurate (i.e., goods come from the place identified) are ‘infringing’ uses—an unfair policy result that discourages collective use of a term, which should remain available for all accurate uses. To that end, some governments view GIs as public rights that must be established, managed, authorized, and controlled by the government in the name of the public interest.”).

145. *See id.*

With taxpayers in mind, the United States has advocated use of the current international trademark-registration system to protect geographical indications.<sup>146</sup> Under U.S. law, certification marks are best suited to provide the extra protection desired while not forcing the establishment of a mandated registration system or rendering the use of long-genericized terms illegal under international law.<sup>147</sup> However, any collectivization that occurs *after* a product has been marketed may make it difficult for the collective producers to establish the distinctiveness required to establish a collective mark.<sup>148</sup> Geographical indications may be protectable as certification marks as long as the mark certifies geographical origin and is controlled by the party requesting the certification.<sup>149</sup> This scheme allows foreign owners of geographical indications the ability to register their marks in the United States, despite not having used them previously in commerce and not meeting the distinctiveness requirement for registering the name as a trademark or a collective mark.<sup>150</sup>

The European Union, the United States, and their respective geographical-indication allies clearly have different views on how much protection should be afforded this particular type of intellectual property.<sup>151</sup> The United States' position provides little protection to internationally-produced products, and this policy opens up U.S. producers to infringement upon American products in markets abroad when the international community refuses to respect the geographical indications of American goods.<sup>152</sup> For example, in 2003 the Napa Valley Vintners Association filed its official opposition to a Chinese trademark application attempting to register the mark "Napa Valley."<sup>153</sup>

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146. *See id.*

147. *See id.*

148. *See id.*

149. *Id.*

150. *Id.*

151. *Compare id.* (stating the views of the United States with respect to the extent of the protections that should be afforded to geographical indications), with *Why Do Geographic Indications Matter to Us?*, *supra* note 110 (stating the views of the European Union with respect to the extent of the protections that should be afforded to geographical indications).

152. *Cf. Kemp & Forsythe, supra* note 75, at 285-86 (citing Carol Emert, *Chinese Use of "Napa Valley" on Wine Draws Protests in the U.S.*, S.F. CHRON., Aug. 7, 2003, at D2).

153. *Kemp & Forsythe, supra* note 75, at 285-86. The authors point out the irony of American winemakers feeling threatened and upset by another state's use of their appellation in light of the fact that America's uses of terms such as "champagne" and "Chablis" to describe particular styles of wine has long irked the French and is probably the driving force behind some of the European Union's desire to tighten the protection of geographical indications. *Id.* at 286.

However, the WTO system has worked in favor of the United States.<sup>154</sup> In 2004 a WTO panel ruled in favor of the United States against the European Union on two claims: (1) that the European Union discriminated against U.S. geographical indications, and (2) that the European Union failed to protect U.S. trademarks.<sup>155</sup> The panel found that the European Union's system for registering geographical indications of European Union producers made it difficult to get protection for products from the United States.<sup>156</sup> The panel also sided with the United States in rejecting the Czech Republic's claim that "Budweiser," a translation of a place of origin registered by the Czech Republic as a geographical indication, was limited to the exclusive use of producers in that region.<sup>157</sup> The United States regarded this outcome as a victory because it limited the ability of the owners of geographical indications to restrict their usage by barring all linguistic variations of the geographical indication, even if it was already domestically registered as a trademark.<sup>158</sup>

These examples of WTO decisions illustrate that there needs to be an easy-to-use and accessible international registration system and that the existence of trademarks and geographical indications for the same product can cause conflict in the international community. However, there is no reason that both trademarks and geographical indications can not coexist peacefully.

The WTO found that a state-owned Czech Republic brewery could not ban Anheuser-Busch's use of the "Budweiser" mark throughout Europe due to the existence of the similarly named and registered geographical indication in the European Union.<sup>159</sup> The WTO did not, however, allow "Budweiser," a registered trademark, to

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154. See, e.g., Press Release, Office of the U.S. Trade Representative, Press Release – United States Wins WTO Case Against EU Over Food Names (Dec. 21, 2004), available at [http://www.ustr.gov/Document\\_Library/Press\\_Releases/2004/December/United\\_States\\_Wins\\_WTO\\_Case\\_Against\\_EU\\_Over\\_Food\\_Names.html](http://www.ustr.gov/Document_Library/Press_Releases/2004/December/United_States_Wins_WTO_Case_Against_EU_Over_Food_Names.html) [hereinafter Press Release – United States Wins WTO Case].

155. *Id.*

156. See *id.*

157. See Jordan Mackay, *WTO Name Ruling: Who Really Won?* WINES & VINES, July 1, 2005, at 40. Anheuser-Busch argued that it was the rightful owner of the name "Budweiser," the world's best selling beer; the Czech brewer, Budweiser Budvar, also claims ownership of the name on the grounds that it has been brewing the beer for over 700 years. *Id.*

158. See Press Release – United States Wins WTO Case, *supra* note 154. Budweiser is registered as a trademark in most countries around the world. See MacKay, *supra* note 157.

159. See MacKay, *supra* note 157.

trump the Czech Republic's geographical indication.<sup>160</sup> They now simply coexist. TRIPS Article 24(5) now "specifically preserves the validity and right to use a grandfathered prior trademark where a subsequent [geographical indication is] registered."<sup>161</sup> Both the trademark owners and geographical-indication holders have the right to use the identifiers on their products; geographical-indication holders just cannot do so at the expense of others making the product within their region.<sup>162</sup> While the United States argues that the right to exclusive use of a trademark lies at the heart of the right,<sup>163</sup> the coexistence of trademarks and geographical indications can likely act as a limited exception to traditional trademark law.<sup>164</sup> Furthermore, the coexistence of a trademark and geographical indication does nothing to prevent holders of the mark and indication to prevent third parties from using the designation.<sup>165</sup>

However, it is highly unlikely that the United States would yield to a system that would place the two designations at an equal stature. Therefore, the optimal solution to this problem is one that emphasizes notice and compromise. The creation of a multilateral agreement creating a system of notification of geographical indications would prevent the future trademark registration of such marks. Collective and certification marks should be used to identify geographical indication goods henceforth, and existing, conflicting trademarks and geographical indications should coexist. Additionally, the heightened protection offered to geographical indications of wines and spirits should be expanded to encompass all products because once a compromise and solution is reached, there is no reason those increased protections should not apply equally to all producers.

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160. *Cf. id.* (The EU considered the panel ruling a vindication of its policies since "the WTO did rule--and this is the part that Europe likes--that protections must be given equally to all products, essentially validating the concept that names should be protected. So while Florida orange producers might be happy, so are Parmesan cheese producers in Parma. What it all means is that it's nowhere close to over.")

161. Gangjee, *supra* note 100, at 1278; *see also* TRIPS Agreement, *supra* note 10, at art. 24(5).

162. *Cf. Gangjee, supra* note 100, at 1278.

163. *Id.* at 1277-78.

164. *Cf. id.* at 1279.

165. *Cf. id.* ("Coexistence would not affect the right to use, merely the ability to *exclusively* use.") (emphasis added).

### III. SOLUTION: EXPANDING ARTICLE 23 OF THE TRIPS AGREEMENT WHILE MAINTAINING THE UNITED STATES' MARKET FRIENDLY AND COST-EFFECTIVE SYSTEM OF TRADEMARKS

With the debate over how to adequately provide protection for geographical indications still raging, this Note suggests that the United States should participate in and encourage the creation of a voluntary multilateral registration system for geographical indications. The international community should embrace expansions to Article 23 of the TRIPS Agreement so that it reaches products beyond wine and spirits, and continue to promote the protection of geographical indications within the pre-established trademark system.

#### A. A Multilateral Registration System

The TRIPS Agreement requires that the international community undertake negotiations for the creation of a multilateral register in order to keep WTO-signatory countries notified of applications for geographical protection of eligible wines.<sup>166</sup> To ensure that the United States and other countries that are not willing to allow geographical indications to reign supreme over a long-established trademark system, protection of geographical indications should be encouraged when the indication is registered within a system, but registration should not be required. In order to file claims over geographical indications, the origin and product would have to be registered in the system; however, individual countries could decide whether or not to participate.<sup>167</sup> Any registration system should not be limited to the registration of wines and spirits but should be expanded to include all geographical indications and producers wanting protection.<sup>168</sup>

The TRIPS Agreement recognizes geographical indications as a type of private intellectual property that can be held by more than one

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166. See TRIPS Agreement, *supra* note 10, at art. 23(4) ("In order to facilitate the protection of geographical indications for wines, negotiations shall be undertaken in the Council for TRIPS concerning the establishment of a multilateral system of notification and registration of geographical indications for wines eligible for protection in those Members participating in the system."). *But cf.* Lang, *supra* note 133, at 488 (noting that there is no comparable requirement for goods protected under the loose terms of Article 22 and that it is unclear whether or not the provision was meant to apply to spirits as well as wine).

167. The threat of losing the ability to bring claims under Article 24 of the TRIPS agreement at the WTO should encourage participation in the multilateral registry.

168. As will be explained, the distinction between wines and spirits and all other goods is arbitrary and should be done away with. See *infra* Part III.B.

person, a collective or public entity, or an association.<sup>169</sup> Therefore, the agreement gives geographical indications at most the same level of protection afforded to trademarks, but no more. Once placed on equal footing, countries that wish to protect longstanding trademarks from other countries that wish to reclaim geographical indications are given more legal justification in doing so. Since geographical indications would not be a superseding or more important property right than an existing trademark, trademark owners should be able to successfully keep geographical-indication holders from infringing on their rights to use the mark.<sup>170</sup> Owners of valid trademarks should be able to prevent the holders of geographical indications from using protected marks and geographical-indication holders should be able to do the same.<sup>171</sup>

The establishment of a registry would offer many benefits to members of the WTO.<sup>172</sup> Owners of registered geographical indications would be able to give the rest of the world notice regarding the use of the indications.<sup>173</sup> Notice would allow other countries to take appropriate steps in reaction to the registration, including denying contemporaneous trademark-registration applications for the geographical-indication term because of its registration in the international registry.<sup>174</sup> This timely notice could also be used as evidence that a geographical indication or mark was being used first,

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169. See TRIPS Agreement, *supra* note 10, at art. 1(2) (stating that “[f]or the purposes of this Agreement, the term ‘intellectual property’ refers to all categories of intellectual property that are the subject of Sections 1 through 7 of Part II[,]” which includes geographical indications as they are covered in Section 3 of Part II); *see also id.* at pmb., para. 4 (noting that “intellectual property rights are *private rights*”)(emphasis added); *see generally* Clark W. Lackert, Geographical Indications Comm. Chair of the Int’l Trademark Ass’n, Presentation at the International Symposium on Geographical Indications: Perspectives for Geographical Indications (June 8, 2007), *available at* [http://www.wipo.int/edocs/mdocs/geoind/en/wipo\\_geo\\_bei\\_07/wipo\\_geo\\_bei\\_07\\_www\\_81779.doc](http://www.wipo.int/edocs/mdocs/geoind/en/wipo_geo_bei_07/wipo_geo_bei_07_www_81779.doc) [hereinafter INTA Presentation].

170. *Cf.* INTA Presentation, *supra* note 169.

171. *Cf. id.*

172. *See, e.g., id.* (concluding that a system of notification and registration would “facilitate the protection of geographical indications” and would “recognize that geographical indications are what they are deemed to be under TRIPS, an intellectual property right, the importance and value of which equals trademarks and patents”).

173. *See* Lang, *supra* note 133, at 501; *cf. id.* (stating that without a register, governments are more likely to register a conflicting trademark, which forces a legitimate geographical indication owner into litigation and paying high costs associated with that process).

174. *See id.*

which would be important evidence in the process of registering the indication as a trademark in countries throughout the world.<sup>175</sup>

As technology continues to make communication quicker, easier, and more cost effective, it is believable that a computerized system of notification could be developed that would immediately notify the potential geographical-indication owner of pre-existing trademarks around the world.<sup>176</sup> This kind of system would give potential owners of a geographical indication notice to take swift and appropriate steps to either encourage the trademark owner to relinquish her claim to the geographical indication or to file a complaint with the WTO.<sup>177</sup> Holders of preexisting geographical indications that predate the modern trademark system would still not be permitted to force the trademark owners to give up their use of the mark but should *also* be permitted to market products under the indication.

The notification system should be facilitated through an international body, such as the WTO or WIPO, but the question of “whether the intellectual property right at issue meets the protection requirements or not should be carried out in the country where protection is sought.”<sup>178</sup> This system would protect the concept of territoriality, allowing countries to decide which laws to apply to domestically, while enabling them to maintain continuity in their domestic trademark law. Individual countries are the best suited to determine whether a geographical indication creates confusion for its citizens and to determine who has priority over the terminology.<sup>179</sup> The best-case scenario, however, would be a world in which countries would allow identical geographical indications and trademarks to coexist, therefore providing consumers with the most tools to make informed purchases and providing producers a way to protect their products.<sup>180</sup> Because there are many ways to communicate the same idea, there is no reason why a geographical indication could not be a mark, wording, or name that is specific enough to differentiate it from

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175. *Cf. id.* (“[T]he registration system would benefit holders of registered GIs because it would prevent free-riding, as well as unintentional appropriation, before they happen.”).

176. *Cf. id.* at 504.

177. The registering party could file a claim with the WTO if the trademark violated any of the stipulated terms of the TRIPS Agreement. The faster the process is started, the faster it ends, and the more profit the rightful owner of the geographical indication or trademark can make by marketing her private intellectual property right efficiently.

178. INTA Presentation, *supra* note 169.

179. *See id.* (“[T]he ultimate decision on the protection of a geographical indication must rest with the competent authorities of the participating states.”).

180. *Cf. Gangjee, supra* note 100, at 1291.

other trademarks used to identify similar products.<sup>181</sup> In the end, however, if a country determines that the coexistence of a trademark and a geographical indication would create confusion or that the genericization of an indication has made its protection impossible, sovereign countries would retain the ability and right to prioritize protection of either the trademark or the geographical indication.

### B. Expanding Article 23 of the TRIPS Agreement

There is no logical reason for the extension of a higher level of protection to wines and spirits at the expense of other, equally distinctive products due to geographical origin.<sup>182</sup> Article 23 of the TRIPS Agreement creates a per se rule against the unauthorized use of protected geographical indications.<sup>183</sup> This rule lowers the burden of proof for plaintiffs seeking to protect their geographical indications, lowers the cost of litigation, and increases the value of the products protected.<sup>184</sup> However, there is evidence that the cost of litigation still discourages producers from bringing claims against infringers, especially by producers in developing countries.<sup>185</sup> The most damning evidence of the prohibitive cost of litigation is that claims are rarely, if ever, brought under Article 22.<sup>186</sup> Article 22 requires WTO members to develop legal means to prevent the use of geographical indications in a way that would mislead consumers or would constitute an act of unfair competition under the Paris Convention.<sup>187</sup> Proving that the

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181. In fact, geographical indications are almost always used in conjunction with other trademarks to identify the actual producer of a product in addition to the origin. *Cf.* Gangjee, *supra* note 100, at 1285 (“A GI is concurrently descriptive of geographical origin and serves to distinguish a specific product from that origin. Several ‘Champagne’ houses, each with individual brands but from the defined geographical region sell ‘Champagne,’ as opposed to ‘Cava,’ varieties of ‘Deutscher Sekt,’ ‘Asti,’ or ‘Cap Classique.’ In fact, the very act of truthfully describing geographical origin is what makes a GI authentic and therefore the product as opposed to the commercial source distinctive on the marketplace.”).

182. *See* Lang, *supra* note 133, at 495-96 (noting that there is no commercial difference between wines, spirits, and other products, and that there is nothing in the definition of geographical indications that would merit different treatment for the different types of products). *But see id.* at 494-95 (arguing that the disparate treatment was the result of a desire for concessions from one party during the TRIPS negotiation process).

183. *Id.* at 493.

184. *See id.* at 490-94.

185. *Id.* at 494. Owners of Article 22 geographical indications have a much higher burden of proof since they must prove that the label or geographic indication illegally being used “misleads the public” or “constitutes an act of unfair competition.” *See id.* at 493-94; *see also* TRIPS Agreement, *supra* note 10, at art. 22(2).

186. *See* Lang, *supra* note 133, at 494.

187. TRIPS agreement, *supra* note 10, at art. 22(2); *see also*, Lang, *supra* note 133, at 487-88.

public has been misled or that the mark constitutes unfair competition is difficult, and the most likely explanation for the lack of claims is not that the rights of the owners of these geographical indications have not been infringed upon, but rather that the small, individual producers that make up the collective ownership do not have the time, organization, or money to fund litigation.<sup>188</sup> The high burden of proof required to prevail on claims for non-wine products is also a disincentive to would-be claimants.

There is nothing inherently unique about wine or spirits that should entitle producers of those products to special protection other than the fact that many alcoholic products have fallen prey to generic branding over the years.<sup>189</sup> The United States and other countries opposed to such an expansion of Article 23 geographical indication protection argue that enhanced protection will lead to increased costs for consumers, producers, and governments.<sup>190</sup>

The detractors of expanding Article 23 to cover products other than wine and spirits frame the new cost to consumers as a “search and transaction cost” since consumers would be confused as they sought alternatives to the products required to be re-labeled due to an infringing geographical indication.<sup>191</sup> However, this cost is only realized if consumers are not concerned with finding authentic goods and are satisfied with the substitution.<sup>192</sup> There is evidence that many consumers are willing to pay a premium in order to find authentic and high-quality goods (an easier task in a world where geographical indications are protected) rather than exert extra effort to find lower quality substitutions.<sup>193</sup>

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188. See Lang, *supra* note 133, at 493-94.

189. See e.g., Kemp & Forsythe, *supra* note 75, at 267 (“Wine labels named after their place of origin may have become genericized . . . [Champagne] became very well known before there were other sparkling white wines on the market.”). Champagne is arguably no longer eligible for trademark or geographical protection due to its genericization. *Id.*

190. See generally Lang, *supra* note 133, at 505-10.

191. See *id.* at 507.

192. See *id.* at 508.

193. See *id.* The European Union has seen a large increase in value for geographical-indication products in addition to evidence that the consuming public is willing to pay a premium for these types of products. *Why Do Geographic Indications Matter to Us?*, *supra* note 110. For example, “French [geographical-indication] cheeses sold at an average of [two] euro[s] per kilo more than non-[geographical-indication] cheeses.” *Id.* Other examples of goods selling at a premium include geographical-indication chickens selling at four times the cost of a regular chicken, suppliers of the milk necessary for “Comte” receiving 10% more than average milk producers, and producers of “Tuscano” oil commanding a 20% premium over other olive oil producers. *Id.*

The potential costs to individual governments of an extension to Article 23 are exaggerated. First, if TRIPS signatory countries have been complying with their obligations to the treaty and the international community, each should already have a legal infrastructure in place to deal with wines and spirits under Article 23; it would not be a stretch to include other products in such a system.<sup>194</sup> Furthermore, countries are granted much discretion in deciding exactly how to protect geographical indications within their legal systems.<sup>195</sup> The United States' trademark law is flexible enough to incorporate these heightened protections without much trouble.<sup>196</sup>

Existing U.S. producers would be protected by the "existing use" exception of Article 24 of the TRIPS Agreement.<sup>197</sup> Article 24 provides an exception for trademarks already in effect at the time of the adoption of the TRIPS Agreement:

Where a trademark has been applied for or registered in good faith, or where rights to a trademark have been acquired through use in good faith either:

(a) before the date of application of these provisions in that Member as defined in Part VI; or

(b) before the geographical indication is protected in its country of origin;

measures adopted to implement this Section shall not prejudice eligibility for or the validity of the registration of a trademark, or the right to use a trademark, on the basis that such a trademark is identical with, or similar to, a geographical indication.<sup>198</sup>

The best protection for producers is the United States' trademark system. Rightful owners of a geographical indication, mostly likely in the form of a certification mark owned by an association, will be protected by the "first in time, first in right" doctrine.<sup>199</sup> On the other hand, producers who are not entitled to the geographical indication but have long used it due to its genericized meaning will also be protected.<sup>200</sup> It takes years or even generations to imbue geographical

194. See Lang, *supra* note 133, at 506-507 (noting that governments are already required to give parties legal means to defend geographical indications protected under Article 23).

195. See TRIPS Agreement, *supra* note 10, at art. 1(1) ("Members shall be free to determine the appropriate method of implementing the provisions of this Agreement within their own legal system and practice.").

196. See generally INTA Presentation, *supra* note 170.

197. See TRIPS Agreement, *supra* note 10, at art. 24(3) ("[A] Member shall not diminish the protection of geographical indications that existed in that Member immediately prior to the date of entry into force of the WTO Agreement.").

198. *Id.* at art. 24(5).

199. *Id.* art. 1.1.; see also Gangjee, *supra* note 100, at 1263-4.

200. See *id.* at art. 24(4).

indications with the distinctiveness required for protection.<sup>201</sup> A cursory search of the multilateral registry, or even the Internet, should alert a geographical-indication collective if its indication is being used by another producer or group of producers.

Finally, the United States and the rest of the WTO member countries should not acquiesce to the European Union's demands for "clawback" of geographical indications by relinquishing previously-held trademarks or providing protection for genericized geographical indications. It is time for the owners of geographical indications to take collective responsibility for their rights by notifying the rest of the world of their intention to lay claim to those rights by legally registering them as collective or certification marks throughout the world.

#### IV. CONCLUSION

The international community has expended considerable time and energy debating and formulizing agreements regarding geographical-indication protection since the Paris Convention was signed over one hundred years ago. The current debate centers on how far to extend protections of geographical indications, to what products they should extend, and the methods of enforcing exclusivity in the indications. When ratified by the members of the WTO, the TRIPS Agreement became the starting point for the newest round of debate on the issue.<sup>202</sup>

The main source of contention between the European Union and the United States is the extra protection afforded to wine and spirits under the TRIPS Agreement.<sup>203</sup> The European Union continues to push for more protection for all other products; the United States pushes back, declaring that such protections would create high costs for American producers and consumers.<sup>204</sup> Another issue between the two economic forces is the difficulty in formulating a system for the enforcement of protections for geographical indications.<sup>205</sup>

The United States is understandably concerned with protecting its domestic producers and its economy; as such, it advocates for the

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201. See *id.* at art. 22(1) (stating that geographical indications are only available if the product has a "given quality, reputation or other characteristic of the good [that] is essentially attributable to its geographical origin").

202. See generally TRIPS Agreement, *supra* note 10.

203. See *id.* at art. 23.

204. See generally Kemp & Forsythe, *supra* note 75.

205. See *supra* text accompanying notes 77-79.

continued use of the nation-by-nation trademark system. Europe, on the other hand, places more emphasis on the traditional and cultural (along with the economic) importance of geographical-indication protection.<sup>206</sup> Not surprisingly, a beneficial solution is found in compromise. The WTO, a respected and well-utilized national organization, should maintain a registration system to notify members of protected geographical indications. Protection of those indications registered within the system would be voluntary if countries had conflicting trademarks or other persuasive reasons not to honor the registration. Registration, and the protection that accompanies it, should be expanded to other products beyond wines and spirits because the product limitations of Article 23 are arbitrary since discerning customers who are concerned with origin may be willing to pay a premium for many "produits du terroir." Why should enforcement of protections exist for a glass of Champagne but not Basmati rice or Kampot pepper?<sup>207</sup>

Utilizing existing national trademark systems to continue to protect genericized terms (by *denying* them trademark and geographical indication protection) and trademarked geographical indications would keep the costs of protection down, along with limiting the costs to current producers and consumers of protected products.<sup>208</sup> In a world where consumable products are available at the click of a button, protection from fraudulent or misleading producers is desirable and necessary.<sup>209</sup> However, that protection must be weighed against the rights of those with established trademarks of certain geographical indications or producers of long-genericized products.<sup>210</sup>

When a place of origin is an essential and economically valuable characteristic of a product being marketed, it is an imperative for the producer, the consumer, and the exporting country to protect the descriptiveness of that origin. This is true not only for countries in the European Union with their "cute little towns with wine-and-cheese traditions."<sup>211</sup> Florida oranges, Vermont maple syrup, and Idaho potato growers would benefit from geographical

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206. See Black, *supra* note 5.

207. *Id.* Kampot pepper is a high quality ground pepper produced in Kampot, Cambodia. *Id.* Cambodia has recently applied to have "Kampot pepper" be designated as a protected geographical indication. *Id.*

208. See Morfesi Presentation, *supra* note 86.

209. See *supra* text accompanying notes 8-9.

210. See *supra* text accompanying notes 98-100.

211. Cf. Black, *supra* note 5 (making the argument that the United States lacks the tradition-driven artisan industries found in Europe because it moved so quickly into the Industrial Revolution).

indication protection as well. Above all, the winner would be the consumer—a person empowered to choose whether to pay a premium for a particular place of origin or live happily consuming their “California Champagne” and “American-style Kobe beef.”

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